

STRICTLY CONFIDENTIAL – DO NOT FORWARD

NOT FOR DISTRIBUTION IN THE UNITED STATES

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the offering memorandum attached to this e-mail. You are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the attached offering memorandum. In accessing the attached offering memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from Seazen Group Limited (the “Company”) as a result of such access.

Confirmation of Your Representation: You have accessed the attached offering memorandum on the basis that you have confirmed your representation to the Company and to Haitong International Securities Company Limited, CLSA Limited, CMB International Capital Limited, Central Wealth Securities Investment Limited and Seazen Resources Securities Limited (the “Initial Purchasers”) that (1) you consent to delivery of the attached offering memorandum and any amendments or supplements thereto by electronic transmission and agree to the terms set forth herein; (2) (i) you are receiving this offering memorandum outside the United States and, to the extent you purchase the securities described in the attached offering memorandum, you will be doing so pursuant to Regulation S under the Securities Act of 1933, as amended (the “Securities Act”), and (ii) the e-mail address to which the attached offering memorandum has been delivered is not located in the United States (including the states and the District of Columbia), its territories, its possessions and subject to its jurisdiction; and (3) you acknowledge that you will make your own assessment regarding any legal, taxation or other economic conditions with respect to your decision to subscribe for or purchase any securities.

The attached offering memorandum has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of the Company, the Initial Purchasers or any person who controls any of them or any of their respective directors, employees, representatives or affiliates accepts any liability or responsibility whatsoever in respect of any discrepancies between the document distributed to you in electronic format and the hard copy version. The Company will provide a hard copy version to you upon request.

Restrictions: The attached offering memorandum is being furnished in connection with an offering exempt from registration under the Securities Act solely for the purpose of enabling prospective investors an opportunity to consider the purchase of the securities described therein. You are reminded that the information in the attached document is not complete and may be changed. Any investment decision should be made on the basis of a complete final offering memorandum.

Nothing in this electronic transmission constitutes an offer of securities for sale in any jurisdiction where it is unlawful to do so. Under no circumstances shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

THE NOTES, THE SUBSIDIARY GUARANTEES AND THE JV SUBSIDIARY GUARANTEES (IF ANY) (EACH AS DEFINED IN THE ATTACHED OFFERING MEMORANDUM) HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION, AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY APPLICABLE STATE OR LOCAL SECURITIES LAWS.

This offering Memorandum has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area (“EEA”) will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of Notes. The expression “Prospectus Regulation” means Regulation (EU) 2017/1129 (as amended or superseded).

PRIIPs Regulation/Prohibition of sales to EEA and United Kingdom retail investors – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA or the United Kingdom (the “UK”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”); or (ii) a customer within the meaning of Directive 2016/97/EU, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or the UK may be unlawful under the PRIIPs Regulation.

This document is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “Financial Promotion Order”), (ii) are persons falling within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations etc.”) of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “relevant persons”). This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

Section 309B Notification – In connection with Section 309B of the Securities and Futures Act, Chapter 289 of Singapore, as modified or amended from time to time (the “SFA”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), the Issuer has determined the classification of the Notes as prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of the Company or the Initial Purchasers to subscribe for or purchase any of the securities described therein. If a jurisdiction requires that the offering be made by a licensed broker or dealer and any Initial Purchaser or any affiliate of the Initial Purchasers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Initial Purchasers or such affiliate on behalf of the Company in such jurisdiction.

You are reminded that you have accessed the attached offering memorandum on the basis that you are a person into whose possession it may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located. If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.

Actions That You May Not Take: You should not reply by e-mail to this announcement, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the “Reply” function on your e-mail software, will be ignored or rejected.

YOU ARE NOT AUTHORIZED AND YOU MAY NOT FORWARD OR DELIVER THE ATTACHED OFFERING MEMORANDUM, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR REPRODUCE SUCH OFFERING MEMORANDUM IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE ATTACHED OFFERING MEMORANDUM, IN WHOLE OR IN PART, IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

Seazen Group Limited
新城發展控股有限公司

(incorporated in the Cayman Islands with limited liability)

US\$250,000,000 6% Senior Notes due 2024

Issue Price: 100%

Our US\$250,000,000 6% senior notes due 2024 (the “Notes”) will bear interest from August 12, 2020 at 6% per annum payable semi-annually in arrears on February 12 and August 12 of each year, beginning February 12, 2021. The Notes will mature on August 12, 2024 if not redeemed earlier.

The Notes are general obligations of Seazen Group Limited (the “Company”), guaranteed by certain of our existing subsidiaries (the “Subsidiary Guarantors”), other than (1) those subsidiaries organized under the laws of the People’s Republic of China (the “PRC”) and (2) certain other subsidiaries specified in the section headed “Description of the Notes” (together, the “Non-Guarantor Subsidiaries”). We refer to the guarantees by the Subsidiary Guarantors as Subsidiary Guarantees. Under certain circumstances and subject to certain conditions, a Subsidiary Guarantee required to be provided by a subsidiary of the Company may be replaced by a limited-recourse guarantee, or JV Subsidiary Guarantee. We refer to the subsidiaries providing a JV Subsidiary Guarantee as JV Subsidiary Guarantors.

At any time prior to August 12, 2024, we may at our option redeem the Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of such Notes plus the Applicable Premium (as defined herein) as of, plus accrued and unpaid interest, if any, to (but not including) the redemption date. At any time prior to August 12, 2024, we may at our option redeem up to 35% of the Notes, at a redemption price of 106% of the principal amount of the Notes plus accrued and unpaid interest, if any, to (but not including) the redemption date in each case, using the net cash proceeds from sales of certain kinds of capital stock of the Company. Upon the occurrence of a Change of Control Triggering Event (as defined herein), we must make an offer to repurchase all Notes outstanding at a purchase price equal to 101% of their principal amount, plus accrued and unpaid interest, if any, to (but not including) the date of repurchase.

The Notes will be (1) general obligation of the Company, (2) senior in right of payment to any existing and future obligations of the Company expressly subordinated in right of payment to the Notes, (3) at least *pari passu* in right of payment against the Company with all other unsecured, unsubordinated Indebtedness of the Company (subject to any priority rights of such unsubordinated Indebtedness pursuant to applicable law), (4) guaranteed by the Subsidiary Guarantors on a senior basis, subject to certain limitations described under the caption “Risk Factors – Risks Relating to the Guarantees and the Collateral” and “Description of the Notes – The Subsidiary Guarantees”, (5) effectively subordinated to the other secured obligations (if any) of the Company, the Subsidiary Guarantors and the JV Subsidiary Guarantors, to the extent of the value of the assets serving as security therefor, and (6) effectively subordinated to all existing and future obligations of the Non-Guarantor Subsidiaries. The Notes and the Subsidiary Guarantees will be secured by the capital stock of the Subsidiary Guarantors and the JV Subsidiary Guarantors (if any). In addition, applicable law may limit the enforceability of the Subsidiary Guarantees and the JV Subsidiary Guarantees (if any) and the pledge of any collateral. See the section headed “Risk Factors – Risks Relating to the Guarantees and the Collateral.”

For a more detailed description of the Notes, see the section headed “Description of the Notes” beginning on page 217.

Investing in the Notes involves risks. See the section headed “Risk Factors” beginning on page 17.

Approval in-principle has been received for the listing and quotation of the Notes on the Singapore Exchange Securities Trading Limited (the “SGX-ST”). The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in this offering memorandum. Approval in-principle for the listing and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Company, the Notes, the Subsidiary Guarantees or the JV Subsidiary Guarantees (if any).

With reference to the Notice on Promoting the Reform of the Filing and Registration System for Issuance of Foreign Debt by Enterprises (國家發展改革委關於推進企業發行外債備案登記制管理改革的通知) (the “NDRC Notice”) promulgated by National Development and Reform Commission (the “NDRC”) of the PRC on September 14, 2015 which came into effect on the same day, we have registered the issuance of the Notes with the NDRC and obtained a certificate from the NDRC evidencing such registration. Pursuant to the registration certificate, we will cause relevant information relating to the issue of the Notes to be reported to the NDRC within 10 PRC working days after the issue date of the Notes.

The Notes, the Subsidiary Guarantees and the JV Subsidiary Guarantees (if any) have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”) or under any securities law of any state or other jurisdiction of the United States, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities law. Accordingly, the Notes are being offered and sold by the Initial Purchasers only outside the United States in compliance with Regulation S under the Securities Act (“Regulation S”). For a description of certain restrictions on resale or transfer, see the section headed “Transfer Restrictions” beginning on page 296.

The Notes are expected to be rated BB by Fitch Ratings Ltd. (“Fitch”). A security rating is not a recommendation to buy, sell, or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

It is expected that delivery of the Notes will be made on or about August 12, 2020 through the book-entry facilities of Euroclear Bank SA/NV (“Euroclear”) and Clearstream Banking S.A. (“Clearstream”) against payment therefor in immediately available funds.

Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers

Haitong International

CLSA

Joint Bookrunners and Joint Lead Managers

CMB International

Central Wealth Securities Investment Limited

Seazen Resources Securities Limited

The date of this offering memorandum is August 5, 2020.

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This offering memorandum does not constitute an offer to sell to, or a solicitation of an offer to buy from, any person in any jurisdiction to whom it is unlawful to make the offer or solicitation in such jurisdiction. Neither the delivery of this offering memorandum nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in our affairs since the date of this offering memorandum or that the information contained in this offering memorandum is correct as of any time after that date.

We, having made all reasonable inquiries, confirm that: (i) this offering memorandum contains all information with respect to us, our subsidiaries and affiliates referred to in this offering memorandum and the Notes, the Subsidiary Guarantees and the JV Subsidiary Guarantees (if any) that is material in the context of the issue and offering of the Notes; (ii) the statements contained in this offering memorandum relating to us and our subsidiaries and our affiliates are in every material respect true and accurate and not misleading; (iii) the opinions and intentions expressed in this offering memorandum with regard to us and our subsidiaries and affiliates are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions; (iv) there are no other facts in relation to us, our subsidiaries and affiliates, the Notes, the Subsidiary Guarantees and the JV Subsidiary Guarantees (if any), the omission of which would, in the context of the issue and offering of the Notes, make this offering memorandum, as a whole, misleading in any material respect; and (v) we have made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. We accept responsibility accordingly.

This offering memorandum is highly confidential. We are providing it solely for the purpose of enabling you to consider a purchase of the Notes. You should read this offering memorandum before making a decision whether to purchase the Notes. You must not use this offering memorandum for any other purpose or disclose any information in this offering memorandum to any other person.

We have prepared this offering memorandum, and we are solely responsible for its contents. You are responsible for making your own examination of us and your own assessment of the merits and risks of investing in the Notes. By purchasing the Notes, you will be deemed to have acknowledged that you have made certain acknowledgements, representations and agreements as set forth under the section headed “Transfer Restrictions” below.

No representation or warranty, express or implied, is made by the Initial Purchasers, the Trustee, the Registrar, the Paying Agent, the Transfer Agent, the Collateral Agent, or any of their respective affiliates or advisers as to the accuracy or completeness of the information set forth herein, and nothing contained in this offering memorandum is, or should be relied upon as, a promise or representation, whether as to the past or the future. The Initial Purchasers, the Trustee, the Registrar, the Collateral Agent, the Transfer Agent and the Paying Agent have not independently verified any of such information and assume no responsibility for its accuracy or completeness.

Prospective investors in the Notes should rely only on the information contained in the final offering memorandum. Each person receiving this offering memorandum acknowledges that: (i) such person has been afforded an opportunity to request from us and to review, and has received, all additional information considered by it to be necessary to verify the accuracy of, or to supplement, the information contained herein; (ii) such person has not relied on the Initial Purchasers, the Trustee, the Registrar, the Paying Agent, the Transfer Agent, the Collateral Agent, or any person affiliated with them in connection with any investigation of the accuracy of such information or its investment decision; and (iii) no person has been authorized to give any information or to make any representation concerning us, our subsidiaries and affiliates, the Notes, the Subsidiary Guarantees or the JV Subsidiary Guarantees not contained in this offering memorandum and, if given or made, any such other information or representation should not be relied upon as having been authorized by us or the Initial Purchasers.

We are not, and the Initial Purchasers are not, making an offer to sell the Notes, including the Subsidiary Guarantees and the JV Subsidiary Guarantees (if any), in any jurisdiction except where an offer or sale is permitted. The distribution of this offering memorandum and the offering of the Notes, including the Subsidiary Guarantees, may in certain jurisdictions be restricted by law. Persons into whose possession this offering memorandum comes are required by us and the Initial Purchasers to inform themselves about and to observe any such restrictions. For a description of the restrictions on offers, sales and resales of the Notes, including the Subsidiary Guarantees and the JV Subsidiary Guarantees (if any), and distribution of this offering memorandum, see the sections headed “Transfer Restrictions” and “Plan of Distribution” below.

The Notes, the Subsidiary Guarantees and the JV Subsidiary Guarantees (if any) have not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission in the United States or any other United States regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering or the accuracy or adequacy of this offering memorandum. Any representation to the contrary is a criminal offense in the United States.

This offering Memorandum has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area (“EEA”) or in the United Kingdom (“UK”) will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of Notes. The expression “Prospectus Regulation” means Regulation (EU) 2017/1129 (as amended or superseded).

PRIIPs Regulation/Prospectus Directive/Prohibition of sales to EEA or UK retail investors – The securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA or in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article

4(11) of Directive 2014/65/EU (as amended, “MiFID II”); or (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the securities or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

This document is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “Financial Promotion Order”), (ii) are persons falling within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations etc.”) of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “relevant persons”). This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

Section 309B Notification – In connection with Section 309B of the Securities and Futures Act, Chapter 289 of Singapore, as modified or amended from time to time (the “SFA”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), the Company has determined the classification of the Notes as prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

The Issuer has certain duties under the Data Protection Law, 2017 of the Cayman Islands (the “DPL”) based on internationally accepted principles of data privacy. Prospective investors should note that, by virtue of making investments in the Notes and the associated interactions with the Issuer and its affiliates and/or delegates, or by virtue of providing the Issuer with personal information on individuals connected with the investor (for example directors, trustees, employees, representatives, shareholders, investors, clients, beneficial owners or agents) such individuals will be providing the Issuer and its affiliates and/or delegates with certain personal information which constitutes personal data within the meaning of the DPL. By investing in the Notes, the Noteholders shall be deemed to acknowledge that they have read in detail and understood the Privacy Notice set out below and that such Privacy Notice provides an outline of their data protection rights and obligations as they relate to the investment in the Notes.

By virtue of making an investment in the Issuer and a Noteholder’s associated interactions with the Issuer (including any subscription (whether past, present or future), including the recording of electronic communications or phone calls where applicable) or by virtue of a Noteholder otherwise providing the Issuer with personal information on individuals connected with the Noteholder as an investor (for example directors, trustees, employees, representatives, shareholders, investors, clients, beneficial owners or agents), the Noteholder will provide the Issuer with certain personal information which constitutes personal data within the meaning of the DPL (“**Investor Data**”). The Issuer may also obtain Investor Data from other public sources.

The Issuer, as the data controller, may collect, store and use Investor Data for lawful purposes, including, in particular:

- (i) where this is necessary for the performance of the Issuer’s rights and obligations under any subscription agreements or purchase agreements;

- (ii) where this is necessary for compliance with a legal and regulatory obligation to which the Issuer is subject (such as compliance with anti-money laundering and FATCA/CRS requirements); and/or
- (iii) where this is necessary for the purposes of the Issuer's legitimate interests and such interests are not overridden by the Noteholder's interests, fundamental rights or freedoms.

Should the Issuer wish to use Investor Data for other specific purposes (including, if applicable, any purpose that requires a Noteholder's consent), the Issuer will contact the applicable Noteholders.

In certain circumstances the Issuer and/or its authorised affiliates or delegates may be legally obliged to share Investor Data and other information with respect to a Noteholder's interest in the Issuer with the relevant regulatory authorities such as the Cayman Islands Monetary Authority or the Tax Information Authority. They, in turn, may exchange this information with foreign authorities, including tax authorities. The Issuer anticipates disclosing Investor Data to others who provide services to the Issuer and their respective affiliates (which may include certain entities located outside the Cayman Islands or the European Economic Area), who will process a Noteholder's personal data on the Issuer's behalf.

The Issuer shall notify a Noteholder of any Investor Data breach that is reasonably likely to result in a risk to the interests, fundamental rights or freedoms of either such Noteholder or those data subjects to whom the relevant Investor Data relates.

This offering memorandum summarizes certain material documents and other information, and we refer you to them for a more complete understanding of what we discuss in this offering memorandum. In making an investment decision, you must rely on your own examination of us and the terms of the offering, including the merits and risks involved. We are not making any representation to you regarding the legality of an investment in the Notes by you under any legal, investment, taxation, or similar laws or regulations. You should not consider any information in this offering memorandum to be legal, business or tax advice. You should consult your own professional advisers for legal, business, tax and other advice regarding an investment in the Notes.

We and the Initial Purchasers reserve the right to reject any offer to purchase any Notes, in whole or in part, for any reason, or to sell less than the aggregate principal amount of the Notes offered by this offering memorandum.

In connection with the issue of the Notes, Haitong International Securities Company Limited, as stabilizing manager (the "Stabilizing Manager") may, subject to applicable laws and regulations, purchase and sell the Notes, over-allot the Notes or effect transactions in the open market with a view to supporting the market price of the Notes during the stabilization period at a level higher than that which might otherwise prevail for a limited period after the time of delivery. However, there is no obligation on the Stabilizing Manager to do so and stabilization action may not necessarily occur. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may cease at any time, but it must end no later than 30 days after the date on which the Issuer received the proceeds of the issue, or no later than 60 days after the date of allotment of the Notes, whichever is the earlier. Any stabilization action or over-allotment must be conducted by the relevant stabilizing manager (or its affiliates) in accordance with all applicable laws and rules and will be undertaken at the offices of the Stabilizing Manager. These activities will be undertaken solely for the account of the Stabilizing Manager and not for us or on our behalf.

FORWARD-LOOKING STATEMENTS

This offering memorandum contains forward-looking statements that are, by their nature, subject to significant risks and uncertainties. These forward-looking statements include statements relating to:

- our capital expenditure and property development plans;
- our business and operating strategies and our ability to implement such strategies;
- our ability to further develop and manage our projects as planned;
- our capital commitment plans, particularly plans relating to acquisition of land for our property development and the development of our projects;
- our operations and business prospects, including development plans and business opportunities that we may pursue;
- the regulatory environment as well as the general industry outlook for our industry;
- the performance and future developments of the property market in China;
- exchange rate fluctuations and restrictions;
- the general economic trend of the PRC and, in particular, Shanghai;
- the interpretation and implementation of rules and regulations relating to land appreciation tax;
- availability and costs of bank loans and other forms of financing;
- our dividend policy;
- changes in political, economic, legal and social conditions in China, including the policies of the PRC government affecting the regions where we operate that affect land supply, availability and cost of financing and pre-sales, pricing and volume of our property development projects;
- our ability to obtain various permits, proper legal titles or approvals for our projects under development or held for future development; and
- changes in competitive conditions and our ability to compete under these conditions.

In some cases, you can identify forward-looking statements by such terminology as “may,” “will,” “should,” “could,” “would,” “expect,” “intend,” “plan,” “anticipate,” “going forward,” “ought to,” “seek,” “project,” “forecast,” “believe,” “estimate,” “predict,” “potential,” or “continue” or the negative of these terms or other comparable terminology. Such statements reflect the current views of our management with respect to future events, operations, results, liquidity and capital resources and are not guarantee of future performance and some of which may not materialize or may change. Although we believe that the expectations reflected in these forward-looking statements are reasonable, we cannot assure you that those expectations will prove to be correct, and you are cautioned not to place undue reliance on such statements. In addition, unanticipated events may adversely affect the actual results we achieve. Important factors that could cause actual results to differ materially from our expectations are disclosed under the section headed “Risk Factors” in this offering memorandum. Except as required by law, we undertake no obligation to update or otherwise revise any forward-looking statements contained in this offering memorandum, whether as a result of new information, future events or otherwise after the date of this offering memorandum.

All forward-looking statements contained in this offering memorandum are qualified by reference to the cautionary statements set forth in this section.

ENFORCEMENT OF CIVIL LIABILITIES

We are an exempted company incorporated in the Cayman Islands with limited liability, and each Subsidiary Guarantor and JV Subsidiary Guarantor (if any) is also incorporated or may be incorporated, as the case may be, outside the United States, such as Hong Kong. The Cayman Islands, Hong Kong and other jurisdictions have different bodies of securities laws from the United States and protections for investors may differ.

Substantially all of our assets and all of the assets of the Subsidiary Guarantors are located outside the United States. In addition, all of our directors and officers and the Subsidiary Guarantors' directors and officers are nationals or residents of countries other than the United States (principally of the PRC), and all or a substantial portion of such persons' assets are located outside the United States. As a result, it may be difficult for investors to effect service of process within the United States upon us, any of the Subsidiary Guarantors or such directors and officers or to enforce against us or any of the Subsidiary Guarantors or such directors and officers judgments obtained in United States courts, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any state thereof.

We and each of the Subsidiary Guarantors expect to appoint Cogency Global Inc. as our and their respective agent to receive service of process with respect to any action brought against us or any Subsidiary Guarantor in the United States federal courts located in the Borough of Manhattan, The City of New York under the federal securities laws of the United States or of any state of the United States or any action brought against us or any Subsidiary Guarantor in the courts of the State of New York in the Borough of Manhattan, The City of New York under the securities laws of the State of New York.

We have been advised by our Cayman Islands legal adviser, Maples and Calder (Hong Kong) LLP, that the courts of the Cayman Islands are unlikely (i) to recognize or enforce against us judgments of courts of the United States predicated upon the civil liability provisions of the securities laws of the United States or any state and (ii) in original actions brought in the Cayman Islands, to impose liabilities against us or our directors or officers predicated upon the civil liability provisions of the securities laws of the United States or any state, on the grounds that such provisions are penal in nature. However, in the case of laws that are not penal in nature, although there is no statutory enforcement in the Cayman Islands of judgments obtained in the United States, the courts of the Cayman Islands will recognize and enforce a foreign money judgment of a foreign court of competent jurisdiction without retrial on the merits, by an action commenced on the foreign judgment debt in the Grand Court of the Cayman Islands, based on the principle that a judgment of a competent foreign court imposes upon the judgment debtor a liability to pay the sum for which judgment has been given provided that such judgment is final and conclusive, for a liquidated sum, not in respect of taxes or a fine or penalty, is not inconsistent with a Cayman Islands' judgment in respect of the same matter, impeachable on the grounds of fraud, and was not obtained in a manner, and is not a kind the enforcement of which is, contrary to the natural justice or public policy of the Cayman Islands (awards of punitive or multiple damages may well be held to be contrary to public policy). A Cayman Islands court may stay enforcement proceedings if concurrent proceedings are being brought elsewhere.

We have been advised by our Hong Kong legal adviser, Jingtian & Gongcheng LLP, that Hong Kong has no arrangement for the reciprocal enforcement of judgments with the United States. However, under Hong Kong common law, a foreign judgment (including one from a court in the United States predicate upon U.S. federal or state securities laws) may be enforced in Hong Kong by bringing an action in a Hong Kong court, and then seeking summary or default judgment on the strength of the foreign judgment, provided that the foreign court is a court of competent jurisdiction, the foreign judgment is for a debt or definite sum of money and is final and conclusive on the merits.

We have also been advised by our PRC legal adviser, Shu Jin Law Firm, that there is uncertainty as to whether the courts of China would (i) enforce judgments of U.S. courts obtained against us, our directors or officers, any Subsidiary Guarantor or JV Subsidiary Guarantor or their directors or officers predicated upon the civil liability provisions of the U.S. federal or state securities laws or (ii) entertain original actions brought in China against us, our directors or officers, any Subsidiary Guarantor or JV Subsidiary Guarantor or their directors or officers predicated upon the U.S. federal or state securities laws.

CERTAIN DEFINITIONS, CONVENTIONS AND CURRENCY PRESENTATION

We have prepared this offering memorandum using a number of conventions that you should consider when reading the information contained herein. All references to “we,” “us,” “our,” “our Company” and “Group” refer to Seazen Group Limited and, as the context requires, its subsidiaries; all references to “our IPO” mean our initial public offering of our ordinary shares listed on the Hong Kong Stock Exchange in November 2012; all references to “US\$” and “U.S. dollars” are to United States dollars; all references to “RMB”, “CNY” or “Renminbi” are to Renminbi, the official currency of the People’s Republic of China; all references to “PRC” and “China” are to the People’s Republic of China, excluding the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan; and all references to “PRC government” or “State” means the central government of the PRC, including all political subdivisions (including provincial, municipal and other regional or local governments) and instrumentalities thereof, or, where the context requires, any of them.

We record and publish our financial statements in Renminbi. Solely for your convenience, this offering memorandum contains translations of Renminbi amounts into U.S. dollars at specified rates. Unless otherwise stated in this offering memorandum, all translations from Renminbi amounts to U.S. dollars were made at the rate of RMB6.9618 to US\$1.00 (the noon buying rate in New York City for cable transfers as certified for customs purposes by the Federal Reserve Bank of New York on December 31, 2019, as set forth in the H.10 weekly statistical release of the Federal Reserve Board). All such translations in this offering memorandum are provided solely for your convenience, and we make no representation that the Renminbi amounts referred to herein have been, could have been or could be converted into U.S. dollars, or vice versa, at any particular rate or at all. For further information relating to the exchange rates, see the section headed “Exchange Rate Information.”

Our financial information is prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) which differ in certain respects from generally accepted accounting principles in certain other countries. We have made no attempt to quantify the impact of those differences. In making an investment decision, investors must rely upon their own examination of us, the terms of the offering and the financial information. Potential investors should consult their own professional advisers for an understanding of the differences between HKFRSs and generally accepted accounting principles in other jurisdictions and how those differences might affect the financial information herein.

Market data, industry forecasts and PRC and property industry statistics in this offering memorandum have been derived from various government and private publications. Although we believe this information to be reliable, it has not been independently verified by us or the Initial Purchasers or their respective directors and advisers. None of us, the Initial Purchasers, or our or its respective directors and advisers makes any representation as to the accuracy or completeness of that information. In addition, third-party information providers may have obtained information from market participants and such information may not have been independently verified. Due to possibly inconsistent collection methods and other problems, such statistics herein may be inaccurate and should not be unduly relied upon.

A property is considered sold after we have executed the purchase contract with a customer and have delivered the property to the customer. All site area and gross floor area, or GFA, information presented in this offering memorandum represent the site area and GFA of the entire project, including those attributable to the non-controlling interests of our non-wholly owned project companies and those attributable to the other investors of our joint ventures and associates’ project companies.

Totals presented in this offering memorandum may not total correctly because of rounding of numbers. The English names of the PRC entities or organizations in this offering memorandum marked “*” are translations from their Chinese names and are for identification purposes only. If there is any inconsistency, the Chinese name shall prevail.

Additional terms used in this offering memorandum are defined below.

“2022 Middle Term Notes”	the RMB1.5 billion 5.4% term notes with a term of five years issued in March 2017 as the first tranche, the RMB1.5 billion 5.25% term notes with a term of five years issued in April 2017 as the second tranche and the RMB1.5 billion 6.0% term notes with a term of five years issued in July 2017 as the third tranche
“April 2021 Guaranteed Senior Notes”	the aggregate principal amount of US\$500,000,000 6.50% Guaranteed Senior Notes due 2021 of NEW METRO GLOBAL LIMITED and guaranteed by Seazen Holdings issued on April 23, 2018 and June 1, 2018
“April 2023 Notes”	the US\$200,000,000 6.15% Senior Notes due 2023 of the Company issued on April 15, 2019
“August 2021 Corporate Bonds”	the RMB2,000,000,000 4.48% corporate bonds due 2021 of Seazen Holdings issued on August 16, 2016
“August 2021 Private Placement Notes”	the RMB600 million 7.97% private placement notes with a term of three years issued by the Seazen Holdings in August 2018
“August 2022 Guaranteed Senior Notes”	the US\$200,000,000 5.0% Guaranteed Senior Notes due 2022 of NEW METRO GLOBAL LIMITED and guaranteed by Seazen Holdings issued on August 8, 2017
“August 2023 Guaranteed Senior Notes”	the US\$350,000,000 6.8% Senior Notes due 2023 of NEW METRO GLOBAL LIMITED and guaranteed by the Company issued on February 5, 2020
“average selling price” or “ASP”	average selling price on a gross basis, unless otherwise stated
“CAGR”	compound annual growth rate
“commodity properties”	residential properties, commercial properties and other buildings that are developed by property developers for the purposes of sale or lease after their completion
“completion certificate”	construction work completion inspection certificate issued by local urban construction bureaus or equivalent authorities in China with respect to the completion of property projects subsequent to their on-site examination and inspection (竣工備案表)
“December 2020 Private Placement Notes”	the RMB700 million 7.00% private placement notes with a term of two years issued by the Seazen Holdings in December 2018
“December 2021 Guaranteed Senior Notes”	the US\$350,000,000 7.5% Senior Notes due 2021 of NEW METRO GLOBAL LIMITED and guaranteed by Seazen Holdings issued on December 16, 2019
“February 2019 Convertible Bonds”	the HK\$2,346,000,000 2.25% Convertible Bonds due 2019 of the Company issued on February 12, 2018, which have been fully redeemed

“February 2019 Guaranteed Senior Notes”	the US\$300,000,000 4.75% Guaranteed Senior Notes due 2019 of NEW METRO GLOBAL LIMITED and guaranteed by Seazen Holdings issued on February 12, 2018, which have been fully redeemed
“February 2020 Notes”	the US\$350,000,000 5.0% Senior Notes due 2020 of the Company issued on February 16, 2017
“GFA”	gross floor area
“January 2020 Guaranteed Senior Notes”	the US\$300,000,000 6.75% Senior Notes due 2020 of NEW METRO GLOBAL LIMITED and guaranteed by Seazen Holdings issued on January 28, 2019
“January 2021 Asset Backed Notes”	the RMB1,558 million asset backed notes due 2021 issued by Seazen Holdings on January 23, 2019
“January 2021 Notes”	the US\$300,000,000 7.5% Senior Notes due 2021 of the Company issued on January 22, 2019
“January 2022 Medium Term Notes”	the maximum principal amount of RMB1 billion 6.00% medium term notes due 2022 issued by Seazen Holdings on January 7, 2019
“Jiangsu Future Land”	Jiangsu Future Land Co., Ltd. (江蘇新城地產股份有限公司), our subsidiary established on October 10, 1997 with B shares listed on the Shanghai Stock Exchange (Stock Code: 900950), which was absorbed and merged by Seazen Holdings by way of share swap and was delisted and deregistered as a legal person on April 13, 2016
“July 2019 Corporate Bonds”	The RMB2,000,000,000 8.9% Corporate Bonds due 2019 of Seazen Holdings issued on July 24, 2014
“July 2019 Notes”	the US\$350,000,000 10.25% Senior Notes due 2019 of the Company issued on July 21, 2014
“June 2022 Guaranteed Senior Notes”	the US\$200,000,000 7.50% Guaranteed Senior Notes due 2022 of NEW METRO GLOBAL LIMITED and guaranteed by Seazen Holdings issued on June 20, 2018
“June 2022 Notes”	the US\$400,000,000 6.45% Senior Notes due 2022 of the Company issued on June 11, 2020
“land grant contract”	an agreement we and the relevant local government authority enter into after the public tender, auction or listing-for-sale (as applicable), which provides for, among other things, the amount of land grant premium that we should pay for acquiring the land use rights of the relevant land parcel. After we have paid the land grant premium and satisfied any other conditions as set forth in the land grant or land use rights contract, we will obtain a land use rights certificate for the relevant land parcel (國有土地使用權出讓合同)

“land use rights certificate”	a certificate (or certificates as the case may be) of the rights of a party to use a parcel of land (土地使用權證)
“LAT”	land appreciation tax (土地增值稅) as defined in the PRC Provisional Regulations on Land Appreciation Tax of 1994 and its implementation rules
“March 2019 Corporate Bonds I” . .	the RMB1,850,000,000 5.44% Corporate Bonds due 2019 of Seazen Holdings issued on March 30, 2016
“March 2019 Corporate Bonds II” . .	the RMB1,150,000,000 4.76% Corporate Bonds due 2019 of Seazen Holdings issued on March 30, 2016
“March 2023 Corporate Bonds” . . .	the RMB600,000,000 5.10% corporate bonds due 2023 of Seazen Holdings issued on March 9, 2020
“March 2023 Private Placement Notes”	the RMB800 million 7.00% private placement notes with a term of five years issued by Seazen Holdings in March 2018
“March 2023 Public Corporate Bonds”	the RMB1.1 billion 5.05% public corporate bonds due 2023 issued by Seazen Holdings on March 20, 2019
“March 2024 Public Corporate Bonds”	the RMB1 billion 5.05% public corporate bonds due 2024 issued by Seazen Holdings on March 20, 2019
“May 2021 Guaranteed Senior Notes”	the US\$300,000,000 6.50% Guaranteed Senior Notes due 2021 of NEW METRO GLOBAL LIMITED and guaranteed by Seazen Holdings issued on May 23, 2018
“May 2022 Guaranteed Senior Notes”	the US\$300,000,000 6.5% Senior Notes due 2022 of NEW METRO GLOBAL LIMITED and guaranteed by Seazen Holdings issued on May 20, 2019
“May 2022 Private Placement Notes”	the RMB2 billion 6.3% private placement notes with a term of five years Seazen Holdings issued in May 2017
“May 2023 Private Placement Notes”	the RMB1 billion 6.90% private placement notes with a term of five years issued by Seazen Holdings in May 2018
“November 2020 Corporate Bonds”	the RMB3,000,000,000 4.5% Corporate Bonds due 2020 of Seazen Holdings issued on November 4, 2015
“November 2021 Private Placement Notes”	the RMB1.2 billion 7.50% private placement notes with a term of three years issued by the Seazen Holdings in November 2018
“October 2021 Corporate Bonds” . . .	the RMB2,500,000,000 4.41% corporate bonds due 2021 of Seazen Holdings issued on October 18, 2016
“October 2035 Asset Backed Notes” .	the RMB1.5 billion 5.38% asset backed notes as the first tranche, the RMB599 million 6.2% asset backed notes as the second tranche and the RMB1 million as the subordinated tranche

“rentable GFA”	in relation to (i) completed property projects, the total GFA shown in the relevant completion documents, survey documents and/or property ownership certificates for leasing purposes; and (ii) projects where we have obtained pre-sale permits, the leasable GFA as shown in the pre-sale permits, completion documents, survey documents and/or property ownership certificates for leasing purposes
“salable GFA”	in relation to (i) completed property projects, the total GFA shown in the relevant completion documents, survey documents and/or property ownership certificates for sale purposes; and (ii) projects where we have obtained pre-sale permits, the salable GFA as shown in the pre-sale permits, completion documents, survey documents and/or property ownership certificates for sales purposes
“Seazen Holdings”	Seazen Holdings Co., Ltd. (formerly known as Future Land Holdings Co., Ltd.) (新城控股集團股份有限公司), our subsidiary established on October 10, 1997 with A shares listed on the Shanghai Stock Exchange (Stock Code: 601155); Future Land Holdings Co., Ltd. was renamed as Seazen Holdings Co., Ltd. in July 2018
“September 2020 Notes”	the US\$300,000,000 6.5% Senior Notes due 2020 of the Company issued on September 12, 2018
“September 2023 Corporate Bonds” .	the RMB500,000,000 4.8% Corporate Bonds due 2023 of Seazen Holdings issued on September 13, 2016
“total gross floor area” or “total GFA”	the above-ground and underground salable and/or leasable area contained within the external walls of any building at each floor level and the whole thickness of the external walls of the relevant project together with other non-leasable and non-salable area. In general this includes mechanical and electrical services rooms, refuse rooms, water tanks, car parks, lifts and staircases; all site area and GFA information presented in this offering memorandum represent the site area and GFA of the entire project, including those attributable to the non-controlling interests of non-wholly owned project companies included in our consolidated financial statements

SUMMARY

This summary does not contain all the information that may be important to you in deciding to invest in the Notes. You should read the entire offering memorandum, including the section headed “Risk Factors” and our consolidated financial statements and related notes thereto, before making an investment decision. To understand the terms of the Notes, you should carefully read the section headed “Description of the Notes.”

Overview

We are a leading property developer in the Yangtze River Delta, focusing primarily on the development of quality residential properties and mixed-use complex projects. We were ranked among the top 20 real estate developers in the PRC by China Real Estate Industry Federation (中國房地產業協會) and China Real Estate Evaluation Center (中國房地產測評中心) in 2019. We were ranked first in terms of overall strength among property developers in Jiangsu Province for 15 consecutive years from 2005 according to the annual rankings published by the Jiangsu Real Estate Association (江蘇省房地產協會).

As of December 31, 2019, we had 437 real estate projects which were under development and/or held for future development in 105 major cities in the PRC. These projects included approximate 85.0 million sq.m. under development and approximately 24.6 million sq.m. held for future development. As of December 31, 2019, we had land reserves with a total estimated GFA of 123.6 million sq.m., of which 63.1 million sq.m. are attributed to our Group’s interests.

Our Property Development Operations

Property development operations comprise, among other things, land acquisition, product development and construction, property sales and pre-sales and property management. For product development and construction, we engage third-party contractors to provide a wide range of services which include, without limitation, architectural and interior design, construction, electromechanical engineering and landscaping. To shorten the period between site acquisition, pre-sale and completion of our properties, we have adopted a “rapid asset turnover” business model for our property development operations. As a result, we have been able to rapidly replicate our projects, shorten development cycles, maximize investment returns, improve cash flows and mitigate liquidity risks.

Our Diversified Product Offerings

We develop and sell a variety of residential property types, through four residential property series, namely, our “FirstHomes” series, “SweetHomes” series, “DreamHomes” series and “PrestigeHomes” series, to target different customers groups, including first time buyers, young families, mid-to-high income households and high net worth individuals. We also develop large-scale, mixed-use complex projects that typically consist of a combination of shopping malls, offices, hotels, serviced apartments, residential properties and other ancillary facilities. We offer three mixed-use complex project series, namely our “International Plaza” series, “City Plaza” series and “Lifestyle Mall” series, to meet the needs and preferences of customers in different locations, including central business districts and emerging business districts.

Recent Developments

Land Acquisitions and Land Premium Payment after December 31, 2019

The following table sets forth a summary of our land acquisition after December 31, 2019 and as of the date of this offering memorandum.

Land Parcel	City	Land Use	Site Area (sq.m.)	Land Premium (RMB thousand)
Land Parcel No. Yu Zheng Chu Chu [2020] 19	Hangzhou 杭州	Residential	57,135.00	1,828,368,000
Land Parcel No. Su Di 2020-WG-4	Suzhou 蘇州	Residential	52,279.00	479,176,200
Land Parcel No. Xi Guo Tu (Jing) 2020-36.	Wuxi 無錫	Commercial and residential	75,699.00	2,037,800,000
Land Parcel No. [2020] Changsha County 021	Changsha 長沙	Commercial and residential	66,453.00	498,400,000
Land Parcel No. 2020TDGP04R0014	Jinan 濟南	Township residential	12,448.00	504,144,000
Land Parcel of D-10 and D-14.	Wenzhou 溫州	Township residential, retail commercial, transportation service terminal and village road	81,513.00	2,864,000,000
Land Parcel No. GC2020-044	Nanning 南寧	Township residential and retail commercial	35,308.00	516,379,500
Land Parcel No. G(20)020	Guiyang 貴陽	Township residential	94,971.00	570,538,300
Land Parcels No. G1925, No. G1926 and No. G1927	Lanzhou 蘭州	Residential	25,733.20 27,161.50 28,334.00	1,005,900,000
Land Parcel No. 2020C-2	Xining 西寧	Commercial and residential	144,523.67	1,734,320,000
Land Parcels No. Zheng Zi Yuan Zi [2020] 04 and No. Zheng Zi Yuan Zi [2020] 05	Shijiazhuang 石家莊	Residential	46,688.74 23,848.06	446,220,000
Land Parcels No. XG20041 and No. XG20042	Huai'an 淮安	Commercial and residential	49,648.00	334,950,000
Land Parcel No. JCR2020-52 (Xinhui 10)	Jiangmen 江門	Township residential and commercial service	51,279.00	763,040,000

Land Parcel	City	Land Use	Site Area (sq.m.)	Land Premium (RMB thousand)
Land Parcel No. Tai Tu Gao Zi [2020] 037	Taizhou 台州	Residential	41,844.00	575,400,000
Land Parcel No. B-1 in He Village.	Lanxi 蘭溪	Commercial and residential	69,998.00	665,681,000
Land Parcels Nos. 370306005204GB00028 [Zhoucun District 2020 (Increment) – 001] and 370306005207GB00056 [Zhoucun District 2020 (Increment) – 002].	Zibo 淄博	Township residential	89,645.00	347,020,000
Land parcels Nos. 2020-X044 and 2020-X045	Binzhou 濱州	Commercial and residential	170,668.00	464,950,000
Land Parcels No. ays-2020-8, No. ays-2020-9 and No. ays-2020-10	Anyang 安陽	Commercial and residential	88,516.67 84,450.75 72,813.74	1,052,220,000
Land Parcels No. YBXG-2001A, No. YBXG-2001B, No. YBXG- 2001C, No. YBXG-2001D and No. YBXG-2001E	Yuncheng 運城	Commercial and residential	59,475.69 40,118.93 32,160.10 36,906.87 39,128.29	695,850,000
Land Parcel No. 38-01.	Shanghai 上海	Residential	39,754.60	1,345,000,000
Land Parcel Jin Wu (Gua) No. 2020-002	Tianjin 天津	Residential	78,099.40	1,313,200,000
Land Parcel No. R2020038	Rugao 如皋	Retail, commercial and urban residential	76,482.00	923,902,600
Land parcel located to the east of Changjiang North Road and south of Youbi Road in Zhoushi Town, Kunshan City, Suzhou, Jiangsu Province	Kunshan 昆山	Residential	57,333.90	1,012,200,000
Land Parcel No. 2020-06-01	Changzhou 常州	Residential	56,966.00	683,592,000
Land Parcel Su Di No. 2020-WG-11	Suzhou 蘇州	Urban residential	63,066.00	976,432,000
Land Parcel No. [2020]701	Baotou 包頭	Urban residential, commercial and service	48,475.53	299,660,700
Land Parcels No. AK001-002- (094)-858 and No. AK001-002- (094)-859	Ankang 安康	Commercial and residential	98,282.11 89,674.06	516,000,000

Land Parcel	City	Land Use	Site Area (sq.m.)	Land Premium (RMB thousand)
Land Parcels Nos. 2020B1, 2020B2, 2020B3 and 2020B4. . .	Suqian 宿遷	Residential and commercial and services	172,441.00	348,576,900
Land Parcels Nos. 2020-7(A), 2020-8(A) and 2020-8(B).	Feicheng 肥城	Residential	117,225.00	310,362,600
Land Parcel of Jing Tu Zheng Chu Gua (Xing) [2020] No. 010 (京土整儲掛(興)[2020]010號)	Beijing 北京	Residential and car parks	39,577.68	2,940,000
Land Parcel of Jin Bin Bao (Gua) No. 2019-19 (津濱保(掛) 2019-19號)	Tianjin 天津	Residential	103,965.30	1,920,000
Land Parcel No. Su Di 2020-WG-14 (蘇地2020-WG-14號) . . .	Suzhou 蘇州	Urban residential	58,081.78	2,090,950
Land Parcel No. Su Di 2020-WG-15 (蘇地2020-WG15號) . . .	Suzhou 蘇州	Urban residential	31,768.35	1,166,670
Land Parcel No. JZX20200401 . . .	Changzhou 常州	Commercial and residential, public management and public service	46,057.00	1,715,000
Land Parcel No. Zhang Di 2018-B16	Jiangsu 江蘇	Residential and ancillary commercial	65,675.48	788,110
Land Parcel No. B-09 Jiefang East Area in the first phase of the Qibu Area of Oujiangkou New District, Wenzhou City, Zhejiang Province	Zhejiang 浙江	Urban residential, retail commercial, and catering	122,535.55	1,660,000
Land Parcel No. 2019-42.	Tai'an 泰安	Residential	65,000.00	402,740
Land Parcel No. YT2-25-91-1	Xi'an 西安	Residential	36,720.49	287,030
Land Parcel No. 2020-17.	Luohe 漯河	Commercial and residential	88,102.27	456,760
Land Parcel of Jianzheng Chuchu (2019) No. 14	Jiande 建德	City road	34,600.00	147,609
Land Parcels No. 2020-C-074-1, No. 2020-C-074-2 and No. 2020-C-074-3	Urumiqi 烏魯木齊	Urban residential and other commercial and service	319,603.32	1,048,000
Land Parcel No. KCJ2019-15. . . .	Kunming 昆明	Urban residential	71,145.75	568,896

Land Parcel	City	Land Use	Site Area (sq.m.)	Land Premium (RMB thousand)
Land Parcel No. DAGJ2020003 . . .	Nanchang 南昌	Residential	27,440.67	282,776
Land Parcel No. Xin Zheng Chu (2020) 3 (Wang)	Xinzheng 新鄭	Residential	39,477.47	171,600
Land Parcel No. 2019-106	Xuzhou 徐州	Urban residential	54,171.20	333,000
Land Parcel No. 2019-67	Xuzhou 徐州	Urban residential	14,865.50	168,700
Land Parcel No. DH2019-24	Jiangsu 江蘇	Urban residential	60,678.00	443,980
Land Parcels No. Jin Chen Zhang (Gua) 2019-015 (津辰張(掛) 2019-015號), No. Jin Chen Zhang (Gua) 2019-017 (津辰張 (掛)2019-017號)	Tianjin 天津	Residential and park greenland	93,441.80	267,800
Land Parcels No. Xinchu 2019-96 (新儲2019-96號), No. Xinchu 2019-97 (新儲2019-97號), No. Xinchu 2019-102 (新儲 2019-102號), No. Xinchu 2019- 104 (新儲2019-104號) and No. Xinchu 2019-105 (新儲 2019-105號)	Xintai 新泰	Residential	250,160.00	753,531
Land Parcels No. 530502002007GB00095, No. 530502002007GB00096, No. 530502002007GB00097, No. 530502002007GB00098, No. 530502002007GB00099, No. 530502002007GB00100 and No. 530502002007GB00101. . . .	Yunnan 雲南	Commercial and residential	83,510.00	1,043,747
Land Parcels No. 2019-A12, No. 2019-A13, No. 2019-A14, and No. 2019-A15	Suqian 宿遷	Residential	255,203.00	641,952
Land parcels No. AD220102-2 and No. AD220103-2	Zhaoqing 肇慶	Commercial service and urban residential	32,331.18	120,240
Land Parcels No. QZ(19)075 and No. QZ(19)076	Guiyang 貴陽	Commercial and residential	16,287.00	56,120
Longli-jiwang Road Project (龍里繼望路項目)	Guizhou 貴州	Commercial and residential	539,900.00	379,980
Placing of New Shares under General Mandate				
On January 14, 2020, the Company and Citigroup Global Markets Limited (the “Placing Agent”) entered into a placing agreement (the “Placing Agreement”), pursuant to which the Placing Agent agreed to, on a best efforts basis, to place up to 311,000,000 new ordinary shares in the share capital of the Company (the “Placing Shares”) at a price of HK\$8.78 per share. Assuming there will be no change in the issued share capital of the Company between January 14, 2020 and the January 21, 2020 or such other				

date as the Company and the Placing Agent may agree in writing, the maximum number of Placing Shares represent approximately 5.27% of the existing number of issued shares of the Company and approximately 5.01% of the number of issued shares of the Company as enlarged by this placing. Assuming all the Placing Shares are fully placed under the Placing Agreement, the Company intends to use all the estimated net proceeds of this placing for the Company's long term business development and as general working capital of the Group.

Issuance of the August 2023 Guaranteed Senior Notes

On February 5, 2020, NEW METRO GLOBAL LIMITED issued the August 2023 Guaranteed Senior Notes with a principal amount of US\$350 million and a coupon rate of 6.8%. The August 2023 Guaranteed Senior Notes have a term of 3.5 years. The August 2023 Guaranteed Senior Notes are general obligations of NEW METRO GLOBAL LIMITED guaranteed by the Company.

Issuance of the June 2022 Notes

On June 11, 2020, the Company issued the June 2022 Notes with a principal amount of US\$400 million and a coupon rate of 6.45%. The June 2022 Notes have a term of two years. The June 2022 Notes are general obligations of the Company guaranteed by certain of the Company's existing subsidiaries.

Outbreak of COVID-19

The COVID-19 pandemic which began at the end of 2019 has affected millions of individuals and adversely impacted national economies worldwide, including China. On March 11, 2020, WHO declared COVID-19 outbreak a pandemic. Governments across the world have imposed travel restrictions and/or lockdown in an effort to curb the spread of the highly infectious COVID-19. The COVID-19 outbreak poses potential risks to our business operation and financial condition. See "Risk Factors – Risks Relating to Our Business – The national and regional economies in China and our prospects may be adversely affected by natural disasters, acts of God, and occurrence of epidemics and pandemics."

The Performance of Seazen Holdings for the Three Months ended March 31, 2020

On April 28, 2020, we released our subsidiary Seazen Holdings' unaudited financial data for the three months ended March 31, 2020. For the three months ended March 31, 2020, Seazen Holdings recorded a revenue of RMB7,091.0 million, representing an increase of 63.8% as compared with its revenue for the corresponding period in 2019. Seazen Holdings recorded a net profit attributable to its shareholders of RMB272.9 million for the three months ended March 31, 2020, representing an increase of 32.0% as compared with its net profit attributable to its shareholders for the corresponding period in 2019. Seazen Holdings' total assets as of March 31, 2020 amounted to RMB473,960.5 million, representing an increase of 2.6% with that of Seazen Holdings as of December 31, 2019.

Corporate Information

We are a limited liability company incorporated under the laws of the Cayman Islands. Our ordinary shares have been listed on the main board of the Hong Kong Stock Exchange (Stock Code: 01030) since November 2012. Our subsidiary, Seazen Holdings (Stock Code: 601155), has A shares listed on the SSE.

THE OFFERING

Terms used in this summary and not otherwise defined shall have the meanings given to them in “Description of the Notes.”

Issuer	Seazen Group Limited (the “ Company ”).
Notes Offered	US\$250,000,000 aggregate principal amount of 6% Senior Notes due 2024 (the “ Notes ”).
Offering	Certain of the Initial Purchasers or certain of their respective affiliates will purchase substantially all of the Notes in their initial issuance and may subsequently distribute such Notes in the secondary market. This offering memorandum is being produced in relation to the initial issuance and the listing of the Notes and none of the Company, the Subsidiary Guarantors or the Initial Purchasers undertake to update this offering memorandum subsequent to its date in relation to any secondary sales or otherwise.
Offering Price	100% of the principal amount of the Notes.
Maturity Date	August 12, 2024.
Interest	The Notes will bear interest from and including August 12, 2020 at the rate of 6% per annum, payable semi-annually in arrears.
Interest Payment Dates	February 12 and August 12 of each year, commencing February 12, 2021.
Ranking of the Notes	The Notes are: • general obligations of the Company; • senior in right of payment to any existing and future obligations of the Company expressly subordinated in right of payment to the Notes; • at least <i>pari passu</i> in right of payment with the September 2020 Notes, the January 2021 Notes, the April 2023 Notes, the June 2022 Notes and all other unsecured, unsubordinated Indebtedness of the Company (subject to any priority rights of such unsubordinated Indebtedness pursuant to applicable law); • guaranteed by the Subsidiary Guarantors on a senior basis, subject to certain limitations described under the caption “Risk Factors – Risks Relating to the Guarantees and the Collateral” and “Description of the Notes – The Subsidiary Guarantees;” • effectively subordinated to the other secured obligations (if any) of the Company, the Subsidiary Guarantors and the JV Subsidiary Guarantors, to the extent of the value of the assets serving as security therefor; and • effectively subordinated to all existing and future obligations of the Non-Guarantor Subsidiaries.

After the pledge of the Collateral by the Company and the Subsidiary Guarantor Pledgors and subject to certain limitations described under “Risk Factors – Risks Relating to the Guarantees and the Collateral,” the Notes will:

- be entitled to the benefit of a lien on the Collateral (subject to any Permitted Liens and the Intercreditor Agreement (as defined below) and shared on a *pari passu* basis with (i) holders of the September 2020 Notes, (ii) holders of the January 2021 Notes, (iii) holders of the April 2023 Notes, (iv) holders of the June 2022 Notes and (v) any holders of Permitted *Pari Passu* Secured Indebtedness, if any); and
- rank effectively senior in right of payment to unsecured obligations of the Company with respect to the value of the Collateral pledged by the Company securing the Notes (subject to any priority rights of such unsecured obligations pursuant to applicable law).

Subsidiary Guarantees. Each of the Subsidiary Guarantors will, jointly and severally, guarantee the due and punctual payment of the principal of, premium, if any, and interest on, and all other amounts payable under, the Notes.

The initial Subsidiary Guarantors will consist of all of the Restricted Subsidiaries other than those Restricted Subsidiaries organized under the laws of the PRC and certain other Restricted Subsidiaries as described under “Description of the Notes.”

The initial Subsidiary Guarantors are holding companies that do not have significant operations. See “Risk Factors – Risks Relating to the Guarantees and the Collateral – Our initial Subsidiary Guarantors do not currently have significant operations and certain Subsidiary Guarantees may in some cases be replaced by limited-recourse guarantees.”

Any Restricted Subsidiary, as defined under “Description of the Notes – Definitions” (other than subsidiaries organized under the laws of the PRC or any Exempted Subsidiary, as defined under “Description of the Notes”), will guarantee the Notes as either a Subsidiary Guarantor or a JV Subsidiary Guarantor promptly upon becoming a Restricted Subsidiary. Notwithstanding the foregoing, the Company may elect to have any Restricted Subsidiary organized outside the PRC not provide a Subsidiary Guarantee or a JV Subsidiary Guarantee at the time such entity becomes a Restricted Subsidiary or ceases to be an Exempted Subsidiary, *provided* that, after giving effect to the Consolidated Assets of such Restricted Subsidiary, the Consolidated Assets of all Restricted Subsidiaries organized outside the PRC (other than Exempted Subsidiaries) that are not Subsidiary Guarantors or JV Subsidiary Guarantors do not account for more than 30.0% of the Total Assets of the Company.

A Subsidiary Guarantee may be released or replaced in certain circumstances. See “Description of the Notes – The Subsidiary Guarantees – Release of the Subsidiary Guarantees and JV Subsidiary Guarantees.” In the case of a Subsidiary Guarantor with respect to which the Company or any Restricted Subsidiary is proposing to sell, whether through the sale of existing shares or the issuance of new shares, no less than 20.0% of the Capital Stock of such Subsidiary Guarantor, the Company may (i) release the Subsidiary Guarantees provided by such Subsidiary Guarantor and each of its Restricted Subsidiaries organized outside the PRC, (ii) discharge the pledge of the Capital Stock granted by such Subsidiary Guarantor, and (iii) discharge the pledge of Capital Stock made by the Company or any Subsidiary Guarantor over the shares it owns in such Subsidiary Guarantor, provided that after the release of such Subsidiary Guarantees, the Consolidated Assets of all Restricted Subsidiaries organized outside the PRC that are not Subsidiary Guarantors or JV Subsidiary Guarantors (including the Subsidiary Guarantors whose Subsidiary Guarantees were released but excluding Exempted Subsidiaries) do not account for more than 30.0% of the Total Assets of the Company.

Ranking of Subsidiary
Guarantees

The Subsidiary Guarantee of each Subsidiary Guarantor:

- is a general obligation of such Subsidiary Guarantor;
- is effectively subordinated to secured obligations of such Subsidiary Guarantor, to the extent of the value of the assets serving as security therefor;
- is senior in right of payment to all future obligations of such Subsidiary Guarantor expressly subordinated in right of payment to such Subsidiary Guarantee; and
- ranks at least *pari passu* with all other unsecured, unsubordinated Indebtedness of such Subsidiary Guarantor (subject to any priority rights of such unsubordinated Indebtedness pursuant to applicable law).

After the pledge of the Collateral (as described below) by the Company and the Subsidiary Guarantor Pledgors, the Subsidiary Guarantees of each Subsidiary Guarantor Pledgor:

- will be entitled to the benefit of a security interest in the Collateral pledged by such Subsidiary Guarantor Pledgor (subject to any Permitted Liens and the Intercreditor Agreement and shared on a *pari passu* basis with (i) holders of the September 2020 Notes, (ii) holders of the January 2021 Notes, (iii) holders of the April 2023 Notes, (iv) holders of the June 2022 Notes and (v) any holders of Permitted *Pari Passu* Secured Indebtedness); and
- will rank effectively senior in right of payment to the unsecured obligations of such Subsidiary Guarantor Pledgor with respect to the value of the Collateral securing such Subsidiary Guarantee (subject to any priority rights of such unsecured obligations pursuant to applicable law).

See “Risk Factors – Risks Relating to the Guarantees and the Collateral.”

JV Subsidiary Guarantees In the case of a Restricted Subsidiary (i) that is established after the Original Issue Date, (ii) that is incorporated in any jurisdiction other than the PRC, (iii) that is not an Offshore Non-Guarantor Subsidiary and (iv) in respect of which the Company or any Restricted Subsidiary (x) is proposing to sell, whether through the sale of existing shares or the issuance of new shares, no less than 20.0% and no more than 49.9% of the Capital Stock of such Restricted Subsidiary or (y) is proposing to purchase no less than 50.1% and no more than 80.0% of the Capital Stock of such Restricted Subsidiary from an Independent Third Party (and concurrently become a Restricted Subsidiary), the Company may, subject to certain conditions, concurrently with the consummation of such sale or purchase, provide a JV Subsidiary Guarantee instead of a Subsidiary Guarantee for (a) such Restricted Subsidiary and (b) the Restricted Subsidiaries of such Restricted Subsidiary that are organized in any jurisdiction other than the PRC. See “Description of the Notes – The Subsidiary Guarantees – The JV Subsidiary Guarantees.”

Ranking of JV Subsidiary Guarantees The JV Subsidiary Guarantee of each JV Subsidiary Guarantor:

- will be a general obligation of such JV Subsidiary Guarantor;
- will be enforceable only up to the JV Entitlement Amount;
- will be effectively subordinated to secured obligations of such JV Subsidiary Guarantor, to the extent of the value of the assets serving as security therefor;
- will be limited to the JV Entitlement Amount, and will be senior in right of payment to all future obligations of such JV Subsidiary Guarantor expressly subordinated in right of payment of such JV Subsidiary Guarantee; and
- will be limited to the JV Entitlement Amount, and will rank at least *pari passu* with all other unsecured, unsubordinated Indebtedness of such JV Subsidiary Guarantor (subject to any priority rights of such unsubordinated Indebtedness pursuant to applicable law).

Security to be Granted The Company has agreed, for the benefit of the holders of the Notes, to pledge the Capital Stock of the Subsidiary Guarantors owned by the Company in order to secure the obligations of the Company under the Notes and the indenture governing the Notes (the “**Indenture**”).

The Collateral securing the Notes and the Subsidiary Guarantees may be released or reduced in the event of certain asset sales and certain other circumstances. See “Description of the Notes – Security.”

Intercreditor Agreement.	On the Original Issue Date, the Trustee will execute a supplement to the Intercreditor Agreement and become a party to the Intercreditor Agreement, at which time the Trustee will become a Secured Party under the Intercreditor Agreement and the Holders will be entitled to the benefit of the pledge of the capital stock of the Subsidiary Guarantors on a <i>pari passu</i> basis with the holders of the September 2020 Notes, the holders of the January 2021 Notes, the holders of the April 2023 Notes, the holders of the June 2022 Notes and the holders of any other Permitted Pari Passu Secured Indebtedness. See “Description of the Notes – Intercreditor Agreement.”
Use of Proceeds	The gross proceeds from this offering, before deducting the underwriting discounts and commissions and other estimated expenses payable in connection with this offering, will be approximately US\$250 million. We intend to use the net proceeds to repay certain of our offshore indebtedness. Pending application of the net proceeds of this offering, we intend to invest such net proceeds in “Temporary Cash Investments” as defined under “Description of the Notes.”
Optional Redemption	At any time prior to August 12, 2024, the Company may at its option redeem the Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Notes plus the Applicable Premium (as defined herein) as of, and accrued and unpaid interest, if any, to (but not including) the redemption date. At any time and from time to time prior to August 12, 2024, the Company may redeem up to 35% of the aggregate principal amount of the Notes with the Net Cash Proceeds of one or more sales of Common Stock of the Company in an Equity Offering at a redemption price of 106% the principal amount of the Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date; <i>provided that</i> at least 65% of the aggregate principal amount of the Notes originally issued on the Original Issue Date remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related Equity Offering.
Repurchase of Notes Upon a Change of Control Triggering Event.	Upon the occurrence of a Change of Control Triggering Event, the Company will make an offer to repurchase all outstanding Notes at a purchase price equal to 101% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to (but not including) the repurchase date.
Redemption for Taxation Reasons.	Subject to certain exceptions and as more fully described herein, the Company may redeem the Notes, as a whole but not in part, at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest (including any Additional Amounts), if any, to the date fixed by the Company for redemption, if the Company would become obligated to pay certain additional amounts as a result of certain changes in specified tax laws or certain other circumstances. See “Description of the Notes – Redemption for Taxation Reasons.”

Covenants	The Notes, the Indenture and the Subsidiary Guarantees will limit the Company's ability and the ability of its Restricted Subsidiaries to, among other things: • incur or guarantee additional indebtedness and issue disqualified or preferred stock; • declare dividends on its capital stock or purchase or redeem capital stock; • make investments or other specified restricted payments; • enter into agreements that restrict the Restricted Subsidiaries' ability to pay dividends, transfer assets or make intercompany loans; • issue or sell capital stock of Restricted Subsidiaries; • guarantee indebtedness of Restricted Subsidiaries; • enter into transactions with shareholders or affiliates; • create liens; • enter into sale and leaseback transactions; • sell assets; and • effect a consolidation or merger. These covenants are subject to a number of important qualifications and exceptions described in "Description of the Notes – Certain Covenants."
Transfer Restrictions	The Notes will not be registered under the U.S. Securities Act or under any state securities laws of the United States and will be subject to customary restrictions on transfer and resale. See "Transfer Restrictions."
Form, Denomination and Registration	The Notes will be issued in fully registered form without interest coupons. The Notes will be issued in minimum denominations of US\$200,000 and integral multiples of US\$1,000 in excess thereof and will be deposited with a common depositary and registered in the name of the common depositary or its nominee for the accounts of Euroclear and Clearstream.
Book-Entry	The Notes will be issued in book-entry form through the facilities of Euroclear and Clearstream. For a description of certain factors relating to clearance and settlement, see "Description of the Notes – Book-Entry; Delivery and Form."
Delivery of the Notes	The Company expects to make delivery of the Notes, against payment in same-day funds on or about August 12, 2020 which the Company expects will be the fifth business day following the date of this offering memorandum referred to as "T+5". You should note that initial trading of the Notes may be affected by the T+5 settlement. See "Plan of Distribution."
Trustee and Paying Agent	The Bank of New York Mellon, London Branch

Registrar and Transfer Agent	The Bank of New York Mellon SA/NV, Luxembourg Branch	
Collateral Agent	The Bank of New York Mellon	
Listings.	Approval in-principle has been received for the listing and quotation of the Notes on the SGX-ST. The Notes will be traded in a minimum board lot size of US\$200,000 for so long as any of the Notes are listed on the SGX-ST.	
Governing Law	The Notes and the Indenture will be governed by and will be construed in accordance with the laws of the State of New York. The relevant pledge documents will be governed under the laws of the jurisdiction in which the relevant Subsidiary Guarantor is incorporated.	
Risk Factors	For a discussion of certain factors that should be considered in evaluating an investment in the Notes, see “Risk Factors.”	
Ratings	The Notes are expected to be rated BB by Fitch. We cannot assure investors that these ratings will not be adversely revised or withdrawn either before or after delivery of the Notes.	
Security Codes	ISIN	Common Code
	XS2215175634	221517563

SUMMARY HISTORICAL FINANCIAL AND OTHER DATA

The following summary consolidated statements of income data for the years ended December 31, 2017, 2018 and 2019 and the summary consolidated statements of financial position data as of December 31, 2017, 2018 and 2019 have been derived from, and should be read in conjunction with, our audited consolidated financial statements for the years ended December 31, 2018 and 2019, included elsewhere in this offering memorandum.

The financial information has been prepared and presented in accordance with HKFRSs, which differ in certain respects from generally accepted accounting principles in other jurisdictions. You should read the summary financial data below in conjunction with the section headed “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our audited consolidated financial statements that are included elsewhere in this offering memorandum. Historical results are not necessarily indicative of future results.

We adopted the new HKFRS 9 and 15 since January 1, 2018. There is no restatement to the financial information for the year ended December 31, 2017 upon the adoption of the new HKFRS 9 and 15. For the impact on the audited consolidated financial information for the year ended December 31, 2018 from the adoption of the new HKFRS 9 and 15, please see the sub-section titled “2.2. Changes in accounting policies” in our audited consolidated financial information for the year ended December 31, 2018 on pages F-298 to F-308 as included elsewhere in this offering memorandum for details. We adopted HKFRS 16 since January 1, 2019. There is no restatement to the financial information for the year ended December 31, 2018 upon the adoption of HKFRS 16. For the impact on the audited consolidated financial information for the year ended December 31, 2019 from the adoption of HKFRS 16, please see the sub-section titled “2.2. Changes in accounting policies” in our audited consolidated financial information for the year ended December 31, 2019 on pages F-29 to F-35 as included elsewhere in this offering memorandum for details.

Summary Consolidated Statements of Income and Other Financial Data

	Year ended December 31,			
	2017	2018	2019	
	(RMB)	(RMB)	(RMB)	(US\$)
	(in thousands)			(unaudited)
Revenue	40,820,316	54,780,995	86,851,178	12,475,391
Cost of sales and services	(27,239,193)	(35,723,588)	(60,505,751)	(8,691,107)
Gross profit	13,581,123	19,057,407	26,345,427	3,784,284
Fair value gains on investment properties	1,331,853	3,285,089	2,438,106	350,212
Fair value (losses)/gains on financial instruments at fair value through profit or loss	—	(235,790)	131,177	18,842
Selling and marketing costs	(1,831,870)	(2,374,416)	(4,422,306)	(635,225)
Administrative expenses	(2,266,887)	(2,650,816)	(4,301,454)	(617,865)
Net impairment losses on financial assets	—	(157,769)	(146,849)	(21,094)
Other income	41,792	97,929	136,784	19,648
Other expenses	(2,486)	(23,788)	(12,650)	(1,817)
Other gains – net	301,048	840,148	902,282	129,605
Operating profit	11,154,573	17,837,994	21,070,517	3,026,590
Finance costs – net	(668,197)	(739,942)	(1,339,573)	(192,418)
Share of results of associates	266,631	990,068	1,839,785	264,269
Share of results of joint ventures	(10,597)	559,380	54,442	7,820
Profit before income tax	10,742,410	18,647,500	21,625,171	3,106,261
Income tax expense	(4,728,785)	(6,599,934)	(9,018,982)	(1,295,496)
Profit for the year	6,013,625	12,047,566	12,606,189	1,810,766
Profit for the year attributable to:				
Equity holders of the Company	3,793,998	6,761,004	7,812,268	1,122,162
Non-controlling interests	2,219,627	5,286,562	4,793,921	688,604
Other Financial Data				
EBITDA ⁽¹⁾	11,635,371	20,861,054	29,022,348	4,168,799
EBITDA margin ⁽²⁾	28.5%	38.1%	33.4%	33.4%

- (1) EBITDA refers to our operating profit plus depreciation, amortization and capitalized interest under cost of sales, but excluding fair value gains on the investment properties and net gains or losses. EBITDA is not a standard measure under HKFRSs. EBITDA is a widely used financial indicator of a company's ability to service and incur debt. EBITDA should not be considered in isolation or construed as an alternative to cash flows, net income or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities. EBITDA does not account for taxes, interest expense or other non-operating items. In evaluating EBITDA, we believe that investors should consider, among other things, the components of EBITDA such as sales and operating expenses and the amount by which EBITDA exceeds capital expenditures and other charges. We have included EBITDA because we believe it is a useful supplement to cash flow data as a measure of our performance and our ability to generate cash flow from operations to cover debt service and taxes. EBITDA presented herein may not be comparable to similarly titled measures presented by other companies. Investors should not compare our EBITDA to EBITDA presented by other companies because not all companies use the same definition. See the section headed "Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Financial Measures" for a reconciliation of our profit for the year under HKFRSs to our definition of EBITDA. Investors should also note that EBITDA as presented herein may be calculated differently from Consolidated EBITDA as defined and used in the Indenture. See the section headed "Description of the Notes – Definitions" for a description of the manner in which Consolidated EBITDA is defined for purposes of the Indenture.
- (2) EBITDA margin is calculated by dividing EBITDA by revenue.

Summary Consolidated Statements of Financial Position Data

	As of December 31,			
	2017	2018	2019	
	(RMB)	(RMB)	(RMB)	(US\$)
	(in thousands)			
	(unaudited)			
ASSETS				
Non-current assets				
Property, plant and equipment	2,919,703	3,014,910	4,899,719	703,801
Right-of-use assets	—	—	191,934	27,570
Investment properties	23,496,000	40,758,000	66,182,793	9,506,563
Intangible assets	59,503	539,109	474,954	68,223
Investments in associates	1,953,166	6,840,149	7,833,878	1,125,266
Investments in joint ventures	11,966,336	12,633,050	11,734,122	1,685,501
Deferred income tax assets	1,658,730	3,031,448	3,900,916	560,332
Available-for-sale financial assets	1,099,526	—	—	—
Financial assets at fair value through profit or loss . . .	—	1,032,194	581,673	83,552
Financial assets at amortised costs	—	734,735	488,996	70,240
Derivative financial instruments	162,539	—	—	—
Goodwill	777	10,260	10,260	1,474
Land use rights	429,592	427,949	426,306	61,235
Trade and other receivables and prepayments	727,710	463,427	250,654	36,004
	44,473,582	69,485,231	96,976,205	13,929,760
Current assets				
Prepayments for leasehold land	9,808,432	13,610,385	578,819	83,142
Properties held or under development for sale	76,396,636	145,596,570	231,283,880	33,221,851
Trade and other receivables and prepayments	34,071,920	58,906,517	70,759,431	10,163,956
Contract costs	—	1,229,533	1,962,747	281,931
Financial assets at fair value through other comprehensive income	—	—	338,697	48,651
Financial assets at fair value through profit or loss . . .	—	—	733,870	105,414
Financial assets at amortised costs	—	220,001	34,697	4,984
Derivative financial instruments	—	151,475	—	—
Restricted cash	4,105,100	6,441,945	5,882,328	844,944
Cash and cash equivalents	20,542,676	41,213,881	59,691,685	8,574,174
	144,924,764	267,370,307	371,266,154	53,329,046
Total assets	189,398,346	336,855,538	468,242,359	67,258,806
EQUITY				
Equity attributable to owners of the Company				
Share capital: nominal value	4,609	4,813	4,807	690
Reserves	12,776,397	19,147,278	24,987,914	3,589,289
	12,781,006	19,152,091	24,992,721	3,589,980
Non-controlling interests	11,851,538	26,568,692	32,823,080	4,714,740
Total equity	24,632,544	45,720,783	57,815,801	8,304,720
LIABILITIES				
Non-current liabilities				
Borrowings	34,108,070	56,515,373	46,997,939	6,750,832
Lease liabilities	—	—	58,282	8,372
Deferred income tax liabilities	1,755,493	3,720,666	4,486,053	644,381
Trade and other payables	—	144,505	—	—
	35,863,563	60,380,544	51,542,274	7,403,584
Current liabilities				
Trade and other payables	56,558,252	75,524,146	106,303,180	15,269,496
Advances from customers	50,866,242	435,133	698,017	100,264
Contract liabilities	—	118,230,992	197,667,554	28,393,168
Current income tax liabilities	6,204,479	9,476,038	13,128,753	1,885,827
Borrowings	15,273,142	24,987,790	40,849,008	5,867,593
Lease liabilities	—	—	144,841	20,805
Financial liabilities at fair value through profit or loss .	—	2,069,576	80,993	11,634
Derivative financial instruments	—	12,478	—	—
Dividends payable	124	18,058	11,938	1,715
	128,902,239	230,754,211	358,884,284	51,550,502
Total liabilities	164,765,802	291,134,755	410,426,558	58,954,086
Total equity and liabilities	189,398,346	336,855,538	468,242,359	67,258,806

RISK FACTORS

You should carefully consider the risks and uncertainties described below and all other information contained in this offering memorandum before making an investment decision. The risks and uncertainties described below may not be the only ones that we face. Additional risks and uncertainties that we are not aware of or that we currently believe are immaterial may also adversely affect our business, financial condition, results of operations or the market price of the Notes. If any of the possible events described below actually occurs, our business, financial condition or results of operations could be materially and adversely affected. In such case, we may not be able to satisfy our obligations under the Notes, and you could lose all or part of your investment.

We believe that there are certain risks and uncertainties involved in our operations, some of which are beyond our control. We have categorized these risks and uncertainties into: (i) risks relating to our business; (ii) risks relating of our industry; (iii) risks relating to doing business in the PRC; (iv) risks relating to the Notes and (v) risks relating to the Guarantees and the Collateral.

Risks Relating to Our Business

Our operations are subject to extensive government policies and regulations and, in particular, we are susceptible to changes in policies affecting the PRC property industry and the regions in which we operate.

Our business is subject to extensive governmental regulations and, in particular, we are susceptible to policy changes in the PRC property industry. In particular, the PRC government exerts considerable direct and indirect influence on the development of the PRC property industry by imposing industry policies and other economic measures, such as control over the supply of land for property development, property financing, taxation and foreign investment. Through these policies and measures, the PRC government may restrict or reduce land available for property development, raise the benchmark interest rates of commercial banks, place additional limitations on the ability of commercial banks to make loans to property developers and property purchasers, impose additional taxes and levies on property sales and restrict foreign investment in the PRC property industry.

From time to time, the PRC government adjusts its regulation of the property market depending on macroeconomic conditions to achieve policy goals, such as preventing the overheating of the property market or stimulating the property market during and after an economic downturn. In recent years, various administrative bodies launched a series of measures to discourage speculation and control the growth of the PRC property market. Demand for properties and property prices in China have fluctuated significantly in recent years, and are expected to continue to be affected by macro-economic control measures implemented by the PRC government from time to time. For example, as a result of changes in the PRC's economic environment and PRC government's tightening monetary policies, the growth of the PRC real estate market has slowed down with sales volumes or average selling prices decreasing in many major cities in 2014 as compared with the corresponding period in 2013 but has partially recovered in 2015 and 2016. Further restrictive measures adopted by the PRC government on bank loans, trust financing arrangements for real estate development projects and property purchases since April 2010 have had, and may continue to have, a dampening effect on property markets in the PRC.

We cannot assure you that the PRC government will not adopt more stringent industry policies and measures in the future. It is difficult to predict the impact these policies and measures may have on our sales volume and revenue. If we fail to adapt our operations to new policies or measures that may come into effect from time to time, or if our marketing and pricing strategies are not effective, our contracted sales and selling prices may decline, or we may incur additional costs, in which case our operating cash flows, gross profit margin, business prospects, results of operations and financial condition may be materially adversely affected.

Since 2016, the local governments in various cities in PRC have announced a series of measures designed to stabilize the growth of the property market to a more sustainable level. For example, limit the number of residential home that households with local resident registration are able to purchase; raise down-payment ratio requirement (or even disallowing mortgage), depending on how many residential houses the buyers already own; limit the purchase of residential home by household without local resident registration and in some cases eligibility will be required (such as proving they have paid income tax or made social security contributions up to the requirement); stricter pre-sale management enhancements, such as not allowing developers to sell the projects before getting the pre-sale permit, and ensuring developers closely follow the rules during the pre-sale process; and tighter requirement for land bidding deposit. Such tightening measures were also announced in some of the cities in which we operate, including but not limited to, Shanghai, Nanjing, Suzhou, Hanzhou, Wuhan, Wuxi, Tianjin, Hefei, Jinan and Chengdu. These tightening measures may have adverse and material impacts on our business operations and financial performance.

Our business and prospects are heavily dependent on the performance of the PRC property markets, particularly in various major cities in Jiangsu Province and Shanghai.

We principally develop and sell properties in cities along the Shanghai-Nanjing Economic Corridor in the Yangtze River Delta. Our business will continue to be heavily dependent on the property markets in the Yangtze River Delta. These property markets may be affected by factors in local, regional, national and global markets, including prevailing economic conditions, speculative activities in local markets, demand and supply dynamics in the property market, availability of alternative investment choices for property buyers, inflation, government policies, interest rates and availability of capital.

In addition, any decline in demand or prices for properties in the cities where we have operations could have a material adverse impact on our cash flows, financial position and results of operations. In particular, property prices and demand for properties in Jiangsu Province and Shanghai have fluctuated significantly in recent years. Further policies implemented by the PRC government on bank loans and trust financing arrangements for real estate development projects since January 2010 have had, and may continue to have, a dampening effect on the property markets in which we operate. Since 2014, regulations and policies for individual housing loan policies have been less stringent in order to stimulate the demands for properties.

We are subject to risks associated with certain covenants or restrictions under our bank borrowings which may adversely affect our business, financial condition and results of operations.

As of the date of this offering memorandum, we are subject to certain restrictive covenants in the loan contracts between us and certain banks. Some of our loan agreements with financial institutions contain cross-default clauses. If any cross-default occurs, such banks will be entitled to accelerate repayment of all or any part of the loans from such banks and to take action against all or any of the security for such indebtedness. In addition, some of our PRC operating subsidiaries are subject to certain material covenants that restrict them from carrying out any merger, restructuring, spin-off, reduction of registered share capital, material asset transfer, liquidation, change in shareholding or management structure, establishment of any joint venture, issuance of bonds or substantive increase of debt financing without the lenders' written consent. Furthermore, as long as such loans are outstanding, some of our relevant operating subsidiaries may not be able to provide guarantees to any third parties that would impair their ability to repay the relevant loans. We cannot assure you that we will be able to abide by all restrictive covenants and cross-default provisions of any of our loan contracts in the future. Should we fail to abide by these provisions, our lenders may be entitled to accelerate repayment of our loans, in which case our business, financial condition and results of operations will be adversely affected.

We had negative net operating cash flow for the year ended December 31, 2017. If we are unable to meet our payment obligations, our business, financial condition and results of operations may be materially adversely affected.

For the year ended December 31, 2017, we recorded negative net operating cash flow of approximately RMB13,578.5 million. Our negative net operating cash flow was principally attributable to the long-term and capital-intensive nature of property development, our land acquisitions and business expansion during the relevant years. We fund our capital expenditures with internally generated funds and external financing. Negative net operating cash flow would require us to obtain sufficient external financing to meet our financial needs and obligations. If we are unable to do so, we will be in default of our payment obligations and may not be able to develop our projects as planned. As a result, our business, financial condition and results of operations may be materially adversely affected. We cannot assure you that we will not experience negative net cash flows in the future.

We may not have adequate financing to fund our future land acquisitions and property developments, and such capital resources may not be available on commercially reasonable terms, or at all.

Property development is capital-intensive, and we expect to continue to incur significant capital expenditures for construction and land acquisition. We finance our property projects primarily through a combination of internally generated funds, including proceeds from pre-sales and sales of our properties, and external financing, such as borrowings from financial institutions comprising China Banking Regulatory Commission (the “CBRC”) licensed commercial banks. Our ability to obtain external financing in the future and the cost of such financing are subject to uncertainties, some of which are beyond our control, including:

- requirements to obtain PRC government approvals necessary for obtaining financing in the domestic or international markets;
- our future results of operations, financial condition and cash flows;
- the condition of the international and domestic financial markets and financing availability thereof;
- changes in the monetary policies of the PRC government with respect to bank interest rates and lending practices; and
- changes in policies regarding regulation and control of the real estate market.

The PRC government has implemented a number of measures to manage money supply growth and credit availability, especially with respect to the property development sector. For example:

- the People’s Bank of China (the “PBOC”) has adjusted the Renminbi deposit reserve ratio several times since 2010;
- the PBOC has adjusted the benchmark one-year bank lending rate many times since 2008;
- commercial banks may not grant loans to property developers to pay land premiums; and
- the CBRC has issued guidelines that require at least 25% of the total investment in a property project to be funded by the developer’s own capital.

The above measures and other similar government actions and policy initiatives have limited our ability and flexibility in incurring additional indebtedness to finance our property projects. We cannot assure you that the PRC government will not introduce other initiatives that may further limit our access to capital, or that we will be able to secure adequate financing or renew our existing credit facilities on commercially reasonable terms, or at all.

Our financing costs are subject to changes in interest rates.

We have incurred and expect to continue to incur significant interest expenses relating to our borrowings. Accordingly, changes in interest rates have affected and will continue to affect our financing costs. Because the majority of our borrowings are in Renminbi, the interest rates on our borrowings are primarily affected by the benchmark interest rates set by the PBOC, which have fluctuated significantly in recent years. As of December 31, 2017, 2018 and 2019, the weighted average interest rate for our total borrowings was 5.28%, 6.09% and 6.57%, respectively. Our interest costs incurred in the years ended December 31, 2017, 2018 and 2019 were RMB2,501.1 million, RMB4,025.4 million and RMB6,100.2 million (US\$876.2 million), respectively. Future increases in the PBOC benchmark interest rate may lead to higher lending rates, which may increase our financing costs and thereby adversely affect our business, financial condition and results of operations.

We may not be able to acquire land reserves in desirable locations that are suitable for development at commercially acceptable prices in the future.

The growth and success of our business depend on our ability to continue to acquire land reserves in desirable locations that are suitable for our projects at commercially reasonable prices. Our ability to acquire land may depend on a variety of factors, such as overall economic conditions, our effectiveness in identifying and acquiring land parcels suitable for development and competition for such land parcels. Our land reserves were primarily acquired in land auctions held by local governments and through the acquisition of property development companies or property development rights from other developers. The availability and price of land sold at auctions depend on factors beyond our control, including government land policies and competition. The PRC government and relevant local authorities control the supply and price of new land parcels and approve the planning and use of such land parcels. Furthermore, the rapid development of the cities in Jiangsu Province and Shanghai in recent years has resulted in a shortage in the supply of undeveloped land in desirable locations and increased land acquisition costs, which is one of the largest components of our cost of sales.

We may not successfully manage our growth and expansion.

In recent years, we have diversified our product portfolio by expanding into the development of mixed-use complex projects. In addition to growing our presence in Shanghai, Nanjing, Hangzhou, Wuxi, Suzhou, Nantong, Zhenjiang, Taizhou and Jiaxing in the Yangtze River Delta, we have been expanding our geographic coverage to Changsha in Hunan Province, Wuhan in Hubei Province, Nanchang in Jiangxi Province, Changchun in Jilin Province, Anqing in Anhui Province, Haikou in Hainan Province, Qingdao and Jinan in Shandong Province, Chengdu in Sichuan Province, Quanzhou in Fujian Province, Xi'an in Shaanxi Province, Zhengzhou in Henan Province, Kunming in Yunnan Province, Chongqing and Tianjin. We are also expanding into the development and operation of hotels and offices and engaging in commercial leasing. We intend to continue to diversify our business.

Expanding into new business segments and geographical locations involves uncertainties and challenges due to our unfamiliarity with new business segments or local regulatory practices and customs, customer preferences and behavior, the reliability of local contractors and suppliers, business practices, business environments and municipal-planning policies. In addition, expanding our business into new geographical locations would entail competition with developers who have a stronger local presence, greater familiarity with local regulatory and business practices and customs, and stronger ties with local suppliers, contractors and purchasers.

As we may face challenges not previously encountered, we may fail to recognize or properly assess risks or take full advantage of opportunities, or otherwise fail to adequately leverage our past experience to meet challenges encountered in these new activities. We may also have difficulty in promoting and maintaining high occupancy rates and/or rental rates in the investment properties that we are currently developing after these properties are completed and commence operations.

Expanding our business requires significant capital and management resources. We will also need to increase our workforce to match the expansion of our business. We may also face considerable reputational and financial risks if any new sector of our business is mismanaged or does not meet the expectations of our customers. Any of these factors could have a material adverse effect on our business, financial condition, results of operations and prospects.

Our business may be adversely affected if we fail to obtain, or experience material delays in obtaining, necessary government approvals in carrying out our property development and management operations.

The property industry in the PRC is heavily regulated. Property developers must abide by various laws and regulations, including rules stipulated by national and local governments to enforce these laws and regulations. To engage in property development and management operations, we must satisfy certain requirements to obtain (and renew for those relating to on-going operations) various licenses, permits, certificates and approvals, including but not limited to, qualification certificates, land use rights certificates, construction work commencement permits, construction work planning permits, construction land planning permits, pre-sale permits and completion certificates.

We cannot guarantee that we will be able to adapt to new rules and regulations that may come into effect from time to time with respect to the property industry or that we will not encounter other material delays or difficulties in fulfilling the necessary conditions to obtain and/or renew all necessary certificates or permits for our operations in a timely manner, or at all. Therefore, in the event that we fail to obtain or renew, or encounter significant delays in obtaining or renewing, the necessary government approvals for any of our major property projects, we will not be able to continue with our development plans, and our business, financial condition and results of operations may be adversely affected.

Our results of operations may vary significantly from period to period as we derive our revenue principally from the sale of properties.

We derive the majority of our revenue from the sale of properties that we have developed. Our results of operations may fluctuate in the future due to a combination of factors, including the overall schedule of our property development projects, the level of acceptance of our properties by prospective customers, the timing of the sale of properties that we have developed, our revenue recognition policies and any changes in costs and in expenses, such as land acquisition and construction costs. In addition, our property developments are often developed in multiple phases over the course of several years. Typically, as the overall development approaches completion, the sale prices of the properties in such developments tend to increase because a more marketable property is available to purchasers. Furthermore, according to our accounting policy for revenue recognition, we recognize revenue from the sale and pre-sale of our properties upon delivery to purchasers. Generally, there is a timing difference, typically ranging from one year to one and a half years, between the time we commence pre-sale of properties under development and completion of properties. Because the timing of completion of our properties varies according to our construction timetable, our results of operations may vary significantly from period to period depending on the GFA sold or pre-sold and the timing of completion of the properties we sell. Periods in which we pre-sell a large amount of aggregate GFA, however, may not be periods in which we generate a correspondingly high level of revenue, if the properties pre-sold are not completed and delivered within the same period. The effect of timing of delivery on our operational results is accentuated by the fact that during any particular period of time we can only undertake a limited number of projects due to our substantial capital requirements for land acquisition and construction costs as well as the limited supply of land.

Accordingly, our interim results for a certain period may not be indicative of our performance for that financial year or otherwise comparable to our results in previous periods. In light of the above, period-to-period comparisons of our operating results may not be as meaningful as they would be for a company with a greater proportion of recurring revenues.

We rely on third-party contractors to develop our projects.

We engage third-party contractors to carry out various services relating to our property development projects, including design, foundation building, construction, equipment installation, engineering and landscaping. We generally select third-party contractors through a tender process based on their reputation and track record, reliability and financial strength. If the performance of any third-party contractor is not satisfactory, we may need to replace such contractor or take other remedial actions, which could adversely affect the cost structure and development schedule of our projects and could have a negative impact on our reputation, credibility, financial position and business operations. In addition, as we are expanding our business into new geographical locations in the PRC, we may have difficulty hiring contractors that meet our quality standards.

We may engage third-party contractors or management companies to manage the daily operations of our hotels and offices. If the performance of our third-party contractors or management companies is not satisfactory to our customers, our investment properties may experience lower occupancy rates, which would lead to a loss of income or have an adverse impact on our reputation. If we are unable to successfully manage our investment properties, our business, financial condition, results of operations and prospects could be materially adversely affected.

We may not be able to complete our development projects on time, or at all.

Property development projects require substantial capital expenditures prior to and during the construction period for, among other things, land acquisition and construction. The construction of property projects may take a year or longer before they generate positive net cash flow through sales, pre-sales, leasing or rentals. Depending on the type of investment properties and the revenue generated, it may take a year or more after the completion of these properties before we recognize revenue from such projects. As a result, our cash flows and results of operations may be significantly affected by our project development schedules and any changes to those schedules. The schedules of our project developments depend on a number of factors, including the performance and efficiency of our third-party contractors and our ability to finance construction. Other factors that could adversely affect our project development schedules include:

- natural catastrophes and adverse weather conditions;
- changes in market conditions, economic downturns, and decreases in business and consumer sentiment in general;
- changes in relevant regulations and government policies;
- relocation of existing residents and/or demolition of existing constructions;
- shortages of materials, equipment, contractors and skilled labor;
- labor disputes;
- construction accidents; and
- errors in judgment on the selection and acquisition criteria for potential sites.

Construction delays or failure to complete the construction of a project according to its planned specifications, schedule and budget may harm our reputation as a property developer, lead to loss of or delay in recognizing revenues and lower returns. If a property project is not completed on time, the purchasers of pre-sold units within the project may be entitled to compensation for late delivery. If the delay extends beyond a certain period, the purchasers may be entitled to terminate their pre-sale agreements and claim damages. We cannot assure you that we will not experience any significant delays in completing or delivering our projects in the future or that we will not be subject to any liabilities for any such delays.

We may forfeit land to the PRC government if we fail to develop properties in accordance with the terms and timeframe set out in the land grant contracts.

Under PRC law, if we fail to develop a property project according to the terms of the land grant contract, including those relating to the payment of land grant premium, demolition and resettlement costs and other fees, the designated use of the land and the time for commencement and completion of the property development, the PRC government may issue a warning, impose a penalty, and order us to forfeit the land. Specifically, under current PRC laws, if we fail to commence development for more than one year but less than two years from the commencement date stipulated in the land grant contract, the relevant PRC land bureau may issue a warning to us and impose an idle land fee on the land of up to 20% of the land grant premium. The relevant PRC land bureau also may confiscate our land use rights without compensation if we fail to commence development within two years from the construction commencement date set forth in the land grant contract, unless the delay in the development is caused by government actions or force majeure. Moreover, if a property developer commences development of the land in accordance with the timeframe stipulated in the land grant contract and the developed GFA on the land is less than one-third of the total proposed GFA of the project or the total invested capital is less than one-fourth of the total investment of the project and the development of the land is suspended for more than one year without government approval, the land may be treated as idle land and subject to risk of forfeiture.

In September 2007, the Ministry of Land and Resources issued a notice to strengthen control over the supply of land by requiring developers to develop land according to the terms of the land grant contracts and restricting the participation of non-compliant developers in land auctions. In January 2008, the State Council issued the Notice on Promoting the Land Saving and Efficient Use (關於促進節約集約用地的通知) (國發[2008]3號) to intensify the enforcement of rules on idle land management. Furthermore, the Ministry of Land and Resources issued the Notice on Restricting the Administration of Construction Land and Promoting the Use of Approved Land (關於嚴格建設用地管理促進批而未用土地利用的通知) (國土資發[2009]106號) in August 2009, which reiterated then existing rules on idle land management. On June 1, 2012, the Ministry of Land and Resources promulgated the revised Measures on the Disposal of Idle Land (閒置土地處置辦法) (國土資源部令第53號), which became effective on July 1, 2012.

These measures require the competent land authorities not to accept any application for new land use rights or process any title transfer transaction, lease transaction, mortgage transaction or land registration application in respect of any idle land before the completion of the required rectification procedures. Our business operations are subject to these measures, which may restrict our development plans and materially and adversely affect our results of operations, prospects and financial condition.

The illiquidity of property investments and the lack of alternative use for investment properties could limit our ability to respond to adverse changes in the performance of our properties.

Any form of real estate investment is illiquid and, as a result, our ability to sell our investment properties in response to changing economic, financial and investment conditions is limited. We also cannot predict the length of time needed to find purchasers to purchase such investment properties. In addition, we may also need to incur capital expenditure to manage and maintain our properties, or to correct defects or make improvements to these properties before selling them. We cannot assure you that financing for such expenditures would be available when needed, or at all.

Furthermore, aging of investment properties, changes in economic and financial condition or changes in the competitive landscape in the PRC property market may adversely affect the amount of rentals and revenue we generate from, as well as the fair value of, our investment properties. However, our ability to convert any of our investment properties to alternative use is limited as such conversion requires extensive governmental approvals in the PRC and involves substantial capital expenditures for the purpose of renovation, reconfiguration and refurbishment. We cannot assure you that such approvals and financing can be obtained when needed. These and other factors that impact our ability to respond to adverse changes in the performance of our investment in properties may adversely affect our business, financial condition and results of operations.

The relevant PRC tax authorities may challenge the basis on which we calculate our LAT obligations.

In accordance with PRC regulations on LAT, companies that receive income from the sale or transfer of land use rights, buildings and their attached facilities are subject to LAT at progressive rates ranging from 30% to 60% of the appreciated value of the property.

We make provisions for the full amount of applicable LAT in accordance with the relevant PRC tax laws and regulations from time to time pending settlement of the same with the relevant tax authorities. As we often develop our projects in phases, deductible items for calculation of LAT, such as land costs, are apportioned among such different phases of development. Provisions for LAT are made on our own estimates based on, among others, our own apportionment of deductible expenses which is subject to final confirmation by the relevant tax authorities upon settlement of the LAT. We believe that our overall provisions for LAT are sufficient. However, given the time gap between the point at which we make provision for and the point at which we settle the full amount of LAT payable, the relevant tax authorities may not necessarily agree with our apportionment of deductible expenses or other bases on which we calculate LAT. Hence, our LAT expenses as recorded in our financial statements of a particular period may require subsequent adjustments. For the years ended December 31, 2017, 2018 and 2019, we recorded approximately RMB2,475.3 million, RMB2,851.6 million and RMB4,584.8 million (US\$658.6 million), respectively, as LAT expenses. If we substantially underestimate LAT for a particular period, a payment of the actual LAT assessed and levied on us by the tax authorities could adversely affect our financial results for a subsequent period.

The property development business is subject to claims under statutory quality warranties.

All property developers in the PRC must provide certain quality warranties for the properties they construct or sell. We are required to provide these warranties to our customers. Generally, we receive quality warranties from our third-party contractors with respect to our property projects. If a significant number of claims were brought against us under our warranties and if we were unable to obtain reimbursement for such claims from third-party contractors in a timely manner or at all, or if the money retained by us to cover our payment obligations under the quality warranties was not sufficient, we could incur significant expenses to resolve such claims or face delays in remedying the related defects, which could in turn harm our reputation, and materially adversely affect our business, financial condition and results of operations.

Our property development schedule may be delayed and our development costs may increase as a result of delayed governmental re-zoning, demolition and resettlement processes.

According to the Regulation on Expropriation and Compensation Related to Buildings on State-owned Land (國有土地上房屋徵收與補償條例) (國務院令第590號), buildings can be expropriated under certain circumstances for public interests but only governmental authorities are permitted to conduct resettlement activities. Real estate developers are prohibited from involvement in the demolition and relocation procedures. If the owners of properties to be demolished are not satisfied with the expropriation decision, they may apply for an administrative review or initiate a lawsuit against the relevant governmental authorities. Compensation for expropriation shall be paid before the resettlement and no less than the market value of similar properties at the time of an expropriation. The occurrence of the foregoing may affect our reputation, increase our costs and delay the pre-sales of the relevant project, which may in turn adversely affect our business, financial position and operational performance.

To the extent demolition and resettlement are required in any of our future property developments, we will be required to compensate existing residents an amount calculated in accordance with local resettlement compensation standards. These local standards may change from time to time without advance notice. If such compensation standards are changed to increase the compensation we are required to pay, our land acquisition costs may increase, which could adversely affect our financial condition and results of operations. In respect of projects in which the resettlement costs are borne by

us, if we or the local government fail to reach an agreement over the amount of compensation with any existing owner or resident, any party may apply to the relevant authorities for a ruling on the compensation amount. Dissenting owners and residents may also refuse to relocate. Any administrative process or resistance or refusal to relocate may delay our future project development schedules, and an unfavorable final ruling may result in us paying more than the amount required by the local standards. Any occurrence of the above factors may result in increases in our future development costs, which can adversely affect our cash flows, financial condition and results of operations.

Fluctuations in the price of construction materials and contractors' labor costs could adversely affect our business and financial performance.

The cost of construction materials such as steel as well as labor costs, which constitute a significant portion of our payments to our construction contractors, may fluctuate. Any increase in the cost of construction materials may result in additional costs to us and may lead to future increases in construction contract costs. Construction material costs have fluctuated in recent years. Any increase in the cost of any significant construction materials will adversely impact our overall construction costs, which is generally one of the largest components of our cost of sales. If we cannot pass any or all of the increased costs on to our customers, our profitability will be adversely affected.

If we were unable to successfully retain the services of our current personnel and hire, train and retain senior executives or key personnel, our ability to develop and successfully market our products could be harmed.

The growth and success of our business has depended significantly on certain members of our senior management. Several other members of our management have worked for us for many years and have played, and are expected to continue to play, key roles in making major business decisions. If we were to lose the services of any of our senior management for any reason, we may not be able to find suitable replacements for them. As competition in the PRC for senior management and key personnel with experience in property development is intense and the pool of qualified candidates is limited, we may not be able to retain the services of key personnel, or hire, train and retain high quality senior executives or key personnel in the future. In addition, if any member of our senior management team or any of our other key personnel were to join a competitor or carry on a competing business, we may lose customers and key professionals and staff members. Furthermore, as our business continues to grow, we will need to recruit and train additional qualified persons. If any of such incidents occurred, our ability to develop and successfully market our products could be harmed and our business and prospects could be adversely affected.

Potential liability for health and environmental problems could result in substantial costs.

We are subject to a variety of laws and regulations concerning the protection of health and the environment. Environmental laws can prohibit or severely restrict property development activities in environmentally sensitive regions or areas. Compliance with health and environmental laws and conditions may result in delays, may cause us to incur substantial compliance and other costs and can severely restrict project development activities in environmentally sensitive regions or areas.

As required by PRC laws, independent environmental consultants have conducted environmental impact assessments on all of our construction projects, and the environmental impact assessment documents for our projects were approved by the relevant government authorities before commencement of construction. Local authorities may suspend the construction activities of and impose penalties on project companies that commence construction of a project before the approval of the project's environmental impact assessment documents. It is possible that there may be material environmental liabilities of which we are unaware, and which may have a material adverse impact on our business.

We may be involved in legal and other disputes from time to time arising out of our operations and may face significant liabilities as a result.

We may from time to time be involved in disputes with various parties involved in the development and the sale of our properties, including contractors, suppliers, construction companies, original inhabitants who are resettled, business partners and purchasers of our properties. These disputes may lead to protests or legal or other proceedings and may result in damage to our reputation, substantial costs and diversion of resources and management's attention from our core business activities. Purchasers of our properties may take legal action against us if our developed properties are perceived to be inconsistent with our representations and warranties made to such purchasers. In addition, we may have compliance issues with regulatory bodies in the course of our operations, in respect of which we may face administrative proceedings and unfavorable decisions that may result in liabilities and cause delays to our property developments. We may be involved in other proceedings or disputes in the future that may have a material adverse effect on our business, financial condition, results of operations or cash flows.

False, inaccurate or negative media reports about us, our directors and management, or our projects, including the negative news of our previous chairman, whether substantiated or not, may cause harm to our reputation, divert our management's attention and adversely affect our business, financial condition and results of operations.

The development and future trends in the PRC property industry, including business strategies of major property developers, have been the focus of numerous media reports. We are aware of some inaccurate or negative media reports about us and our projects. On July 3, 2019, we received a notice from the Putuo Branch of the Shanghai Public Security Bureau informing us that Mr. Wang Zhenhua, our then chairman, was being held in criminal custody for personal reasons. Since then, we have faced media coverage on misconduct allegations against Mr. Wang Zhenhua and inaccurate market speculation of our Group. Mr. Wang Zhenhua no longer holds any position in our Company and our operations and business have remained normal since the incident. However, upon such negative or inaccurate publicity, our business partners and collaborators, financial institutions that provide us with loans or credit facilities and other parties may suspend, delay or terminate the collaboration with us in the future, which may in turn adversely affect our business, financial condition and results of operations. In addition, we cannot assure you that the dissemination of such inaccurate or negative media reports or public allegations about us, our directors and management, or our projects, whether or not substantiated, will not adversely harm our reputation and affect public opinion about us and our projects in the future. Any of the foregoing could have a material adverse effect on our business, financial condition and results of operations, which may in turn lead to lenders invoking the acceleration clause in relation to our outstanding borrowings.

Furthermore, such inaccurate or negative media reports may require us to engage in defensive actions, which may divert our management's attention and adversely affect our business and results of operations. We cannot assure you that there will not be any other false, inaccurate or negative media reports about us or our projects in the future. We do not make any representations as to the appropriateness, accuracy, completeness or reliability of the information in such reports. To the extent that the information in such reports is inconsistent or conflicts with this offering memorandum, you should not rely on such information in making an investment decision.

The appraised value of our properties may be different from their actual realizable value and are subject to change.

The appraised value of our properties is based on multiple assumptions that include elements of subjectivity and uncertainty. The assumptions, on which the appraised value of our properties and land reserves are based, include that:

- we will develop and complete projects in accordance with our latest development proposals;

- we have obtained or will obtain on a timely basis all approvals from regulators necessary for the development of the projects, absence of delays caused by weather and natural disasters, and the timely completion of demolition and relocation; and
- we have paid all the land premiums and demolition and resettlement costs and obtained all land use rights certificates and transferable land use rights without any obligation to pay additional land premium or demolition and resettlement costs.

Some assumptions used to reach the appraised value of our properties may prove inaccurate. Therefore, the appraised value of our properties should not be taken as their actual realizable value or a forecast of their realizable value. Unforeseeable changes to the development of our property projects as well as national and local economic conditions may affect the market value of our property holdings.

Our operating results include the change in fair value of our investment properties, which may fluctuate significantly over financial periods and may materially and adversely affect our business, financial position and results of operations.

For the years ended December 31, 2017, 2018 and 2019, the fair value gains of our investment properties were RMB1,331.9 million, RMB3,285.1 million and RMB2,438.1 million (US\$350.2 million), respectively, accounting for approximately 14.1%, 12.4% and 11.3%, respectively, of our profit before tax in those financial periods. The change in fair value in relation to our investment properties may fluctuate in the future. Our business, financial position and results of operations may be materially and adversely affected by any significant change in the fair value of our investment properties that are completed or under development or any transfer of properties held for sale/under development to investment properties.

Fair value gain of investment properties is an accounting treatment and does not represent any actual cash inflow that the Company is able to receive. It is determined by reference to valuations conducted on the investment properties by independent property valuers using property valuation techniques which involve certain assumptions of prevailing market conditions. Changes to these assumptions may result in changes in the fair value of the investment properties, which in turn may lead to changes in our business, financial position and results of operations. Investors must exercise their own judgment when reviewing such financial statement items.

Our current insurance coverage may not be adequate to cover all risks related to our operations.

Under PRC law, construction companies bear the primary civil liability for personal injuries arising out of their construction work. The owner of a property under construction may also bear liability supplementary to the liability of the construction company if the latter is not able to fully compensate the injured. The owner of the property may also bear civil liability for personal injuries, accidents and death if such personal injuries, accidents or death are caused by the fault of such owner.

In respect of the properties we hold for commercial leasing or investment, we do not have a unified policy of procuring insurance policies for all such properties. While some of our commercial properties are covered by property all-risk, equipment damage and public liability insurance, each of our subsidiaries holding an interest in and/or managing commercial properties is at liberty to adopt its own insurance policy from different insurance companies with different coverage. The level of insurance coverage acquired for each of the commercial properties we own and/or manage may not be adequate to cover all losses. In addition, none of the properties held or managed by us for investment were covered by loss of profits insurance. Furthermore, there are certain types of losses, such as losses due to earthquakes, typhoons, floods, wars and civil disorders, for which insurance is not available on what we believe to be commercially reasonable terms in China. As a result, we have not purchased insurance to cover any such losses.

If we suffer any losses, damages or liabilities in the course of our business operations, we may not have adequate insurance coverage to provide sufficient funds to cover any such losses, damages or liabilities or to replace any property that has been destroyed. Therefore, there may be instances when we will sustain losses, damages and liabilities because of our lack of insurance coverage, which may in turn materially adversely affect our financial condition and results of operations.

We guarantee mortgage loans of our customers and may become liable to mortgagee banks if customers default on their mortgage loans.

In accordance with industry practice, banks require us to guarantee mortgage loans taken by purchasers of the properties that we develop. Typically, we guarantee mortgage loans taken out by purchasers up until the time we complete the relevant properties and (i) the property ownership certificates and the mortgage are registered in favor of the mortgagee bank or (ii) the mortgage loans between the mortgagee bank and the purchaser are settled. If a purchaser defaults on a mortgage loan, we may be required to repurchase the underlying property by paying off the mortgage. If we fail to do so, the mortgagee bank may auction the underlying property and recover any additional amount outstanding from us as the guarantor of the mortgage loans. In line with industry practice, we do not conduct any independent credit checks on our customers and rely on the credit evaluation conducted by the mortgagee banks on such customers. These are contingent liabilities not recognized in our consolidated statements of financial position.

As of December 31, 2019, our outstanding guarantees in respect of the mortgages of our customers amounted to RMB67,426.5 million (US\$9,685.2 million). Should any material default occur and if we were called upon to honor our guarantees, our financial condition and results of operations could be adversely affected.

Certain important decisions regarding Seazen Holdings may require approval by its independent directors and/or the consent of its shareholders' meeting and we cannot assure you that our strategies, policies and objectives will be adopted by the shareholders' meeting.

A substantial part of our business is carried out through Seazen Holdings, whose A shares are listed on the Shanghai Stock Exchange since November 3, 2015 through a restructuring, for details, please refer to “Business – Restructuring”. As of the date of this offering memorandum, Seazen Holdings’ issued capital was held as to 67.17% by us and as to 32.83% by other shareholders. Seazen Holdings has historically contributed a significant portion of our Group’s total revenue. See “Relationship with Seazen Holdings.”

Although Seazen Holdings is majority owned by us, it is a public company and thus required under relevant PRC laws and regulations to observe the applicable corporate governance rules that require its operations to be conducted independently of its controlling shareholders. Certain important decisions that may materially affect the interests of the A-shareholders of Seazen Holdings as a whole, including but not limited to, any decision to issue new securities of the company, undergo material restructuring of assets, acquire substantial assets, procure overseas listing of material subsidiaries or repurchase shares from shareholders as repayment of any loan extended to such shareholders, require approval of the independent directors and/or the shareholders of Seazen Holdings who are independent from its controlling shareholders, in accordance with the terms of its articles of association. We cannot assure you that the strategies, policies and objectives that we support regarding Seazen Holdings will align with the interests of its independent directors and/or shareholders.

We may not obtain the expected benefits of our restructuring.

We believe our restructuring will provide us with greater access to capital through the A share market, allow us to seek financing on more favorable terms and command a more favorable price earnings ratio. We also believe that combining the two business lines of residential property development and mixed use property development into a single listed vehicle will improve our efficiency and cost savings. However, it is possible that these expected benefits may not be obtained as a result of market conditions or other circumstances. As a result, it is possible that we may incur substantial restructuring costs without realizing the expected benefits.

Risks Relating to Our Industry

The PRC property market is heavily regulated and subject to frequent introduction of new regulations, including further measures by the PRC government to slow down the growth of the property sector, which may adversely affect property developers.

The PRC government exerts considerable direct and indirect influence on the growth and development of the PRC property market through industry policies and other economic measures such as setting interest rates, controlling the supply of credit by changing bank reserve ratios and implementing lending restrictions, increasing tax and duties on property transfers and imposing foreign investment and currency exchange restrictions. In recent years, the PRC government has introduced a series of regulations and policies designed to generally control the growth of the property market, including, among others:

- strictly enforcing the idle land related laws and regulations;
- restricting the grant or extension of revolving credit facilities to property developers that hold a large amount of idle land and vacant commodity properties;
- prohibiting commercial banks from lending funds to real estate developers with an internal capital ratio of less than certain prescribed percentage; and
- restricting PRC commercial banks from granting loans to property developers for the purpose of paying land grant premiums.

In particular, the PRC government also introduced the following policies, among others, to specifically control the growth of the residential property market:

- limiting the maximum amount of monthly mortgage and the maximum amount of total monthly debt service payments of an individual borrower;
- imposing a value-added tax levy on the sales proceeds for second-hand transfers subject to the length of holding period and type of properties;
- increasing the minimum amount of down payment of the purchase price of the residential property of a family;
- tightening the availability of individual housing loans in the property market to individuals and their family members with more than one residential property;
- subject to the length of holding period and other circumstances, imposing a 20% individual income tax on the gain (deducting all the reasonable expenses on selling the properties) from the sale of second-hand properties; and
- limiting the availability of individual housing provident fund loans for the purchase of second (or more) residential properties by employees and their family members.

From time to time, the PRC government adjusts its regulation of the property market depending on macroeconomic conditions to achieve policy goals, such as preventing the overheating of the property market or stimulating the property market during and after an economic downturn. In recent years, various administrative bodies launched a series of measures to discourage speculation and control the growth of the PRC property market. Demand for properties and property prices in China have fluctuated significantly in recent years, and are expected to continue to be affected by macro-economic control measures implemented by the PRC government from time to time. For example, as a result of changes in the PRC's economic environment and PRC government's tightening monetary policies, the growth of

the PRC real estate market has slowed down with sales volumes or average selling prices decreasing in many major cities in 2014 as compared with the corresponding period in 2013 but has partially recovered in 2015 and 2016. Further restrictive measures adopted by the PRC government on bank loans for real estate development projects and property purchases since April 2010 have had, and may continue to have, a dampening effect on property markets in the PRC. The performance of the property market and our business will continue to be affected by a number of macroeconomic factors, including the growth of the PRC economy, interest rates, RMB exchange rate and the political, economic and regulatory environment in the PRC.

The PRC property market is volatile.

The PRC property market is volatile and may experience undersupply or oversupply of property units and significant property price fluctuations. Our business depends and will continue to depend on the growth of the economy in the PRC. A significant downturn in the PRC economy could adversely affect the demand for commercial and residential properties.

The PRC central and local governments frequently adjust monetary, fiscal or other economic policies to prevent and curtail the overheating of the economy, which may affect the PRC property market. Such policies may lead to changes in market conditions, including price instability and an imbalance of supply and demand in respect of commercial and residential properties, which may materially adversely affect our business and financial condition. We cannot assure you that there will not be overdevelopment in the PRC property markets, which may in turn cause an oversupply of properties that depresses sale prices and rental income, that would result in an undersupply of potential development sites or increases in land acquisition costs in the markets in which we operate. Such effects may adversely affect our business, financial condition and results of operations.

We face intense competition.

The property market in the Yangtze River Delta and major cities along the Shanghai-Nanjing Economic Corridor has been highly competitive in recent years. Property developers from the PRC and overseas have entered the property development markets in the Yangtze River Delta and major cities along the Shanghai-Nanjing Economic Corridor where we have operations and we may expand into. Many of our competitors, including overseas listed foreign developers and top-tier domestic developers, may have more financial or other resources than us and may be more sophisticated than us in terms of engineering and technical skills. Competition among property developers may cause an increase in land costs and raw material costs, shortages in quality construction contractors, surplus in property supply leading to property price decline, further delays in issuance of governmental approvals, and higher costs to attract or retain talented employees. Moreover, property markets across the PRC are influenced by various other factors, including changes in economic conditions, banking practices and consumer sentiment. If we fail to compete effectively, our business operations and financial condition will suffer.

Risks Relating to Doing Business in the PRC

PRC economic, political and social conditions as well as government policies could adversely affect our business and prospects.

The PRC economy differs from the economies of most of the developed countries in many aspects, including:

- political structure;
- the amount and degree of the PRC government involvement and control;
- level of corruption;

- growth rate and degree of development;
- level and control of capital investment and reinvestment;
- control of foreign exchange; and
- allocation of resources.

The PRC economy has been transitioning from a centrally planned economy to a more market-oriented economy. For more than four decades, the PRC government has implemented economic reform measures to utilize market forces in the development of the PRC economy. We cannot predict whether changes in the PRC's economic, political and social conditions and in its laws, regulations and policies will have any adverse effect on our current or future business, financial condition or results of operations.

In addition, many of the economic reforms carried out by the PRC government are unprecedented or experimental and are expected to be refined and improved over time. This refining and adjustment process may not necessarily have a positive effect on our operations and business development. For example, the PRC government has in the past implemented a number of measures intended to slow down certain segments of the economy, including the real estate industry, which the government believed to be overheating. These actions, as well as other actions and policies of the PRC government, could cause a decrease in the overall level of economic activity in the PRC and, in turn, have an adverse impact on our business and financial condition.

The national and regional economies in China and our prospects may be adversely affected by natural disasters, acts of God, and occurrence of epidemics and pandemics.

Our business is subject to general economic and social conditions in China. Natural disasters, epidemics, pandemics and other acts of God which are beyond our control may adversely affect the economy, infrastructure and livelihood of the people in China. Some regions in China, including the cities where we operate, are under the threat of flood, earthquake, sandstorm, snowstorm, fire, drought, or epidemics such as the Severe Acute Respiratory Syndrome, or SARS, the H5N1 avian flu, the human swine flu, also known as Influenza A (H1N1), or, most recently, the novel coronavirus named COVID-19 by the World Health Organization.

The COVID-19 pandemic which began at the end of 2019 has affected millions of individuals and adversely impacted national economies worldwide, including China. On March 11, 2020, WHO declared COVID-19 outbreak a pandemic. Governments across the world have imposed travel restrictions and/or lockdown in an effort to curb the spread of highly infectious COVID-19. As the pandemic continues to spread worldwide, more countries may impose similar or more severe containment measures. There is no assurance that the current containment measures will be effective in halting the pandemic. The current containment measures and any future containment measures may materially and adversely affect the manufacturing, exports and imports and consumption of goods globally, which may in turn lead to global economy slowdown. As a result, supply of our raw materials and productivity of our employees may be adversely affected. As a result, the completion of our projects may be delayed and sales might be lower than expected, which might in turn result in substantial increase in our development costs, late delivery of properties and/or otherwise adversely affect our profitability and cash flows. We cannot assure you that we can maintain the same level of repayment capacity due to the late payment of our sales resulting from late delivery of properties. Moreover, the economic situation may adversely affect the fair value of our investment properties, which may in turn affect our financial conditions and cash flows. As of December 31, 2019, we had investment properties of RMB66,182.8 million (US\$9,506.6 million), and our financial conditions and cash flows may be adversely affected in the year 2020 or the next few years. Further, customers who have previously entered into contracts to purchase properties may default on their purchase contracts if the economic situation further deteriorates as a result of the pandemic. In addition, the COVID-19 outbreak poses risks to the wellbeing of our employees and the safety of our workplace, which may materially and adversely affect our business operation.

Past occurrences of epidemics and pandemics, depending on their scale, have caused different degrees of damage to the national and local economies in China. Another public health crisis in China triggered by a recurrence of SARS or an outbreak of any other epidemics and pandemics, including, for example, the ongoing COVID-19, especially in the cities where we have operations, may result in material disruptions to our property development and sales and the operation of commercial properties. In addition, the outbreak of communicable diseases, such as the COVID-19 outbreak on a global scale, may affect investment sentiment and result in sporadic volatility in global capital markets or adversely affect China and other economies. Such outbreak has resulted in restrictions on travel and public transportation and prolonged closures of workplaces, which may have a material adverse effect on the global economy. Any material change in the financial markets, the PRC economy or regional economies as a result of these events or developments may materially and adversely affect our business, financial condition and results of operations.

Interpretation of PRC laws and regulations involves uncertainty and the current legal environment in China could limit the legal protections available to you.

Our business is conducted in China and is governed by PRC laws and regulations. All of our subsidiaries are located in China and are subject to PRC laws and regulations. The PRC legal system is a civil law system based on written statutes, and prior court decisions have little precedential value and can only be used as a reference. Additionally, PRC written statutes are often principle-oriented and require detailed interpretations by the enforcement bodies to further apply and enforce such laws. Since 1979, the PRC legislature has promulgated laws and regulations in relation to economic matters such as foreign investment, corporate organization and governance, commercial transactions, taxation and trade, with a view to developing a comprehensive system of commercial law, including laws relating to property ownership and development. However, because these laws and regulations have not been fully developed, and because of the limited volume of published cases and the non-binding nature of prior court decisions, interpretation of PRC laws and regulations involves a degree, sometimes a significant degree, of uncertainty. For example, we have registered the issuance of the Notes with the NDRC with reference to the NDRC Notice and are required to file a post-issuance report with the NDRC within 10 working days in the PRC pursuant to the registration certificate. As the NDRC Notice is a relatively new regulation, there are still uncertainties regarding its interpretation, implementation and enforcement by the NDRC. If we fail to complete such filing in accordance with the relevant requirements due to any change in such regulation, we may be subjected to penalties or other enforcement actions by relevant PRC government authorities. Depending on the government agency or how or by whom an application or case is presented to such agency, we may receive a less favorable interpretation of laws and regulations than our competitors. In addition, any litigation in China may be protracted and result in substantial costs and diversion of resources and management attention. All these uncertainties may limit the legal protections available to foreign investors, including you.

We may be deemed a PRC resident enterprise under the PRC EIT Law and be subject to PRC taxation on our worldwide income.

Under the PRC Enterprise Income Tax Law (“**PRC EIT Law**”) 《中華人民共和國企業所得稅法》(主席令第63號), which came into effect on January 1, 2008, enterprises established outside China whose “de facto management bodies” are located in China are considered “resident enterprises” and their global income will generally be subject to the uniform 25% Enterprise Income Tax (“**EIT**”) rate. Under the Implementation Rules for the PRC EIT Law, “de facto management bodies” are defined as the bodies that have material and overall management control over the business, personnel, accounts and properties of an enterprise.

Substantially all of our management is currently based in China and may remain in China. In April 2009, the PRC State Administration of Taxation (the “**SAT**”) promulgated a circular to clarify the definition of “de facto management bodies” for enterprises incorporated overseas with controlling shareholders being onshore enterprises or enterprise groups in China. However, it remains unclear how the tax authorities will treat an overseas enterprise invested or controlled by another overseas enterprise and ultimately controlled by PRC individual residents, as in our case. Therefore, we may be treated as a PRC resident enterprise for PRC EIT purposes. The tax consequences of such treatment are currently unclear as they will depend on how PRC finance and tax authorities apply or enforce the PRC EIT Law and the Implementation Rules.

We cannot guarantee the accuracy of facts, forecasts and other statistics with respect to China, the PRC economy and the PRC real estate industry contained in this offering memorandum.

Facts, forecasts and other statistics in this offering memorandum relating to China, the PRC economy and the PRC real estate industry have been derived from various official government publications generally believed to be reliable. However, we cannot guarantee the quality or reliability of such materials. They have not been prepared or independently verified by us, the Initial Purchasers or any of our or their respective affiliates or advisers and, therefore, we make no representation as to the accuracy of such facts, forecasts and statistics, which may not be consistent with other information compiled within or outside China. We have, however, taken reasonable care in the reproduction and/or extraction of the official government publications for the purpose of disclosure in this offering memorandum. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice, these facts, forecasts and statistics in this offering memorandum may be inaccurate or may not be comparable to facts, forecasts and statistics produced with respect to other economies. Further, there can be no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as the case may be in other jurisdictions. Therefore, you should not unduly rely upon the facts, forecasts and statistics with respect to China, the PRC economy and the PRC real estate industry contained in this offering memorandum.

Risks Relating to the Notes

We are a holding company and payments with respect to the Notes are structurally subordinated to liabilities, contingent liabilities and obligations of our subsidiaries.

We are a holding company with no material operations. We conduct our operations through our PRC subsidiaries. The Notes will not be guaranteed by any current or future PRC subsidiaries. Our primary assets are ownership interests in our PRC subsidiaries, which are held through the Subsidiary Guarantors and certain Non-Guarantor Subsidiaries. The Subsidiary Guarantors do not, and the JV Subsidiary Guarantors (if any) may not, have material operations. Accordingly, our ability to pay principal and interest on the Notes and the ability of the Subsidiary Guarantors and the JV Subsidiary Guarantors (if any) to satisfy their obligations under the Subsidiary Guarantees or the JV Subsidiary Guarantees (as the case may be) will depend upon distributions of dividends from our subsidiaries.

Creditors, including trade creditors, of Non-Guarantor Subsidiaries and any holders of preferred shares in such entities would have a claim on the Non-Guarantor Subsidiaries' assets that would be prior to the claims of holders of the Notes. As a result, our payment obligations under the Notes will be effectively subordinated to all existing and future obligations of our Non-Guarantor Subsidiaries and all claims of creditors of our Non-Guarantor Subsidiaries will have priority as to the assets of such entities over our claims and those of our creditors, including holders of the Notes. As of December 31, 2019, we had total current and non-current borrowings of RMB87,846.9 million (US\$12,618.4 million), including outstanding bank borrowings of approximately RMB31,199.2 million (US\$4,481.5 million). As of December 31, 2019, our total trade and other payables amounted to RMB102,356.0 million (US\$14,702.5 million), and we had provided guarantees of RMB67,426.5 million (US\$9,659.4 million) to PRC banks in respect of the mortgage loans provided by the banks to purchasers of our developed properties. As of December 31, 2019, our Non-Guarantor's borrowings accounted for substantially all of our indebtedness, and our Restricted Subsidiaries (excluding the Subsidiary Guarantors) had total current and non-current borrowings of approximately RMB78,791.5 million (US\$11,317.7 million), capital commitments of approximately RMB22.4 million (US\$3.2 million) and contingent liabilities of approximately RMB67,426.5 million (US\$9,659.4 million). The Notes and the indenture permit us, the Subsidiary Guarantors, the JV Subsidiary Guarantors (if any) and the Non-Guarantor Subsidiaries to incur additional indebtedness and issue additional guarantees, subject to certain limitations. In addition, our secured creditors or those of any Subsidiary Guarantor or JV Subsidiary Guarantor (if any) would have priority as to our assets or the assets of such Subsidiary Guarantor or JV Subsidiary Guarantor (if any) securing the related obligations over claims of holders of the Notes.

Under the terms of the Notes, a Subsidiary Guarantee required to be provided by a subsidiary of the Company under the terms of the Notes may be replaced by a limited-recourse guarantee, or JV Subsidiary Guarantee. See “Risk Relating to the Guarantees and the Collateral – Our initial Subsidiary Guarantors do not currently have significant operations and certain Subsidiary Guarantees may in some cases be replaced by limited-recourse guarantees.” Recovery under a JV Subsidiary Guarantee is limited to an amount equal to our proportional interest in the issued share capital of such Subsidiary Guarantor, or JV Subsidiary Guarantor, multiplied by the fair market value of the total assets in such JV Subsidiary Guarantor and its subsidiaries, on a consolidated basis, as of the date of the last fiscal year end of the Company. As a result, the amount that may be recovered by the Trustee pursuant to a JV Subsidiary Guarantee (compared to a Subsidiary Guarantee) is reduced, which in turn may affect your ability to recover any amounts due under the Notes.

We have substantial indebtedness, including that under the September 2020 Notes, the January 2021 Notes, the April 2023 Notes, the June 2022 Notes, the August 2022 Guaranteed Senior Notes, the April 2021 Guaranteed Senior Notes, the May 2021 Guaranteed Senior Notes, the June 2022 Guaranteed Senior Notes, the May 2022 Guaranteed Senior Notes, the December 2021 Guaranteed Senior Notes and the August 2023 Guaranteed Senior Notes, and may incur substantial additional indebtedness in the future, which could adversely affect our financial health and our ability to generate sufficient cash to satisfy our outstanding and future debt obligations.

We now have, and will continue to have after the offering of the Notes, a substantial amount of indebtedness. Our outstanding current and non-current borrowings, which include our borrowings from banks and senior notes were RMB49,381.2 million, RMB81,503.2 million and RMB87,846.9 million (US\$12,618.4 million) as of December 31, 2017, 2018 and 2019, respectively. We also guarantee the August 2023 Guaranteed Senior Notes issued by NEW METRO GLOBAL LIMITED in February 2020 and issued the June 2022 Notes in June 2020. For more details, please see “Summary – Recent Developments – Issuance of the August 2023 Guaranteed Senior Notes” and “Summary – Recent Developments – Issuance of the June 2020 Notes”.

Our substantial indebtedness could have important consequences to you. For example, it could:

- limit our ability to satisfy our obligations under the Notes and other debt;
- increase our vulnerability to adverse general economic and industry conditions;
- require us to dedicate a substantial portion of our cash flow from operations to servicing and repaying our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures and other general corporate purposes;
- limit our flexibility in planning for or reacting to changes in our businesses and the industry in which we operate;
- place us at a competitive disadvantage compared to our competitors that have less debt;
- limit, along with the financial and other restrictive covenants of our indebtedness, among other things, our ability to borrow additional funds; and
- increase the cost of additional financing.

In the future, we may from time to time incur substantial additional indebtedness (including bank borrowings and/or onshore or offshore bond offerings) and contingent liabilities. Under the Notes, we may incur additional indebtedness if we can, among other things, satisfy the Fixed Charge Coverage Ratio. The Fixed Charge Coverage Ratio is derived by dividing Consolidated EBITDA by Consolidated Fixed Charges. Consolidated Fixed Charges comprises of Consolidated Interest Expense and dividends paid on any Disqualified Stock or Preferred Stock of the Company or any Restricted Subsidiary. Because our definition of Consolidated Interest Expense only includes interest that has become due and payable by the Company or any Restricted Subsidiary and excludes distributions (incurred or accrued) and payments under Perpetual Bond Obligations, our Consolidated Fixed Charges would be substantially

lower, and therefore our ability to incur additional debt under such covenant could be substantially larger, when compared to other similarly situated PRC high yield issuers whose covenant typically includes such interest regardless of whether it has become due and payable by the Company or any Restricted Subsidiary or not. If we or our subsidiaries incur additional debt, the risks that we face as a result of our already substantial indebtedness and leverage could intensify.

Our ability to generate sufficient cash to satisfy our outstanding and future debt obligations will depend upon our future operating performance, which will be affected by prevailing economic conditions and financial, business and other factors, many of which are beyond our control. We anticipate that our operating cash flow will be sufficient to meet our anticipated operating expenses and to service our debt obligations as they become due. However, we may not be able to generate sufficient cash flow for these purposes. If we are unable to service our indebtedness, we will be forced to adopt an alternative strategy that may include actions such as reducing or delaying capital expenditures, selling assets, restructuring or refinancing our indebtedness or seeking equity capital. These strategies may not be instituted on satisfactory terms, if at all.

In addition, the terms of the indenture governing the Notes prohibit us from incurring additional indebtedness unless (i) we are able to satisfy certain financial ratios or (ii) we are able to incur such additional indebtedness pursuant to any of the exceptions to the financial ratio requirements, and meet any other applicable restrictions. Our ability to meet our financial ratios may be affected by events beyond our control. We might not be able to meet these ratios. Certain of our existing financing arrangements also impose operating and financial restrictions on our business. See the section headed “Description of Material Indebtedness and Other Obligations.” Such restrictions in the indenture and our other financing arrangements may negatively affect our ability to react to changes in market conditions, take advantage of business opportunities we believe to be desirable, obtain future financing, fund required capital expenditures, or withstand a continuing or future downturn in our business or the general economy. Any of these factors could materially and adversely affect our ability to satisfy our obligations under the Notes and other debt.

To service our indebtedness, we will require a significant amount of cash. Our ability to generate cash depends on many factors beyond our control.

Our ability to make payments on and to refinance our indebtedness, including these Notes, and to fund planned capital expenditures and project development will depend on our ability to generate cash. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control.

Our business might not generate sufficient cash flow from operations to enable us to pay our indebtedness, including the Notes, or to fund our other liquidity needs. We may need to refinance all or a portion of our indebtedness, including the Notes, on or before maturity. We might not be able to refinance any of our indebtedness on commercially reasonable terms or at all. If we are unable to service our indebtedness or obtain refinancing on terms acceptable to us, we may be forced to adopt an alternative strategy that may include reducing or delaying capital expenditures, selling assets or seeking equity capital. These strategies may not be instituted on satisfactory terms, if at all.

We may designate members of the Restructuring Group (as defined in “Description of the Notes”) as Unrestricted Subsidiaries under the Indenture if and when we decide to proceed with the Restructuring.

Although we do not have any specific plan yet, we may designate members of the Restructuring Group as Unrestricted Subsidiaries under the Indenture, if and when we consider appropriate, subject to certain conditions, including, among others, that our Board of Directors has determined in good faith that the designation of Unrestricted Subsidiaries is necessary to obtain approval from the relevant stock exchange for the Restructuring. Following such designation:

- interest expenses on Indebtedness (as defined in the Indenture) of such entity will not be included in the calculation of our Consolidated Interest Expense (as defined under “Description of the Notes”), other than such interest expenses on Indebtedness that is Guaranteed and payable by us or a Restricted Subsidiary;

- the net income of the Restructuring Group will not be included in the calculation of our Consolidated Net Income and Consolidated EBITDA under the Indenture except to the extent of the cash actually distributed to us or any Restricted Subsidiary as a dividend or other distribution from the Restructuring Group;
- any Investment by us or any Restricted Subsidiary in the Restructuring Group would need to satisfy the “Limitation on Restricted Payments” covenant; and
- future transactions between us or any Restricted Subsidiary on the one hand and any member of the Restructuring Group on the other will need to comply with the requirements in the “Limitation on Transactions with Shareholders and Affiliates” covenant, except for those that (i) are entered into in connection with the Restructuring, or (ii) are entered into in the ordinary course of business, on fair and reasonable terms and are disclosed in the offering documents issued in connection with the Restructuring, or any amendment, modification, extension or replacement thereof, subject to certain conditions.

As a result of any such designation, the value of assets subject to the restrictive covenants under the Indenture may decrease and the market price and trading of the Notes may be materially affected. Accordingly, you are cautioned as to our intended initial designation of Unrestricted Subsidiaries under the Indenture, notably the subsidiaries within the Restructuring Group, and our ability to designate further Unrestricted Subsidiaries subject to the conditions set forth in the Indenture.

Our subsidiaries are subject to restrictions on the payment of dividends and the repayment of intercompany loans or advances to us and our subsidiaries.

As a holding company, we currently do not have any substantial business operation, and we do not plan to so in the near future. As a result, we depend on the receipt of dividends and the interest and principal payments on intercompany loans or advances from our subsidiaries, including our PRC subsidiaries, to satisfy our obligations. If we are unable to receive dividends and the interest and principal payments on intercompany loans or advances from our subsidiaries, we may not be able to meet our obligations under the Notes. The ability of our subsidiaries to pay dividends and to make payments on intercompany loans or advances to their shareholders is subject to, among other things, their distributable earnings and cash flow conditions, restrictions contained in the articles of association and the financing agreements entered into by our subsidiaries and applicable laws. For example, some of our subsidiaries are restricted from distributing dividends until their existing indebtedness is paid off and they start to generate profit. In addition, if any of our subsidiaries raises capital by issuing equity securities to third parties, dividends declared and paid with respect to such equity securities would not be available to us to make payments on the Notes. Currently, some of the instruments governing debt for our PRC subsidiaries contain restrictions that require such PRC subsidiaries to obtain approval from lending banks or other financial institutions prior to distributing any dividends. Such restrictions may adversely affect the calculation of our Consolidated EBITDA, and in turn our ability to undertake additional financing, investment or other transactions under the terms of the Notes. In addition, the shares and assets, including dividends derived from these shares, of certain of our subsidiaries are pledged to secure some of our indebtedness. Furthermore, most of our PRC subsidiaries are held through our A-share listed subsidiary, Seazen Holdings. As an A-share listed company, Seazen Holdings is subject to PRC securities laws and the listing rules of Shanghai Stock Exchange, which may place more restrictions on its ability to declare and issue dividends as compared to our non-public PRC subsidiaries. In addition, given that Seazen Holdings is not 100% controlled by us, we will only be entitled to receive a portion of any dividends issued by Seazen Holdings. These restrictions could reduce the amounts that we receive from our subsidiaries, which would restrict our ability to meet our payment obligations under the Notes and the obligations of the Subsidiary Guarantors or the JV Subsidiary Guarantors (if any) under the Subsidiary Guarantees or the JV Subsidiary Guarantees, as the case may be.

PRC laws and regulations permit payment of dividends only out of accumulated profits as determined in accordance with PRC accounting standards and regulations and such profits differ from profits determined in accordance with HKFRSs in certain significant respects, including the use of different bases of recognition of revenue and expenses. Our PRC subsidiaries are also required to set aside a portion of their after-tax profits according to PRC accounting standards and regulations to fund certain reserves that are not distributable as cash dividends. In practice, our PRC project companies may pay dividends only after they have completed the development of the project (or at least the development of a phase or a stand-alone tower or building), collected payment and completed the required government tax clearance and foreign exchange procedures. In addition, dividends paid by our PRC subsidiaries to their non-PRC parent company are subject to a 10% withholding tax, unless there is a tax treaty between the PRC and the jurisdiction in which the overseas parent company is incorporated, which specifically exempts or reduces such withholding tax. Pursuant to arrangements relating to the avoidance of double taxation between Hong Kong and the PRC, if the non-PRC parent company is a Hong Kong resident and directly holds a 25% or more interest in the PRC enterprise, such withholding tax rate may be lowered to 5%. However, according to the Announcement of the State Administration of Taxation on Issues Concerning “Beneficial Owners” in Tax Treaties (國家稅務總局關於稅收協定中“受益所有人”有關問題的公告) dated February 3, 2018, tax treaty benefits are not available to conduit or shell companies without substantive business activities. Therefore, it is unclear whether dividend payments made by our PRC subsidiaries to our Hong Kong subsidiary (which holds the equity interests in our PRC subsidiaries) will qualify for the 5% rate in any particular year. As a result of such restrictions, there could be limitations, including timing limitations, on our ability to receive payments from our PRC subsidiaries to meet our payment obligations under the Notes and the obligations of the Subsidiary Guarantors or the JV Subsidiary Guarantors (if any) under the Subsidiary Guarantees or the JV Subsidiary Guarantees, as the case may be, and there could be restrictions on payments required to redeem the Notes at maturity or as required for any early redemption.

Furthermore, although we currently do not have any offshore shareholder loan to our PRC subsidiaries, we may resort to such offshore lending in the future, rather than equity contributions, to our PRC subsidiaries to finance their operations. In such event, the market interest rates that our PRC subsidiaries can pay with respect to offshore loans generally may not exceed comparable interest rates in the international finance markets. The interest rates on shareholder loans paid by our subsidiaries, therefore, are likely to be lower than the interest rate for the Notes. Our PRC subsidiaries are also required to pay withholding tax at a rate of 10% (or a lower treaty rate, if any) on our behalf on the interest paid under any shareholder loan. Prior to payment of interest and principal on any such shareholder loan, the PRC subsidiaries (as foreign-invested enterprises in China) must present evidence of payment of the withholding tax on the interest payable on any such shareholder loan and evidence of registration with the State Administration of Foreign Exchange of the PRC (“SAFE”), as well as any other documents that SAFE or its local branch may require.

As a result of the foregoing, we cannot assure you that we will have sufficient cash flow from dividends or payments on intercompany loans or advances from our subsidiaries to satisfy our obligations under the Notes or the obligations of the Subsidiary Guarantors or the JV Subsidiary Guarantors (if any) under the Subsidiary Guarantees or the JV Subsidiary Guarantees, as the case may be.

Under PRC regulations, we may not be able to transfer to our PRC subsidiaries proceeds from this offering in the form of a loan, which could impair our ability to make timely payments of interest, or even principal, under the Notes.

According to the existing PRC rules and regulations relating to supervision of foreign debt, loans by foreign companies to their subsidiaries in China are considered foreign debt, and such debt must be registered with the relevant local branches of SAFE. The SAFE issued the Administrative Measures for Registration of Foreign Debt (外債登記管理辦法) (匯發[2013]19號) and Guidelines on the Administration of Registration of Foreign Debt (外債登記管理操作指引) (匯發[2013]19號) in April 2013, and revised them in 2015 and 2016 accordingly, which provide that (inter alia) (i) the SAFE will not process a foreign debt registration of any foreign invested real estate enterprise which obtained its certificate of authorization and completed the filing procedures with MOFCOM on or after June 1, 2007;

(ii) foreign invested real estate enterprises established prior to June 1, 2007 may borrow foreign debt up to an amount not exceeding the difference between its total investment and registered capital; and (iii) a foreign invested real estate enterprise that has not fully paid up its registered capital or obtained land use rights certificates, or the paid-in capital of its development projects is less than 35% of the total investment of such projects is not allowed to borrow foreign debt. Our subsidiary, Wealth Zone Development Holdings Co., Ltd. has been a foreign invested-enterprise since August 2003. Therefore, the proceeds of this offering can be transferred to it as loans. However, the amount of the loans shall not exceed the difference between its total investment and registered capital, and such loans are required to be registered with the relevant local branches of SAFE.

In addition, equity contributions by us and our non-PRC subsidiaries to our PRC subsidiaries will require approvals from the commerce department of the local government or filing with the local branch of SAFE and MOFCOM, which may take considerable time and result in delays in receiving the contribution. This may in turn adversely affect the financial condition of the PRC subsidiaries and cause delays to the developments undertaken by such PRC subsidiaries. We may not be able to obtain the necessary approvals for our PRC subsidiaries at all.

Further, the PRC government may introduce new policies that could further restrict our ability to use funds raised outside China. Therefore, we may not be able to use all or any of the funds that we raise outside China as intended.

The terms of the Notes permit us to make investments in Unrestricted Subsidiaries and minority owned joint ventures.

In light of land prices, sizes of projects and other factors, we may from time to time consider developing property developments jointly with other property developers. As a result, we may need to make investments in joint ventures (including joint ventures in which we may own less than a 50% equity interest) and such joint ventures may or may not be Restricted Subsidiaries. Although the Indenture restricts us and our Restricted Subsidiaries from making investments in Unrestricted Subsidiaries or minority joint ventures, these restrictions are subject to important exceptions and qualifications, including, among others, that we may, subject to certain conditions, make investments in any Unrestricted Subsidiaries and minority owned joint ventures primarily engaged in permitted business up to an aggregate amount equal to 35% of our total assets. See “Description of the Notes”.

The terms of the Notes permit us to pay dividends of up to 20% of our distributable profit without restrictions.

Under the Indenture, we are allowed to pay dividends to our shareholders in any financial year in an aggregate amount of up to 20% of our consolidated net profit in such financial year. Although such dividends will reduce the “restricted payment” basket dollar-by-dollar to the effect that it is possible for such basket to be negative, investors should note that we may be able to pay a substantial amount of dividends even when we are highly leveraged, which may materially and adversely affect our ability to service our indebtedness, including the Notes.

Fluctuations in the value of the Renminbi may have a material adverse impact on your investment.

Substantially all of our revenue and expenditures are denominated in Renminbi, while the net proceeds from this offering and any interest we pay on the Notes will be in U.S. dollars. Fluctuations in the exchange rate between the Renminbi and U.S. dollars will affect the relative purchasing power in Renminbi terms of the proceeds from this offering. Fluctuations in the exchange rate may also cause us to incur foreign exchange losses and affect the relative value of any dividend issued by our PRC subsidiaries. In addition, appreciation or depreciation in the value of the Renminbi relative to U.S. dollars would affect our financial results in U.S. dollars terms without giving effect to any underlying change in our business or results of operations. Moreover, because the functional currency of the Company and all of its subsidiaries is the Renminbi, the balance and certain amounts due to related

parties denominated in a foreign currency are subject to translation at each reporting date, which could affect our business, financial condition and results of operations. Movements in Renminbi exchange rates are affected by, among other things, changes in political and economic conditions and China's foreign exchange regime and policy. Since July 2005, the Renminbi has not been pegged to the U.S. dollars. In August 2015, the Renminbi experienced a substantial devaluation as a result of adjustments made by the People's Bank of China to the reference Renminbi to U.S. dollar exchange rate. The Renminbi may appreciate or depreciate significantly in value against the U.S. dollar in the medium to long term. Moreover, it is possible that in the future PRC authorities may lift restrictions on fluctuations in Renminbi exchange rates and lessen intervention in the foreign exchange market.

There are limited hedging instruments available in China to reduce our exposure to exchange rate fluctuations between the Renminbi and other currencies. To date, we have not entered into any hedging transactions in an effort to reduce our exposure to foreign currency exchange risks. In any event, the availability and effectiveness of these hedges may be limited and we may not be able to hedge our exposure successfully, or at all.

Interest paid by us to our non-PRC investors and gain on the sale of our Notes may become subject to withholding taxes under PRC tax laws.

As described under "Risks Relating to Doing Business in the PRC – We may be deemed a PRC resident enterprise under the PRC EIT Law and be subject to PRC taxation on our worldwide income," we may be deemed a PRC resident enterprise. In that case, interest paid on the Notes may be considered to be sourced within China. Consequently, PRC income tax at the rate of 10% may be withheld from interest paid by us to investors that are "non-resident enterprises" so long as such "non-resident enterprise" investors do not have an establishment or place of business in China or, if there is such establishment or place of business in China, the relevant income is not effectively connected with such establishment or place of business in China. Any gain realized on the transfer of the Notes by such investors will be subject to a 10% PRC income tax if such gain is regarded as income derived from sources within China. Tax at a rate of 20% may be imposed on the interest or capital gains obtained from PRC sources China by investors that are "non-resident individuals" (which in the case of interest may be withheld at source). A "non-resident individual" is an individual who neither is domiciled in China nor stays in China or who is not domiciled in China but has stayed in China for an aggregate of less than 183 days of a tax year. It is uncertain whether we will be considered a PRC "resident enterprise," and whether the interest paid to our non-PRC investors, or the gain our non-PRC investors may realize from the transfer of our Notes, would be treated as income sourced within China and be subject to PRC tax. If we are required under the PRC EIT Law to withhold PRC income tax on interest payments to non-PRC holders of Notes, we will be required to pay such additional amounts as are necessary to ensure receipt by the holders of the full amount which the holders would have received but for such withholding, subject to certain exceptions. The requirement to pay additional amounts will increase the cost of servicing interest payments on the Notes and could have a material adverse effect on our ability to pay interest on, and repay the principal amount of, the Notes, as well as our profitability and cash flows. In addition, if you are required to pay PRC income tax on the transfer of our Notes, the value of your investment in our Notes may be materially and adversely affected. It is unclear whether, if we are considered a PRC "resident enterprise," holders of our Notes might be able to claim the benefit of income tax treaties or agreements entered into between China and other countries or areas.

We may be able to redeem the Notes in whole at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest in the event we are required to pay additional amounts as a result of changes in law.

As described under "Description of the Notes – Redemption for Taxation Reasons," in the event we are required to pay additional amounts as a result of future changes in specified tax law or future changes in the existing official position or the stating of an official position regarding the application or interpretation of such law tax that results in our being required to withhold tax on interest payments due to our being treated as a PRC resident enterprise, we may redeem the Notes in whole at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest.

The insolvency laws of the Cayman Islands and other local insolvency laws may differ from those of another jurisdiction with which holders of the Notes are familiar.

Because we and some of the Subsidiary Guarantors are incorporated, and the JV Subsidiary Guarantors (if any) may be incorporated, under the laws of the Cayman Islands or Hong Kong, an insolvency proceeding relating to us or any such Subsidiary Guarantor or JV Subsidiary Guarantor, would likely involve Cayman Islands or Hong Kong insolvency laws, the procedural and substantive provisions of which may differ from comparable provisions of other jurisdictions with which the holders of the Notes are familiar.

We conduct substantially all of our business operations through PRC-incorporated subsidiaries in China. The Subsidiary Guarantors, as equity holders in our PRC subsidiaries, are necessarily subject to the bankruptcy and insolvency laws of China in a bankruptcy or insolvency proceeding involving any such PRC subsidiaries. Any JV Subsidiary Guarantors which become equity holders of our PRC subsidiaries would also be subject to such laws. The PRC laws and regulations relating to bankruptcy and insolvency and the legal proceedings in that regard may significantly differ from those of other jurisdictions with which the holders of the Notes are familiar. You should analyze the risks and uncertainties carefully before you invest in our Notes.

We may be unable to obtain and remit foreign exchange.

Our ability to satisfy our obligations under the Notes depends solely upon the ability of our PRC subsidiaries to obtain and remit sufficient foreign currency to pay dividends to us and, if applicable, to pay interest and principal on shareholder loans. Our PRC subsidiaries must present certain documents to SAFE, its authorized branch, or the designated foreign exchange bank, for approval before they can obtain and remit foreign currencies out of China, including, in the case of dividends, evidence that the relevant PRC taxes have been paid and, in the case of shareholder loans, evidence of the registration of the loan with SAFE. Prior to payment of interest and principal on any shareholder loan we make to our PRC subsidiaries, the relevant PRC subsidiary must also present evidence of payment of withholding tax at a rate of 10% or a lower tax treaty rate, if any, on the interest payable in respect of such shareholder loan. If any PRC subsidiary for any reason fails to satisfy any of the PRC legal requirements for remitting foreign currency payments, the PRC subsidiary will be unable to pay us dividends or interest and principal on shareholder loans, which may affect our ability to satisfy our obligations under the Notes.

If we are unable to comply with the restrictions and covenants in our debt agreements or the indenture governing the Notes, there could be a default under the terms of these agreements or the indenture governing the Notes, which could cause repayment of our debt to be accelerated.

If we are unable to comply with the restrictions and covenants in the indenture governing the Notes or our current or future debt obligations and other agreements, there could be a default under the terms of these agreements. In the event of a default under these agreements, the holders of the debt could terminate their commitments to lend to us, accelerate repayment of the debt and declare all outstanding amounts due and payable or terminate the agreements, as the case may be. Furthermore, some of our debt agreements, including the indenture governing the Notes, contain cross-acceleration or cross-default provisions. As a result, our default under one debt agreement may cause the acceleration of repayment of not only such debt but also other debt, including the Notes, or result in a default under our other debt agreements, including the indenture governing the Notes. If any of these events occur, we cannot assure you that our assets and cash flow would be sufficient to repay in full all of our indebtedness, or that we would be able to find alternative financing. Even if we could obtain alternative financing, we cannot assure you that it would be on terms that are favorable or acceptable to us.

The Trustee may request the holders of the Notes to provide an indemnity and/or security to its satisfaction.

In certain circumstances, including without limitation giving of notice to the Issuer and taking enforcement steps pursuant to terms of the Notes, the Trustee may, at its sole discretion, request the holders of the Notes to provide an indemnity and/or security to its satisfaction before it takes actions on

behalf of the holders of the Notes. The Trustee shall not be obliged to take any such actions if not indemnified and/or secured to its satisfaction. Negotiating and agreeing to an indemnity and/or security can be a lengthy process and may impact on when such actions can be taken. The Trustee may not be able to take actions, notwithstanding the provision of an indemnity or security to it, in breach of the terms of the trust deed or the terms of the Notes and in circumstances where there is uncertainty or dispute as to the applicable laws or regulations and, to the extent permitted by the agreements and the applicable law, it will be for the holders of the Notes to take such actions directly.

We may not be able to repurchase the Notes, the September 2020 Notes, the January 2021 Notes, the April 2023 Notes, the June 2022 Notes and the August 2023 Guaranteed Senior Notes upon the occurrence of certain event.

We must offer to purchase the Notes, the September 2020 Notes, the January 2021 Notes, the April 2023 Notes, the June 2022 Notes and the August 2023 Guaranteed Senior Notes, upon the occurrence of certain types of changes of control at a purchase price equal to 101% of their respective principal amount plus accrued and unpaid interest. See the section headed “Description of the Notes.” However, we may not have sufficient available funds at the time of the occurrence of any change of control to make purchases of the outstanding Notes, the September 2020 Notes, the January 2021 Notes, the April 2023 Notes, the June 2022 Notes and the August 2023 Guaranteed Senior Notes. Our failure to make the offer to purchase or to purchase the outstanding Notes, the September 2020 Notes, the January 2021 Notes, the April 2023 Notes, the June 2022 Notes and the August 2023 Guaranteed Senior Notes, would constitute an event of default under the Notes, the September 2020 Notes, the January 2021 Notes, the April 2023 Notes, the June 2022 Notes and the August 2023 Guaranteed Senior Notes. The event of default may, in turn, constitute an event of default under other indebtedness, any of which could cause the related debt to be accelerated after any applicable notice or grace periods. If our other debts were to be accelerated, we may not have sufficient funds to purchase the Notes, the September 2020 Notes, the January 2021 Notes, the April 2023 Notes, the June 2022 Notes and the August 2023 Guaranteed Senior Notes, and repay the debt.

In addition, the definition of change of control for purposes of the indentures governing the Notes, the September 2020 Notes, the January 2021 Notes, the April 2023 Notes, the June 2022 Notes and the August 2023 Guaranteed Senior Notes, does not necessarily afford protection for the holders of the Notes, the September 2020 Notes, the January 2021 Notes, the April 2023 Notes, the June 2022 Notes and the August 2023 Guaranteed Senior Notes, in the event of some highly-leveraged transactions, including certain acquisitions, mergers, refinancings, restructurings or other recapitalizations. These types of transactions could, however, increase our indebtedness or otherwise affect our capital structure or credit ratings. The definition of change of control for purposes of the indentures governing the Notes, the September 2020 Notes, the January 2021 Notes, the April 2023 Notes, the June 2022 Notes and the August 2023 Guaranteed Senior Notes, also includes a phrase relating to the sale of “all or substantially all” of our assets. Although there is a limited body of case law interpreting the phrase “substantially all,” there is no precise established definition under applicable law. Accordingly, our obligation to make an offer to purchase the Notes, the September 2020 Notes, the January 2021 Notes, the April 2023 Notes, the June 2022 Notes and the August 2023 Guaranteed Senior Notes, the ability of a holder of the Notes, the September 2020 Notes and the January 2021 Notes, the April 2023 Notes, the June 2022 Notes and the August 2023 Guaranteed Senior Notes to require us to purchase its notes pursuant to such offer as a result of a highly-leveraged transaction or a sale of less than all of our assets may be uncertain.

Our operations are restricted by the terms of the Notes, which could limit our ability to plan for or to react to market conditions or meet our capital needs, which could increase your credit risk.

The indenture governing the Notes includes a number of significant restrictive covenants. These covenants restrict, among other things, our ability, and the ability of our Restricted Subsidiaries, to:

- incur or guarantee additional indebtedness and issue disqualified or preferred stock;
- declare dividends on capital stock or purchase or redeem capital stock;

- make investments or other specified restricted payments;
- issue or sell capital stock of Restricted Subsidiaries;
- guarantee indebtedness of Restricted Subsidiaries;
- sell assets;
- create liens;
- enter into sale and leaseback transactions;
- engage in any business other than permitted business;
- enter into agreements that restrict the Restricted Subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- enter into transactions with shareholders or affiliates; and
- effect a consolidation or merger.

These covenants could limit our ability to plan for or react to market conditions or to meet our capital needs. Our ability to comply with these covenants may be affected by events beyond our control, and we may have to curtail some of our operations and growth plans to maintain compliance.

A trading market for the Notes may not develop, and there are restrictions on resale of the Notes.

Although approval in-principle has been received for the listing and quotation of the Notes on the SGX-ST, we cannot assure you that we will obtain or be able to maintain a listing on the SGX-ST, or that, if listed, a liquid trading market will develop. We have been advised that the Initial Purchasers intend to make a market in the Notes, but the Initial Purchasers are not obligated to do so and may discontinue such market making activity at any time without notice. In addition, the Notes are being offered pursuant to exemptions from registration under the Securities Act and, as a result, you will only be able to resell your Notes in transactions that have been registered under the Securities Act or in transactions not subject to or exempt from registration under the Securities Act. See the section headed "Transfer Restrictions." If an active trading market does not develop or is sustained, the market price and liquidity of the Notes could be adversely affected.

The ratings assigned to the Notes and our corporate ratings may be lowered or withdrawn in the future.

The Notes are expected to be rated BB by Fitch. The ratings address our ability to perform our obligations under the terms of the Notes and credit risks in determining the likelihood that payments will be made when due under the Notes. In addition, we have been assigned a corporate rating of BB with a stable outlook by Fitch, a corporate rating of BB with a stable outlook by S&P and a corporate rating of Ba2 with a stable outlook by Moody's. A rating may not remain for any given period of time and could be lowered or withdrawn entirely by the relevant rating agency. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time. We have no obligation to inform holders of the Notes of any such revision, suspension or withdrawal. A reduction, suspension or withdrawal at any time of the rating assigned to the Notes may adversely affect the market price of the Notes.

Certain transactions that constitute “connected transactions” under the listing rules of the Hong Kong Stock Exchange will not be subject to the “Limitation on Transactions with Shareholders and Affiliates” covenant.

Our shares are listed on the Hong Kong Stock Exchange and we are required to comply with its listing rules, which provide, among other things, that any transaction between a listed company or any of its subsidiaries, on the one hand, and a “connected person” of such listed company, on the other hand, is a “connected transaction” that, if the value of such transaction exceeds the applicable de minimis thresholds, will require certain procedural requirements to be completed or approvals to be obtained. The “Limitation on Transactions with Shareholders and Affiliates” covenant in the Notes only applies to transactions between the Company or any Restricted Subsidiary, on the one hand, and (x) any holder (or any affiliate of such holder) of 10% or more of the shares of the Company or (y) any affiliate of the Company, on the other hand. As such, transactions between the Company or any Restricted Subsidiary, on the one hand, and an affiliate of any Restricted Subsidiary, on the other hand, will not be captured by such covenants, even though they are subject to the independent shareholders’ requirement under the Listing Rules. As a result, we are not required by the terms of the Notes to ensure that any such transactions are on terms that are fair and reasonable, and we will not need to deliver officers’ certificates or procure the delivery of fairness opinions by accounting, appraisal or investment banking firms to the trustee of the Notes for any such transactions.

The liquidity and price of the Notes following the offering may be volatile.

The price and trading volume of the Notes may be highly volatile. Factors such as variations in our revenues, earnings and cash flows, proposals for new investments, strategic alliances and acquisitions, changes in interest rates, fluctuations in price for comparable companies, government regulations and changes thereof applicable to our industry and general economic conditions nationally or internationally could cause the price of the Notes to change. Any such developments may result in large and sudden changes in the trading volume and price of the Notes.

There may be less publicly available information about us than is available in certain other jurisdictions.

There may be less publicly available information about companies listed in Hong Kong than is regularly made available by public companies in certain other countries. In addition, the financial information in this offering memorandum has been prepared in accordance with HKFRSs, which differ in certain respects from generally accepted accounting principles in other jurisdictions, or other GAAPs, which might be material to the financial information contained in this offering memorandum. We have not prepared a reconciliation of our consolidated financial statements and related footnotes between HKFRSs and other GAAPs. In making an investment decision, you must rely upon your own examination of us, the terms of the offering and our financial information. You should consult your own professional advisers for an understanding of the differences between HKFRSs and other GAAPs and how those differences might affect the financial information contained in this offering memorandum.

We will follow the applicable corporate disclosure standards for debt securities listed on the SGX-ST, which standards may be different from those applicable to companies in certain other countries.

We will be subject to reporting obligations in respect of the Notes to be listed on the SGX-ST. The disclosure standards imposed by the SGX-ST may be different than those imposed by securities exchanges in other countries or regions such as Hong Kong. As a result, the level of information that is available may not correspond to what investors in the Notes are accustomed to.

The Notes will initially be held in book-entry form, and therefore you must rely on the procedures of the relevant clearing systems to exercise any rights and remedies.

The Notes will initially only be issued in global certificate form and held through Euroclear and Clearstream. Interests in the Notes represented by the global certificate will trade in book entry form only, and notes in definitive registered form, or definitive registered notes, will be issued in exchange for book-entry interests only in very limited circumstances. Owners of book entry interests will not be considered owners or holders of the Notes. The nominee of the common depositary for Euroclear and Clearstream will be the sole registered holder of the global certificate representing the Notes. Payments of principal, interest and other amounts owing on or in respect of the global certificate representing the Notes will be made to the paying agent, which will make payments to Euroclear and Clearstream. Thereafter, these payments will be credited to accounts of participants that hold book-entry interests in the global certificate representing the Notes and credited by such participants to indirect participants. After payment to the nominee of the common depositary for Euroclear and Clearstream, we will have no responsibility or liability for the payment of interest, principal or other amounts to the owners of book entry interests. Accordingly, if you own a book-entry interest, you must rely on the procedures of Euroclear and Clearstream or, if you are not a participant in Euroclear and Clearstream, on the procedures of the participant through which you own your interest, to exercise any rights and obligations of Noteholder under the Indenture.

Unlike the holders of the Notes themselves, owners of book-entry interests will not have the direct right to act upon our solicitations for consents, requests for waivers or other actions from Noteholders. Instead, if you own a book-entry interest, you will be permitted to act only to the extent you have received appropriate proxies to do so from Euroclear and Clearstream. The procedures implemented for the granting of such proxies may not be sufficient to enable you to vote on a timely basis.

Similarly, upon the occurrence of an Event of Default under the Indenture, unless and until definitive registered notes are issued in respect of all book-entry interests, if you own a book-entry interest, you will be restricted to acting through Euroclear and Clearstream. The procedures to be implemented through Euroclear and Clearstream may not be adequate to ensure the timely exercise of rights under the Notes.

Risks Relating to the Subsidiary Guarantees, the JV Subsidiary Guarantees and the Collateral

Our initial Subsidiary Guarantors do not currently have significant operations and certain Subsidiary Guarantees may in some cases be replaced by limited-recourse guarantees.

We conduct substantially all of our business operations through our PRC subsidiaries, but none of our current PRC subsidiaries will provide a guarantee of the Notes either upon issuance of the Notes or at any time thereafter. No future subsidiaries that are (i) organized under the laws of PRC, (ii) not permitted by applicable law or regulation to guarantee the Notes or (iii) listed on a nationally recognized securities exchange ((ii) and (iii), collectively, the “**Exempted Subsidiaries**”), will provide a guarantee of the Notes at any time in the future. Moreover, the Collateral will not include the capital stock of our existing or future Offshore Non-Guarantor Subsidiaries. As a result, the Notes will be effectively subordinated to all the debt and other obligations, including contingent obligations and trade payables, of the PRC subsidiaries, the Exempted Subsidiaries and the Offshore Non-Guarantor Subsidiaries.

The initial Subsidiary Guarantors that will guarantee the Notes are holding companies that do not have significant operations. We cannot assure you that the initial Subsidiary Guarantors or any subsidiaries that may become guarantors in the future will have the funds necessary to satisfy our financial obligations under the Notes if we are unable to do so.

In addition, a guarantee required to be provided by a subsidiary under the terms of the Notes may be replaced by a limited-recourse JV Subsidiary Guarantee following the sale or issuance to a third party of a minority interest in such subsidiary (subject to the satisfaction of certain conditions including a cap on the non-guaranteed portion of the assets of JV Subsidiary Guarantors). Recovery under a JV Subsidiary Guarantee is limited to an amount equal to our proportional interest in the issued share capital of such JV Subsidiary Guarantor multiplied by the fair market value of the total assets in such JV Subsidiary Guarantor and its subsidiaries, on a consolidated basis, as of the date of the last fiscal year end. A Subsidiary Guarantor may also be able to release its Subsidiary Guarantee if we sell or issue no less than 20% of the capital stock of such Subsidiary Guarantor, as long as the consolidated assets of all Restricted Subsidiaries organized outside the PRC that are not Subsidiary Guarantors or JV Subsidiary Guarantors (other than Exempted Subsidiaries) do not account for more than 30.0% of our total assets.

The Subsidiary Guarantees or JV Subsidiary Guarantees may be challenged under applicable insolvency or fraudulent transfer laws, which could impair the enforceability of the Subsidiary Guarantees or JV Subsidiary Guarantees.

Under bankruptcy laws, fraudulent transfer laws, insolvency or unfair preference or similar laws in the Cayman Islands, Hong Kong and other jurisdictions where future Subsidiary Guarantors or JV Subsidiary Guarantors (if any) may be established, a guarantee could be voided, or claims in respect of a guarantee could be subordinated to all other debts of that guarantor if, among other things, the guarantor, at the time it incurred the indebtedness evidenced by, or when it gives, its guarantee:

- incurred the debt with the intent to hinder, delay or defraud creditors or was influenced by a desire to put the beneficiary of the guarantee in a position which, in the event of the guarantor's insolvency, would be better than the position the beneficiary would have been in had the guarantee not been given;
- received less than reasonably equivalent value or fair consideration for the incurrence of such guarantee;
- was insolvent or rendered insolvent by reason of the incurrence of such guarantee;
- was engaged in a business or transaction for which the guarantor's remaining assets constituted unreasonably small capital; or
- intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature.

The measure of insolvency for purposes of the foregoing will vary depending on the laws of the applicable jurisdiction. Generally, however, a guarantor would be considered insolvent at a particular time if it were unable to pay its debts as they fell due or if the sum of its debts was then greater than all of its properties at a fair valuation or if the present fair salable value of its assets was then less than the amount that would be required to pay its probable liabilities in respect of its existing debts as they became absolute and matured.

In addition, a guarantee may be subject to review under applicable insolvency or fraudulent transfer laws in certain jurisdictions or subject to a lawsuit by or on behalf of creditors of the guarantor. In such case, the analysis set forth above would generally apply, except that the guarantee could also be subject to the claim that, since the guarantee was not incurred for the benefit of the guarantor, the obligations of the guarantor thereunder were incurred for less than reasonably equivalent value or fair consideration.

In an attempt to limit the applicability of insolvency and fraudulent transfer laws in certain jurisdictions, the obligations of the Subsidiary Guarantors or the JV Subsidiary Guarantors (if any) under the Subsidiary Guarantees or the JV Subsidiary Guarantees (as the case may be) will be limited to the maximum amount that can be guaranteed by the applicable Subsidiary Guarantor or JV Subsidiary Guarantor without rendering the guarantee, as it relates to such Subsidiary Guarantor or JV Subsidiary Guarantor, voidable under such applicable insolvency or fraudulent transfer laws.

If a court voids a Subsidiary Guarantee or JV Subsidiary Guarantee (as the case may be), subordinates such guarantee to other indebtedness of the Subsidiary Guarantor or JV Subsidiary Guarantor (as the case may be) or holds such guarantee unenforceable for any other reason, holders of the Notes would cease to have a claim against that Subsidiary Guarantor or JV Subsidiary Guarantor based upon such guarantee, would be subject to the prior payment of all liabilities (including trade payables) of such Subsidiary Guarantor or JV Subsidiary Guarantor (as the case may be), and would solely be creditors of us and any Subsidiary Guarantors or JV Subsidiary Guarantors whose guarantees have not been voided or held unenforceable. We cannot assure you that, in such an event, after providing for all prior claims, there would be sufficient assets to satisfy the claims of the holders of the Notes.

The pledge of the Collateral may in some circumstances be voidable.

The pledge of the Collateral may be voidable as a preference under insolvency or fraudulent transfer or similar laws of Hong Kong and the Cayman Islands if created within the six months immediately preceding the commencement of a liquidation or, under some circumstances, within a longer period. Pledges of capital stock of future Subsidiary Guarantors may also be voidable as a preference under relevant insolvency or fraudulent transfer or similar laws. In addition, the pledge of certain Collateral may be voided based on the analysis set forth under the risk factor headed “– The Subsidiary Guarantees or the JV Subsidiary Guarantees may be challenged under applicable insolvency or fraudulent transfer laws, which could impair the enforceability of the Subsidiary Guarantees or the JV Subsidiary Guarantees” above.

If the pledges of the Collateral were to be voided for any reason, holders of the Notes would have only an unsecured claim against us and the Subsidiary Guarantor.

The value of the Collateral will likely not be sufficient to satisfy our obligations under the Notes and other pari passu secured indebtedness.

The Collateral will consist only of the capital stock of the Subsidiary Guarantors. The security interest in respect of certain Collateral may be released upon the disposition of such Collateral and any proceeds from such disposition may be applied, prior to repaying any amounts due under the Notes, to repay other debt or to make investments in properties and assets that will not be pledged as additional Collateral.

The ability of the Trustee, on behalf of the holders of the Notes, to foreclose on the Collateral upon the occurrence of an event of default or otherwise will be subject in certain instances to perfection and priority status. Although procedures will be undertaken to support the validity and enforceability of the security interests, we cannot assure you that the Trustee or holders of the Notes will be able to enforce such security interest.

The value of the Collateral in the event of a liquidation will depend upon market and economic conditions, the availability of buyers and similar factors. No independent appraisals of any of the Collateral have been prepared by or on behalf of us in connection with this offering of the Notes. Accordingly, we cannot assure you that the proceeds of any sale of the Collateral following an acceleration of the Notes would be sufficient to satisfy, or would not be substantially less than, amounts due and payable on the Notes. By its nature, the Collateral, which consists solely of the capital stock of any existing or future Subsidiary Guarantor, is likely to be illiquid and is unlikely to have a readily ascertainable market value. Likewise, we cannot assure you that the Collateral will be salable or, if salable, that there will not be substantial delays in its liquidation.

The Collateral will be shared on a *pari passu* basis by the holders of the Notes, the holders of the September 2020 Notes, the holders of the January 2021 Notes, the holders of the April 2023 Notes and the holders of the June 2022 Notes and may be shared on a *pari passu* basis with holders of other indebtedness ranking *pari passu* with the Notes that we may issue in the future. Accordingly, in the event of a default on the Notes or the other secured indebtedness and a foreclosure on the Collateral, any foreclosure proceeds would be shared by the holders of secured indebtedness in proportion to the outstanding amounts of each class of such secured indebtedness. The value of the Collateral securing the Notes and the Subsidiary Guarantees of the Subsidiary Guarantor Pledgors is unlikely to be sufficient to

satisfy the obligations of the Company and each of the Subsidiary Guarantor Pledgors under the Notes and the Subsidiary Guarantees of the Subsidiary Guarantor Pledgors, and the Collateral securing the Notes and such Subsidiary Guarantees may be reduced or diluted under certain circumstances, including the issuance of Additional Notes or other *pari passu* indebtedness and the disposition of assets comprising the Collateral, subject to the terms of the indenture.

The Intercreditor Agreement may impact the ability of the Company, the Subsidiary Guarantors and the JV Subsidiary Guarantors (if any) to pay amounts due under the Notes, the Subsidiary Guarantees and the JV Subsidiary Guarantees (if any), and the Intercreditor Agreement may limit the rights of holders of the Notes to the Collateral.

The Collateral Agent is required to take action to enforce the Collateral in accordance with the instructions of the holders of the Notes, the holders of the September 2020 Notes, the holders of the January 2021 Notes, the holders of the April 2023 Notes, the holders of the June 2022 Notes or the holders of any future Permitted *Pari Passu* Secured Indebtedness, as a class, given under and in accordance with the Intercreditor Agreement. Any enforcement action taken by the Collateral Agent will adversely affect the Company's entitlement to receive distributions from the Collateral, which will, in turn, have an adverse impact on the Company's ability to fulfill its payment obligations under the Notes. Further, the Subsidiary Guarantors' ability to pay under the Subsidiary Guarantees will be adversely affected.

The ability of holders of the Notes to enforce the Collateral is restricted under the Intercreditor Agreement, as only the Collateral Agent is permitted to take enforcement actions. If an event of default occurs under the Notes, the holders of the Notes holding 25% of the outstanding amount of the Notes, the holders of the September 2020 Notes, the holders of the January 2021 Notes, the holders of the April 2023 Notes, the holders of the June 2022 Notes or holders of other Permitted *Pari Passu* Secured Indebtedness (if any), as a class, may decide whether to take any enforcement action and may thereafter, through their respective trustee or agent, in accordance with the Intercreditor Agreement, instruct the Collateral Agent to take enforcement action against the Collateral. By virtue of the instructions given to the Collateral Agent described above, actions may be taken in respect of the Collateral that may be adverse to holders of the Notes. In such event, the only remedy available to holders of the Notes would be to sue for payment under the Notes and the Subsidiary Guarantees. Such instructions may only be overridden by instructions from the majority secured parties or, before the Company incurs any Permitted *Pari Passu* Secured Indebtedness, from the holders of the Notes, the holders of the September 2020 Notes, the holders of the January 2021 Notes, the holders of the April 2023 Notes and the holders of the June 2022 Notes.

The Collateral Agent, acting in its capacity as such, shall have such duties with respect to the Collateral pledged, assigned or granted pursuant to the Intercreditor Agreement and the Security Documents as are set forth in the Intercreditor Agreement. Under certain circumstances, the Collateral Agent may have obligations under the Security Documents or the Intercreditor Agreement that are in conflict with the interests of the holders of the Notes. The Collateral Agent will not be under any obligation to exercise any rights or powers conferred under the Intercreditor Agreement or any of the Security Documents for the benefit of the holders of the Notes, the holders of the September 2020 Notes, the holders of the January 2021 Notes, the holders of the April 2023 Notes, the holders of the June 2022 Notes or the holders of any future Permitted *Pari Passu* Secured Indebtedness (if any) unless such holders or lender have offered to the Collateral Agent indemnity and/or security and/or pre-funding satisfactory to the Collateral Agent against any loss, liability or expense.

The pledge of certain Collateral may be released under certain circumstances.

In the event the conditions applicable to the replacement of a Subsidiary Guarantee with a JV Subsidiary Guarantee are satisfied, we are permitted to release the pledge of the shares granted by such Subsidiary Guarantor, as well as the pledge of the shares granted by the subsidiaries of such Subsidiary Guarantor. We are only required to deliver a replacement share pledge for the shares that we continue to hold in such JV Subsidiary Guarantor (but not the subsidiaries of such JV Subsidiary Guarantor) following the sale of the equity interests in such Subsidiary Guarantor. As a result, in the event we sell minority equity interests in our Subsidiary Guarantors or otherwise create JV Subsidiary Guarantors in accordance with the terms of the indenture governing the Notes, the Collateral will be reduced in value and scope, and holders of the Notes would be subject to increased risks.

USE OF PROCEEDS

The gross proceeds from this offering, before deducting the underwriting discounts and commissions and other estimated expenses payable in connection with this offering, will be approximately US\$250 million. We intend to use the net proceeds to repay certain of our offshore indebtedness.

Pending application of the net proceeds of this offering, we intend to invest such net proceeds in “Temporary Cash Investments” as defined under the section headed “Description of the Notes.”

EXCHANGE RATE INFORMATION

Since 1994, the PBOC has set and published a daily base exchange rate with reference primarily to the supply and demand of Renminbi in the market during the previous day. On July 21, 2005, the PRC government introduced a managed floating exchange rate system to allow the value of the Renminbi to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies. The PBOC has authorized the China Foreign Exchange Trading Centre to announce the Renminbi's closing price each day, and that rate serves as the midpoint of the next day's trading band. In 2007, the PBOC widened the daily trading band of the Renminbi against the U.S. dollar from 0.3% to 0.5%. On June 20, 2010, the PBOC announced that it intended to further reform the Renminbi exchange rate regime by allowing greater flexibility in the Renminbi exchange rate and on April 16, 2012, the band was expanded to 1.0 per cent. These changes in currency policy resulted in the Renminbi appreciating against the U.S. dollar by approximately 26.9 per cent. from July 21, 2005 to December 31, 2013. On March 17, 2014, the PBOC further widened the floating band against the U.S. dollar to 2.0 per cent. PBOC authorized the China Foreign Exchange Trading Centre, effective since January 4, 2006, to announce the central parity exchange rate of certain foreign currencies against the Renminbi on each business day. This rate is set as the central parity for the trading against the Renminbi in the inter-bank foreign exchange spot market and the over-the-counter exchange rate for the business day. On August 11, 2015, the PBOC announced plans to improve the central parity rate of the Renminbi against the U.S. dollar by authorizing market-makers to provide parity to the China Foreign Exchange Trading Center operated by the PBOC with reference to the interbank foreign exchange market closing rate of the previous day, the supply and demand for foreign currencies as well as changes in exchange rates of major international currencies. On the same day, the central parity rate of the Renminbi against the U.S. dollar depreciated by nearly 2.0% as compared to August 10, 2015, and further depreciated by nearly 1.6% on August 12, 2015 as compared to August 11, 2015. The International Monetary Fund announced on September 30, 2016 that the Renminbi joins its Special Drawing Rights currency basket. Since October 2016, the Renminbi against the U.S. dollar continued to depreciate. The PRC government may adopt further reforms of its exchange rate system, including making the Renminbi freely convertible in the future.

The following table sets forth the noon buying rate for U.S. dollars in New York City for cable transfer in Renminbi as certified for customs purposes by the H.10 weekly statistical release of the Federal Reserve Board:

Period	Noon Buying Rate			
	End	Average ⁽¹⁾	High	Low
		(RMB per US\$1.00)		
2014	6.2046	6.1704	6.2591	6.0402
2015	6.4778	6.2827	6.4896	6.1870
2016	6.9430	6.6388	6.9580	6.4480
2017	6.5063	6.7350	6.9575	6.4773
2018	6.8755	6.6079	6.9737	6.2649
2019	6.9618	6.9014	7.1786	6.6822
2020				
January	6.9161	6.9184	6.9749	6.8589
February	6.9906	6.9967	7.0286	6.9650
March	7.0808	7.0205	7.1099	6.9244
April	7.0622	7.0708	7.0989	7.0341
May	7.1348	7.1016	7.1681	7.0622
June	7.0651	7.0816	7.1263	7.0575
July	6.9744	7.0041	7.0703	6.9744

(1) Annual averages have been calculated from month-end rate. Monthly averages have been calculated using the average of the daily rates during the relevant period.

CAPITALIZATION AND INDEBTEDNESS

The following table sets forth our consolidated cash and cash equivalents, current borrowings and total capitalization as of December 31, 2019:

- on an actual basis; and
- on an adjusted basis to give effect to the issuance of the Notes and receipt of the gross proceeds for this offering before deducting the underwriting discounts and commissions and other estimated expenses of this offering payable by us.

As of December 31, 2019				
	Actual		As adjusted	
	RMB	US\$ ⁽¹⁾ (Unaudited, in thousands)	RMB (Unaudited, in thousands)	US\$ ⁽¹⁾ (Unaudited, in thousands)
Cash and cash equivalents ⁽²⁾	59,691,685	8,574,174	61,432,135	8,824,174
Current borrowings	40,849,008	5,867,593	40,849,008	5,867,593
Non-current borrowings ⁽³⁾	46,997,939	6,750,832	48,738,389	7,000,832
– Notes to be issued	–	–	1,740,450	250,000
Total borrowings	87,846,947	12,618,424	87,846,947	12,618,425
Total equity	57,815,801	8,304,720	57,815,801	8,304,720
Total capitalization⁽⁴⁾	104,813,740	15,055,552	106,554,190	15,305,552

(1) All translations from Renminbi into U.S. dollars, and vice versa, were made at the rate of RMB6.9618 to US\$1.00, which was the noon buying rate as certified for custom purposes by the H.10 weekly statistical release of the Federal Reserve Board for cable transfers for Renminbi on December 31, 2019.

(2) Cash and cash equivalents excludes restricted cash of RMB5,882.3 million (US\$844.9 million) as of December 31, 2019.

(3) Non-current borrowings include Notes to be issued.

(4) Total capitalization is calculated as total non-current borrowings plus total equity.

Since December 31, 2019, we had repaid some of our borrowings including, among others, full redemption of the January 2020 Guaranteed Senior Notes and the February 2020 Notes, and had incurred additional borrowings in the form of bank loans and other borrowings including, among others, issuance of the August 2023 Guaranteed Senior Notes and the June 2022 Notes. Such repayment and additional indebtedness incurred since December 31, 2019 may be significant compared to the amount of borrowings set forth in the table above. For more details, please see “Summary – Recent Developments – Issuance of the August 2023 Guaranteed Senior Notes” and “Summary – Recent Developments – Issuance of the June 2020 Notes”. In the future, we may from time to time incur substantial additional indebtedness (including bank borrowings and/or onshore or offshore bond offerings) and contingent liabilities after the date of this Offering Memorandum. See “Description of Material Indebtedness and Other Obligations.”

Except as disclosed or contemplated in this offering memorandum, there has been no material change in our total capitalization since December 31, 2019.

SELECTED CONSOLIDATED FINANCIAL AND OTHER DATA

The following summary consolidated statements of income data for the years ended December 31, 2017, 2018 and 2019 and the summary consolidated statements of financial position data as of December 31, 2017, 2018 and 2019 have been derived from, and should be read in conjunction with, our audited consolidated financial statements for the years ended December 31, 2018 and 2019, included elsewhere in this offering memorandum.

The financial information has been prepared and presented in accordance with HKFRSs, which differ in certain respects from generally accepted accounting principles in other jurisdictions. You should read the summary financial data below in conjunction with the section headed “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our audited consolidated financial statements that are included elsewhere in this offering memorandum. Historical results are not necessarily indicative of future results.

We adopted the new HKFRS 9 and 15 since January 1, 2018. There is no restatement to the financial information for the year ended December 31, 2017 upon the adoption of the new HKFRS 9 and 15. For the impact on the audited consolidated financial information for the year ended December 31, 2018 from the adoption of the new HKFRS 9 and 15, please see the sub-section titled “2.2. Changes in accounting policies” in our audited consolidated financial information for the year ended December 31, 2018 on pages F-298 to F-308 as included elsewhere in this offering memorandum for details. We adopted HKFRS 16 since January 1, 2019. There is no restatement to the financial information for the year ended December 31, 2018 upon the adoption of HKFRS 16. For the impact on the audited consolidated financial information for the year ended December 31, 2019 from the adoption of HKFRS 16, please see the sub-section titled “2.2. Changes in accounting policies” in our audited consolidated financial information for the year ended December 31, 2019 on pages F-29 to F-35 as included elsewhere in this offering memorandum for details.

Selected Consolidated Statements of Income and Other Financial Data

	Year ended December 31,			
	2017	2018	2019	
	(RMB)	(RMB)	(RMB)	(US\$)
	(in thousands)			(unaudited)
Revenue	40,820,316	54,780,995	86,851,178	12,475,391
Cost of sales and services	(27,239,193)	(35,723,588)	(60,505,751)	(8,691,107)
Gross profit	13,581,123	19,057,407	26,345,427	3,784,284
Fair value gains on investment properties	1,331,853	3,285,089	2,438,106	350,212
Fair value (losses)/gains on financial instruments at fair value through profit or loss	—	(235,790)	131,177	18,842
Selling and marketing costs	(1,831,870)	(2,374,416)	(4,422,306)	(635,225)
Administrative expenses	(2,266,887)	(2,650,816)	(4,301,454)	(617,865)
Net impairment losses on financial assets	—	(157,769)	(146,849)	(21,094)
Other income	41,792	97,929	136,784	19,648
Other expenses	(2,486)	(23,788)	(12,650)	(1,817)
Other gains – net	301,048	840,148	902,282	129,605
Operating profit	11,154,573	17,837,994	21,070,517	3,026,590
Finance costs – net	(668,197)	(739,942)	(1,339,573)	(192,418)
Share of results of associates	266,631	990,068	1,839,785	264,269
Share of results of joint ventures	(10,597)	559,380	54,442	7,820
Profit before income tax	10,742,410	18,647,500	21,625,171	3,106,261
Income tax expense	(4,728,785)	(6,599,934)	(9,018,982)	(1,295,496)
Profit for the year	6,013,625	12,047,566	12,606,189	1,810,766
Profit for the year attributable to:				
Equity holders of the Company	3,793,998	6,761,004	7,812,268	1,122,162
Non-controlling interests	2,219,627	5,286,562	4,793,921	688,604
Other Financial Data				
EBITDA ⁽¹⁾	11,635,371	20,861,054	29,022,348	4,168,799
EBITDA margin ⁽²⁾	28.5%	38.1%	33.4%	33.4%

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- (1) EBITDA refers to our operating profit plus depreciation, amortization and capitalized interest under cost of sales, but excluding fair value gains on the investment properties and net gains or losses. EBITDA is not a standard measure under HKFRSs. EBITDA is a widely used financial indicator of a company's ability to service and incur debts. EBITDA should not be considered in isolation or construed as an alternative to cash flows, net income or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities. EBITDA does not account for taxes, interest expense or other non-operating items. In evaluating EBITDA, we believe that investors should consider, among other things, the components of EBITDA such as sales and operating expenses and the amount by which EBITDA exceeds capital expenditures and other charges. We have included EBITDA because we believe it is a useful supplement to cash flow data as a measure of our performance and our ability to generate cash flow from operations to cover debt service and taxes. EBITDA presented herein may not be comparable to similarly titled measures presented by other companies. Investors should not compare our EBITDA to EBITDA presented by other companies because not all companies use the same definition. See the section headed "Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Financial Measures" for a reconciliation of our profit for the year under HKFRSs to our definition of EBITDA. Investors should also note that EBITDA as presented herein may be calculated differently from Consolidated EBITDA as defined and used in the indenture governing the Notes. See the section headed "Description of the Notes – Definitions" for a description of the manner in which Consolidated EBITDA is defined for purposes of the Indenture.
- (2) EBITDA margin is calculated by dividing EBITDA by revenue.

Selected Consolidated Statements of Financial Position Data

	As of December 31,			
	2017	2018	2019	
	(RMB)	(RMB)	(RMB)	(US\$)
	(in thousands)			(unaudited)
ASSETS				
Non-current assets				
Property, plant and equipment.	2,919,703	3,014,910	4,899,719	703,801
Right-of-use assets.	—	—	191,934	27,570
Investment properties.	23,496,000	40,758,000	66,182,793	9,506,563
Intangible assets.	59,503	539,109	474,954	68,223
Investments in associates.	1,953,166	6,840,149	7,833,878	1,125,266
Investments in joint ventures.	11,966,336	12,633,050	11,734,122	1,685,501
Deferred income tax assets.	1,658,730	3,031,448	3,900,916	560,332
Available-for-sale financial assets. . .	1,099,526	—	—	—
Financial assets at fair value				
through profit or loss.	—	1,032,194	581,673	83,552
Financial assets at amortised costs. .	—	734,735	488,996	70,240
Derivative financial instruments. . . .	162,539	—	—	—
Goodwill.	777	10,260	10,260	1,474
Land use rights.	429,592	427,949	426,306	61,235
Trade and other receivables and prepayments.	727,710	463,427	250,654	36,004
	<u>44,473,582</u>	<u>69,485,231</u>	<u>96,976,205</u>	<u>13,929,760</u>
Current assets				
Prepayments for leasehold land. . . .	9,808,432	13,610,385	578,819	83,142
Properties held or under development for sale.	76,396,636	145,596,570	231,283,880	33,221,851
Trade and other receivables and prepayments.	34,071,920	58,906,517	70,759,431	10,163,956
Contract costs.	—	1,229,533	1,962,747	281,931
Financial assets at fair value				
through other comprehensive income.	—	—	338,697	48,651
Financial assets at fair value				
through profit or loss.	—	—	733,870	105,414
Financial assets at amortised costs. .	—	220,001	34,697	4,984
Derivative financial instruments. . . .	—	151,475	—	—
Restricted cash.	4,105,100	6,441,945	5,882,328	844,944
Cash and cash equivalents.	20,542,676	41,213,881	59,691,685	8,574,174
	<u>144,924,764</u>	<u>267,370,307</u>	<u>371,266,154</u>	<u>53,329,046</u>
Total assets.	<u>189,398,346</u>	<u>336,855,538</u>	<u>468,242,359</u>	<u>67,258,806</u>
EQUITY				
Equity attributable to owners of the Company				
Share capital: nominal value.	4,609	4,813	4,807	690
Reserves.	12,776,397	19,147,278	24,987,914	3,589,289
	12,781,006	19,152,091	24,992,721	3,589,980
Non-controlling interests.	<u>11,851,538</u>	<u>26,568,692</u>	<u>32,823,080</u>	<u>4,714,740</u>
Total equity.	<u>24,632,544</u>	<u>45,720,783</u>	<u>57,815,801</u>	<u>8,304,720</u>

	As of December 31,			
	2017	2018	2019	
	(RMB)	(RMB)	(RMB)	(US\$)
	(in thousands)			(unaudited)
LIABILITIES				
Non-current liabilities				
Borrowings	34,108,070	56,515,373	46,997,939	6,750,832
Lease liabilities	—	—	58,282	8,372
Deferred income tax liabilities	1,755,493	3,720,666	4,486,053	644,381
Trade and other payables	—	144,505	—	—
	35,863,563	60,380,544	51,542,274	7,403,584
Current liabilities				
Trade and other payables	56,558,252	75,524,146	106,303,180	15,269,496
Advances from customers	50,866,242	435,133	698,017	100,264
Contract liabilities	—	118,230,992	197,667,554	28,393,168
Current income tax liabilities	6,204,479	9,476,038	13,128,753	1,885,827
Borrowings	15,273,142	24,987,790	40,849,008	5,867,593
Lease liabilities	—	—	144,841	20,805
Financial liabilities at fair value				
through profit or loss	—	2,069,576	80,993	11,634
Derivative financial instruments	—	12,478	—	—
Dividends payable	124	18,058	11,938	1,715
	128,902,239	230,754,211	358,884,284	51,550,502
Total liabilities	164,765,802	291,134,755	410,426,558	58,954,086
Total equity and liabilities	189,398,346	336,855,538	468,242,359	67,258,806

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our consolidated financial statements as of and for the years ended December 31, 2017, 2018 and 2019, and in each case, the related notes thereto included elsewhere in this offering memorandum. The financial information included in our consolidated financial statements as of and for the years ended December 31, 2017, 2018 and 2019 have been prepared in accordance with HKFRSs, which may differ in material aspects from generally accepted accounting principles in other jurisdictions. For the purpose of this section unless the context otherwise requires references to 2018 and 2019 refer to our financial year ended December 31 of that year.

The following discussion and analysis contains forward-looking statements that involve risks and uncertainties. Our actual results and timing of selected events could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under “Risk Factors” in this offering memorandum.

Overview

We are a leading property developer in the Yangtze River Delta, focusing primarily on the development of quality residential properties and mixed-use complex projects. We were ranked among the top 20 real estate developers in the PRC by China Real Estate Industry Federation (中國房地產業協會) and China Real Estate Evaluation Center (中國房地產測評中心) in 2019. We were ranked first in terms of overall strength among property developers in Jiangsu Province for 15 consecutive years from 2005 according to the annual rankings published by the Jiangsu Real Estate Association (江蘇省房地產協會).

As of December 31, 2019, we had 437 real estate projects which were under development and/or held for future development in 105 major cities in the PRC. These projects included approximate 85.0 million sq.m. under development and approximately 24.6 million sq.m. held for future development. As of December 31, 2019, we had land reserves with a total estimated GFA of 123.6 million sq.m., of which 63.1 million sq.m. are attributed to our Group's interests.

Our Property Development Operations

Property development operations comprise, among other things, land acquisition, product development and construction, property sales and pre-sales and property management. For product development and construction, we engage third-party contractors to provide a wide range of services which include, without limitation, architectural and interior design, construction, electromechanical engineering and landscaping. To shorten the period between site acquisition, pre-sale and completion of our properties, we have adopted a “rapid asset turnover” business model for our property development operations. As a result, we have been able to rapidly replicate our projects, shorten development cycles, maximize investment returns, improve cash flows and mitigate liquidity risks.

Our Diversified Product Offerings

We develop and sell a variety of residential property types, through four residential property series, namely, our “FirstHomes” series, “SweetHomes” series, “DreamHomes” series and “PrestigeHomes” series, to target different customers groups, including first time buyers, young families, mid-to-high income households and high net worth individuals. We also develop large-scale, mixed-use complex projects that typically consist of a combination of shopping malls, offices, hotels, serviced apartments, residential properties and other ancillary facilities. We offer three mixed-use complex project series, namely our “International Plaza” series, “City Plaza” series and “Lifestyle Mall” series, to meet the needs and preferences of customers in different locations, including central business districts and emerging business districts.

Principal Factors Affecting our Results of Operations

Our business, results of operations and financial condition are affected by a number of factors, including those set forth below.

Macroeconomy of PRC and Regulatory Measures for the Property Sector in China

Substantially all of our revenue has been generated from the commercial and residential property markets in the PRC. The conditions of the commercial and residential property markets in the PRC are significantly impacted by governmental policies and regulations.

From time to time, the PRC government adjusts its regulation of the property market depending on macroeconomic conditions to achieve policy goals, such as preventing the overheating of the property market or stimulating the property market during and after an economic downturn. In recent years, various administrative bodies launched a series of measures to discourage speculation and control the growth of the PRC property market. Demand for properties and property prices in China have fluctuated significantly in recent years, and is expected to continue to be affected by macro-economic control measures implemented by the PRC government from time to time. In recent years, in response to the rising property prices across the country, the PRC government announced new policies and adopted new measures to curtail speculation in the real estate market and imposed more stringent requirements on property developers. Further restrictive measures adopted by the PRC government on bank loans for real estate development projects and property purchases since April 2010 have had, and may continue to have, a dampening effect on property markets in the PRC. The performance of the property market and our business will continue to be affected by a number of macroeconomic factors, including the growth of the PRC economy, interest rates, RMB exchange rate and the political, economic and regulatory environment in the PRC.

Our business and results of operations may be affected by governmental policies and regulations in the PRC relating to property development, including those that have (i) increased taxes on title transfers and property ownership, (ii) increased down payment requirements for residential mortgages, (iii) tightened credit on financing and mortgage loans and (iv) restricted multiple home ownership and investments in residential property outside one's province of residence.

Ability to Acquire Suitable Land for Future Development

Our growth will depend in large part on our ability to acquire quality land at prices that can yield reasonable returns. In recent years, we have expanded our business geographically. Based on our current development plans, we have sufficient land reserves for development for the next three years. As the PRC economy continues to grow and demand for commercial and residential properties remains relatively strong, we expect competition among developers for land reserves suitable for property development to intensify nationwide and in the cities in which we operate. In addition, the public tender, auction and listing-for-sale practices for granting state-owned land use rights are also likely to increase competition for development land and land acquisition costs. See “Risk Factors – Risks Relating to Our Business – We may not be able to acquire land reserves in desirable locations that are suitable for development at commercially acceptable prices in the future.”

Access to Capital and Cost of Financing

Bank and other borrowings are important sources of funding for our property developments. As of December 31, 2017, 2018 and 2019, our outstanding current and non-current bank loans amounted to RMB15,449.9 million, RMB28,696.4 million and RMB31,199.2 million (US\$4,481.5 million), respectively. The interest rates of our bank loans and other borrowings are affected by the benchmark interest rates published by the PBOC, which are in turn affected by the general economic conditions in China and the PRC government's monetary policies. Therefore, any increase in the benchmark interest rates will increase the interest costs for our property developments. Our access to capital and cost of financing are also affected by restrictions imposed from time to time by the PRC government and by

financial institutions on bank lending for property development. Additionally, an increase in the demand for loans may increase interest rates, resulting in additional interest costs for us, especially in newly raised loans. See “Risk Factors – Risks Relating to Our Business – We may not have adequate financing to fund our future land acquisitions and property developments, and such capital resources may not be available on commercially reasonable terms, or at all.”

Product Mix of Our Properties

We derive substantially all of our revenue from the sale of residential and commercial properties. Over the years, we have developed and introduced various products to the market, including large-scale residential properties and mixed-use complexes, which consist of high-end residential flats, retail properties and other properties. Our results of operations and cash flows generated from operating activities may vary from period to period depending on our sales strategy, the types of properties sold and delivered and the average selling prices of these properties. In addition, our results of operations and cash flows generated from operating activities may also vary depending on prevailing market conditions when we sell our properties. The cash flows generated from our investment properties depend on local rental rates, which in turn depend on local supply and demand conditions, as well as the type of property being developed.

Timing of Property Development

The number of property projects that we undertake during any particular period is primarily limited by the substantial capital requirements for land acquisitions and construction, as well as land supply. In addition, the development of property projects may take many months or even years before the commencement of pre-sale or completion and delivery. No revenue is recognized with respect to a property project until it has been completed, sold and delivered to the customers. In addition, as market demand fluctuates, the revenue we recognize in a particular period may also depend on market conditions at the expected completion and delivery time of a particular project. Moreover, delays in construction, regulatory approval and other processes can adversely affect the timetable of our projects. Given the foregoing limitations, timing differences and uncertainties, our results of operations have fluctuated in the past and are likely to continue to fluctuate in the future. To mitigate these fluctuations, we seek to strategically schedule projects so they will be staggered at different stages of development during any particular period.

Land and Construction Costs

Our results of operations are affected by land and construction costs. Land and construction costs constitute the largest items in our cost of sales. Over the years, land premiums have generally been on the rise in China. It is expected that land premiums will continue to rise as the PRC economy continues to grow and demolition and resettlement costs continue to increase. Under our standard construction contracts, we are responsible for key construction materials such as steel and bear any increases in material costs after a contract is entered into. Furthermore, prolonged increases in the price of construction materials will prompt contractors to change their fee quotes for new contracts, thus increasing our cost of sales and overall project cost. If we cannot sell our properties at prices sufficient to cover all our increased costs, we will not be able to achieve our target profit margins, and our profitability will be adversely impacted.

LAT

Our property developments are subject to LAT with respect to the appreciated value of the related land and improvements on such land. LAT applies to both domestic and foreign investors in real estate development in China, and is levied at progressive rates ranging from 30% to 60% of the appreciation of land value. In 2017, 2018 and 2019, we recorded total LAT expenses of RMB2,475.3 million, RMB2,851.6 million and RMB4,584.8 million (US\$658.6 million) respectively, in our consolidated statements of income. Provisions for LAT are made upon recognition of revenue. As of the date of this offering memorandum, we have made all prepayments and/or full provisions for LAT in compliance with

the relevant LAT laws and regulations in China as interpreted and enforced by the relevant local tax authorities. However, we cannot assure you that the relevant tax authorities will agree to the basis on which we have calculated our LAT liabilities for provision purposes, or that such provisions will be sufficient to cover all LAT obligations that tax authorities may ultimately impose on us. Our financial condition and results of operations may be materially adversely affected if our LAT liabilities as calculated by the relevant tax authorities are substantially higher than our provisions. See “Risk Factors – Risks Relating to Our Business – The relevant PRC tax authorities may challenge the basis on which we calculate our LAT obligations.”

Fair Value of Investment Properties

We have designated certain completed properties and properties under development as investment properties, as we intend to hold these properties on a long-term basis for rental income and capital appreciation. Our investment properties are recorded as non-current assets in our consolidated statements of financial position at fair value as of each balance sheet date as determined by independent valuations. Gains or losses arising from changes in the fair value of our investment properties are accounted for as gains or losses upon revaluation in our consolidated statements of income, which may have a substantial effect on our profits. The valuation of property involves the exercise of professional judgment and requires the use of certain bases and assumptions. The fair value of our investment properties may have been higher or lower if a different set of bases or assumptions were to be used. In addition, upward revaluation adjustments reflect unrealized capital gains on our investment properties as of the relevant balance sheet dates and do not generate any cash inflow for our operations or potential dividend distributions to our shareholders. The amounts of fair value adjustments have been changed and may continue to change based on property market conditions in China and our portfolio of investment properties. In 2017, 2018 and 2019, we recorded fair value gains of RMB1,331.9 million, RMB3,285.1 million and RMB2,438.1 million (US\$350.2 million), respectively. We recognized substantial gains from fair value changes in our investment properties in 2017, 2018 and 2019, but we cannot assure you that similar levels of fair value gains can be achieved in the future.

Critical Accounting Policies

Some of our accounting policies require subjective or complex judgments by our management, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. Certain accounting estimates are particularly sensitive because of their significance to our consolidated financial statements. We review our estimates and underlying assumptions on an ongoing basis. We set forth below those accounting policies that we believe are the most critical to our consolidated financial statements.

(a) Accounting policies applied for the years ended December 31, 2018 and 2019

(i) Sales of properties

Revenues are recognized when or as the control of the asset is transferred to the customer. Depending on the terms of the contract and the laws and rules that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group’s performance:

- provides all of the benefits received and consumed simultaneously by the customer; or
- creates and enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the asset transfers over time, revenue is recognized over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognized at a point in time when the customer obtains control of the asset.

The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the contract cost incurred up to the end of reporting period as a percentage of total estimated costs for each contract.

For property development and sales contract for which the control of the property is transferred at a point in time, revenue is recognized when the property is accepted by the customer, or deemed as accepted according to the contract, which is the point in time when the customer has the ability to direct the use of the property and obtain substantially all of the remaining benefits of the property, and the Group has present right to payment and the collection of the consideration is probable.

In determining the transaction price, the Group adjusts the promised amount of consideration for the effect of a financing component.

(ii) Commercial property management service

The Group provides commercial property management services. Revenue from providing services is recognized in the accounting period in which the services are rendered.

For commercial property management services, the Group billed a fixed amount of each month of services provided and recognized as revenue in the amount to which the Group has a right to invoice and corresponds directly with value of performance completed.

If contracts involve the sale of multiple services, the transaction price will be allocated to each performance obligation based on their relative stand-alone selling prices. If the standard-alone selling prices are not directly observable, they are estimated based on expected cost plus a margin or adjusted market assessment approach, depending on the availability of observable information.

A receivable is recorded when the Group has an unconditional right to consideration. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due.

(iii) Other services

The Group provides various services to its customers at fixed or variable amounts. If the consideration is variable, the Group estimates the amount of consideration to which it will be entitled in exchange for the promised goods or services. The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. The Group recognises revenue associated with fixed fees over time where the customer simultaneously receives and consumes the benefits provided by the Group or when the Group's performance do not create an asset with alternative use and the Group has an enforceable right to perform completed to date, by reference to completion of the specific transaction assessed on the basis of the actual costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract.

(b) Accounting policies applied for the year ended December 31, 2017

Revenue comprises the fair value of the consideration received or receivable for the sale of properties and services in the ordinary course of the Group's activities. Revenue is shown net of returns, rebates and discounts and after eliminated sales within the Group. Revenue is recognized as follows:

(i) Sales of properties

Revenue from sales of properties is recognized when the risks and rewards of the properties are transferred to the purchasers, which is when the construction of relevant properties has been completed and the properties have been delivered to the purchasers pursuant to the sales agreement and collectability of related receivables is reasonably assured. Deposits and installments received on properties sold prior to the date of revenue recognition are recorded as "Advances from pre-sale of properties" in the consolidated statement of financial position under current liabilities.

(ii) Rental income

Rental income from properties being let under operating leases is recognised on a straight line basis over the lease terms.

(iii) Service income

Revenue from services is recognized when services have been provided, total amount of revenue and costs can be estimated reliably and the collectability of the related receivables is reasonably assured.

(vi) Interest income

Interest income is recognized on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognized using the original effective interest rate.

(v) Dividend income

Dividends are recognized as revenue when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits. However, the investment may need to be tested for impairment as a consequence.

Investment Properties

Properties that we do not occupy and hold for long-term rental yields or capital appreciation, or both, are classified as investment properties. Properties that are currently being constructed or developed for future use as investment properties are also classified as investment properties and stated at fair value. An investment property is measured initially at cost, including related transaction costs and, where applicable, borrowing costs. After initial recognition, investment property is carried at fair value. Fair value is based on active market prices and is adjusted, as necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, we use alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. These valuations are performed at balance sheet date by external valuers.

Properties Held or Under Development for Sale

Properties held or under development for sale are included in current assets at the lower of cost and net realizable value. The costs of properties held or under development consist of costs of leasehold land, construction expenditure, capitalized borrowing costs and other direct costs incurred during the development period. The costs of properties held are determined by apportionment of the total development costs for that development project attributable to the unsold properties. Net realizable value is based on estimated selling price in the ordinary course of business as determined by management with reference to prevailing market conditions, less further costs expected to be incurred before completion and expected selling and marketing costs.

Borrowings Costs

Borrowing costs are capitalized if they are directly attributable to the development of properties for sale or the acquisition, construction or production of other qualifying assets. Capitalization of borrowing costs commences when the activities to prepare the assets commence and expenditure and borrowing costs are incurred, and capitalization ceases when the assets are substantially completed or ready for their intended use. Other borrowing costs are expensed in the period they are incurred.

Deferred Income Tax

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Joint Arrangements

Under HKFRS 11, investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. We have assessed the nature of our joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognized at cost and adjusted thereafter to recognize our share of the post-acquisition profits or losses and movements in other comprehensive income. When our share of losses in a joint venture equals or exceeds its interests in the joint venture (which includes any long-term interests that, in substance, form part of our net investment in the joint venture), we do not recognize further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

Unrealized gains on transactions between us and our joint ventures are eliminated to the extent of our interests in the joint ventures. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by us.

Certain Income Statement Items

Revenue

We derive our revenue primarily from sales of properties and, to a lesser extent, property management, rental income and other property-related services. The following table sets forth our revenue by revenue source for the years indicated.

	Year ended December 31,			
	2017	2018	2019	
	(RMB)	(RMB)	RMB	US\$
	(in thousands)			
				(unaudited)
Revenue				
Sales of properties	38,790,128	50,838,235	80,322,329	11,537,581
Commercial property				
management services	421,144	905,831	1,640,085	235,583
Rental income	573,536	1,242,859	2,296,813	329,917
Others	1,035,508	1,794,070	2,591,951	372,310
Total	40,820,316	54,780,995	86,851,178	12,475,391

As we derive substantially all of our revenue from sales of properties, our results of operations for a given period are dependent upon the amount of total GFA delivered, the location and type of properties we completed and delivered during such period, market conditions and the contracted sales prices of our properties.

Our average selling price per sq.m. sold was RMB10,107, RMB11,414 and RMB11,677 for the years ended December 31, 2017, 2018 and 2019, respectively.

Cost of Sales

Cost of sales consists primarily of the costs we incur directly in relation to our property development activities as well as our leasing and property management operations. Cost of sales includes construction costs, land use rights costs, tax and surcharges, capitalized interest and other business costs.

Our development costs, which consist of construction costs, land use rights costs and capitalized interest, were RMB24,908.9 million, RMB32,889.1 million and RMB55,546.1 million (US\$7,978.7 million) in 2017, 2018 and 2019.

Our provision for impairment of properties held (or under development) for sale represents the impairment charge we made in connection with certain properties held (or under development) for sale. For the years ended December 31, 2017, 2018 and 2019, our accrual of provision for properties held (or under development) for sale charged into our consolidated statements of income was RMB13.3 million, RMB263.7 million and RMB939.8 million (US\$135.0 million), respectively. Upon recognition of the sales of properties in the years ended December 31, 2017, 2018 and 2019 for which impairment provision had been made previously, we reversed impairment provision of RMB82.4 million, RMB89.9 million and RMB107.9 million (US\$15.5 million) in the years ended December 31, 2017, 2018 and 2019, respectively, and credited to cost of sales.

The following table sets forth information relating to our cost of sales for the years indicated:

	Year ended December 31,						
	2017		2018		2019		
	(RMB)	(%)	(RMB)	%	(RMB)	(US\$) (unaudited)	%
	(in thousands)						
Development costs							
Construction costs	12,327,734	45.3	15,935,062	44.6	26,955,905	3,871,973	44.6
Land use rights costs	11,064,593	40.6	11,799,749	33.0	19,875,924	2,854,998	32.8
Capitalised interest	1,516,587	5.6	5,154,272	14.4	8,714,263	1,251,726	14.4
	<u>24,908,914</u>	<u>91.5</u>	<u>32,889,083</u>	<u>92.1</u>	<u>55,546,092</u>	<u>7,978,697</u>	<u>91.8</u>
Tax and surcharges	605,779	2.2	327,362	0.9	357,855	51,403	0.6
Provision for impairment of properties held or under development for sale	13,267	0.0	263,684	0.7	939,796	134,993	1.5
Other expenses	1,711,233	6.3	2,243,459	6.3	3,662,008	526,015	6.1
	<u>1,724,500</u>	<u>6.3</u>	<u>2,507,143</u>	<u>7.0</u>	<u>4,601,804</u>	<u>661,008</u>	<u>7.6</u>
Total	<u>27,239,193</u>	<u>100.0</u>	<u>35,723,588</u>	<u>100.0</u>	<u>60,505,751</u>	<u>8,691,107</u>	<u>100.0</u>

(1) Average cost per sq.m. sold refers to the average cost of our property sales (excluding our leasing and property management operations) and is derived by dividing the sum of construction costs, land use rights costs and capitalized interest for a year/period by the total GFA delivered in that year/period. The average selling price per sq.m. sold refers to the average selling price of GFA delivered and recognized as sales during the year/period.

Gross Profit and Gross Profit Margin

Gross profit represents revenue less cost of sales. Our gross profit for the years ended December 31, 2017, 2018 and 2019 was RMB13,581.1 million, RMB19,057.4 million and RMB26,345.4 million (US\$3,784.3 million), respectively. Our gross profit margin for the years ended December 31, 2017, 2018 and 2019 was 33.3%, 34.8% and 30.3%, respectively.

We incurred significant interest expenses in relation to our bank borrowings, corporate bonds and senior notes. Our capitalized interests included in cost of sales were approximately RMB1,516.6 million, RMB5,154.3 million and RMB8,714.3 million (US\$1,251.7 million) for the years ended December 31, 2017, 2018 and 2019, respectively. Most of our interest expenses have been or will be capitalized as properties under development rather than being recorded as expenses in our income statement upon their incurrence. Such capitalized interest expenses will be recorded as expenses in our consolidated income statements as a portion of cost of sales upon the sale of the relevant properties. Accordingly, such capitalized interest expenses may adversely affect our gross profit margin upon recognition of the sale of the relevant properties in future periods.

Fair Value Gains on Investment Properties

We develop and hold certain of our commercial properties such as retail shops, shopping malls and car parks for rental income or capital appreciation. Our investment properties are appraised annually by an independent property valuer. Any appreciation or depreciation in our investment property value is recognized as fair value gains or losses in our consolidated statements of income. The fair value gains on investment properties for the years ended December 31, 2017, 2018 and 2019 were RMB1,331.9 million, RMB3,285.1 million and RMB2,438.1 million (US\$350.2 million), respectively.

Selling and Marketing Costs

Selling and marketing costs consist primarily of advertising and publicity expenses, sales commissions, including commissions in relation to our outsourced marketing activities, selling and marketing staff costs, expenses relating to exhibitions and trade fairs and other expenses relating to sales of our properties, including advertisements on television and in newspapers, magazines, and on billboards.

The following table sets forth our selling and marketing costs for the years indicated:

	Year ended December 31,			
	2017	2018	2019	
	(RMB)	(RMB)	(RMB)	(US\$)
				(unaudited)
	(in thousands)			
Selling and marketing costs				
Sales commission	263,130	287,088	956,204	137,350
Advertising and publicity costs	744,370	1,027,253	1,634,600	234,796
Staff costs	534,177	589,375	1,002,096	143,942
Others	290,013	470,700	829,406	119,137
Total	1,831,870	2,374,416	4,422,306	635,225

Administrative Expenses

Administrative expenses consist primarily of administrative staff costs, depreciation, traveling expenses, rental payments, entertainment expenses and other office expenses. The following table sets forth our administrative expenses for the years indicated:

	Year ended December 31,			
	2017	2018	2019	
	(RMB)	(RMB)	(RMB)	(US\$)
				(unaudited)
	(in thousands)			
Administrative expenses				
Depreciation of property, plant and equipment	98,542	166,568	247,978	35,620
Amortization of intangible assets	15,604	46,652	53,790	7,726
Bank charges	80,778	123,228	141,643	20,346
Staff costs	1,335,643	1,355,978	2,361,479	339,205
Entertainment expenses	114,055	202,863	127,402	18,300
Professional fees ⁽¹⁾	98,612	138,050	198,108	28,456
Auditors' remuneration for annual audit and interim review	2,400	2,400	2,400	345
Rental expenses of low-value and short-term leases	85,774	187,313	21,761	3,126
Traveling expenses	94,151	226,278	287,176	41,250
Other expenses	341,328	201,486	702,170	100,860
Total	2,266,887	2,650,816	4,143,907	595,235

(1) Professional fees represent the fees paid to our auditor, legal advisers and property valuer and other professional parties, mainly in connection with the offerings of corporate bonds and senior notes. Such professional fees also include certain fees paid to our auditor, legal advisers and other professional parties who had provided professional services to us in our ordinary course of business that are not associated with the foregoing.

Other Income/Other Expenses/Other Net Gains or Losses

Our other income, other expenses and other net gains or losses primarily consist of government grants, fair value gains upon transfer of properties held for sale to investment properties, compensation for the return of land use rights, cancellation of property sales contracts or relating to law suits, dividend income, donations and expenses relating to third-party services.

Finance Costs – Net

Our finance costs primarily consist of interest expenses on bank loans, corporate bonds and senior notes less capitalized interest net of finance income. Interest on borrowings relating to project development is capitalized to the extent it is directly attributable to a particular project and used to finance the development of that project. Because the development period for a project does not necessarily coincide with the interest payment period of the relevant loan, not all of the interest costs related to a project can be capitalized. As a result, our finance costs fluctuate from period to period depending on the amount of interest costs that are capitalized within the reporting period. For the years ended December 31, 2017, 2018 and 2019, our net finance costs amounted to RMB668.2 million, RMB739.9 million and RMB1,339.6 million (US\$192.4 million), respectively.

Our interest expenses (including capitalized interest expenses) incurred in the years ended December 31, 2017, 2018 and 2019 were RMB2,501.1 million, RMB9,385.7 million and RMB15,171.7 million (US\$2,179.3 million), respectively.

Income Tax Expense

Our income tax expense for a given period includes provisions made for LAT, PRC corporate income tax and deferred income tax (including PRC withholding tax) during the year. For the years ended December 31, 2017, 2018 and 2019, our effective corporate income tax rate⁽¹⁾ was 27.3%, 23.7% and 26.0%, respectively.

The following table sets forth our income tax expense for the years indicated:

	Year ended December 31,			
	2017	2018	2019	
	(RMB)	(RMB)	(RMB)	(US\$)
				(unaudited)
	(in thousands)			
Current income tax				
PRC land appreciation tax	2,475,278	2,851,589	4,584,788	658,564
PRC corporate income tax	2,607,704	3,729,925	4,709,847	676,527
	5,082,982	6,581,514	9,294,635	1,335,091
Deferred income tax	(354,197)	18,420	(275,653)	(39,595)
Total income tax charged for the year	4,728,785	6,599,934	9,018,982	1,295,496

(1) Our effective corporate income tax rate is calculated as:

$$\text{Effective corporate income tax rate} = \frac{\text{PRC corporate income tax} + \text{Deferred income tax}}{\text{Profit before income tax} - \text{PRC land appreciation tax}} \times 100$$

Review of Historical Operating Results

Year ended December 31, 2019 compared to year ended December 31, 2018

Revenue

Our revenue increased by RMB32,070.2 million, or 58.5%, from RMB54,781.0 million in the year ended December 31, 2018 to RMB86,851.2 million (US\$12,475.4 million) in the year ended December 31, 2019. This increase was primarily due to the increase of 58.0% in revenue from property sales from RMB50,838.2 million in the year ended December 31, 2018 to RMB80,322.3 million (US\$11,537.6 million) in the year ended December 31, 2019, which was in turn driven by a 54.4% increase in our total GFA delivered from 4,453,962 sq.m. in the year ended December 31, 2018 to 6,878,657 sq.m. in the year ended December 31, 2019 and a 2.3% increase in our ASP from RMB11,414 per sq.m. in the year ended December 31, 2018 to RMB11,677 per sq.m. in the year ended December 31, 2019.

Cost of Sales

Our cost of sales increased by RMB24,782.2 million, or 69.4%, from RMB35,723.6 million in the year ended December 31, 2018 to RMB60,505.8 million (US\$8,691.1 million) in the year ended December 31, 2019. This increase was primary due to an increase in our total GFA delivered from 4,453,962 sq.m. in the year ended December 31, 2018 to 6,878,657 sq.m. in the year ended December 31, 2019 and a 9.4% increase in our average cost per sq.m. sold from RMB7,384 in the year ended December 31, 2018 to RMB8,075 in the year ended December 31, 2019. The increase in the average cost per sq.m. sold in 2019 was primarily due to a higher percentage of property sales contributed by properties located in the Yangtze River Delta area in 2019.

Gross Profit

As a result of the foregoing, our gross profit increased by RMB7,288.0 million, or 38.2%, from RMB19,057.4 million in the year ended December 31, 2018 to RMB26,345.4 million (US\$3,784.3 million) in the year ended December 31, 2019. Our overall gross profit margin decreased from 34.8% in the year ended December 31, 2018 to 30.3% in the year ended December 31, 2019, primarily due to the difference in the composition of recognized projects.

Fair Value Gains on Investment Properties

Our fair value gains on investment properties decreased by RMB847.0 million, or 25.8%, from RMB3,285.1 million in the year ended December 31, 2018 to RMB2,438.1 million (US\$350.2 million) in the year ended December 31, 2019. The decrease in gains on investment properties was primarily because the slow-down of appreciation of overall capital value in 2019 as compared to 2018.

Selling and Marketing Costs

Our selling and marketing costs increased by RMB2,047.9 million, or 86.2%, from RMB2,374.4 million in the year ended December 31, 2018 to RMB4,422.3 million (US\$635.2 million) in the year ended December 31, 2019, primarily due to an increase in selling and marketing expenses incurred as we launched more projects for pre-sale in 2019.

Administrative Expenses

Our administrative expenses increased by RMB1,650.7 million, or 62.3%, from RMB2,650.8 million in the year ended December 31, 2018 to RMB4,301.5 million (US\$617.9 million) in the year ended December 31, 2019. The increase was primarily due to an increase in our administrative staff costs resulting from an increase in our administrative staff headcount in 2019.

Finance Costs – Net

Our net finance costs increased by RMB599.6 million, or 81.0%, from RMB739.9 million in the year ended December 31, 2018 to RMB1,339.6 million (US\$192.4 million) in the year ended December 31, 2019. This increase was primarily due to the increase in average balance of borrowings in 2019 as compared with 2018.

Income Tax Expense

Our income tax expense increased by RMB2,419.0 million, or 36.7%, from RMB6,599.9 million in the year ended December 31, 2018 to RMB9,019.0 million (US\$1,295.5 million) in the year ended December 31, 2019. The increase was primarily due to the increase in our profit in 2019.

Profit for the Year

As a result of the foregoing, our profit increased by RMB558.6 million, or 4.6%, from RMB12,047.6 million in the year ended December 31, 2018 to RMB12,606.2 million (US\$1,810.8 million) in the year ended December 31, 2019. Our net profit margin decreased from 22.0% in the year ended December 31, 2018 to 14.5% in the year ended December 31, 2019.

Year ended December 31, 2018 compared to year ended December 31, 2017

Revenue

Our revenue increased by RMB13,960.7 million, or 34.2%, from RMB40,820.3 million in the year ended December 31, 2017 to RMB54,781.0 million in the year ended December 31, 2018. This increase was primarily due to the increase of 31.1% in revenue from property sales from RMB38,790.1 million in the year ended December 31, 2017 to RMB50,838.2 million in the year ended December 31, 2018, which was in turn driven by a 16.1% increase in our total GFA delivered from 3,837,800 sq.m. in the year ended December 31, 2017 to 4,453,962 sq.m. in the year ended December 31, 2018 and a 12.9% increase in our ASP from RMB10,107 per sq.m. in the year ended December 31, 2017 to RMB11,414 per sq.m. in the year ended December 31, 2018. The increase in the average selling price in 2018 was primarily due to an increase in properties delivered at high selling price.

Cost of Sales

Our cost of sales increased by RMB8,484.4 million, or 31.1%, from RMB27,239.2 million in the year ended December 31, 2017 to RMB35,723.6 million in the year ended December 31, 2018. This increase was primary due to an increase in our total GFA delivered from 3,837,800 sq.m. in the year ended December 31, 2017 to 4,453,962 sq.m. in the year ended December 31, 2018 and a 13.8% increase in our average cost per sq.m. sold from RMB6,490 in the year ended December 31, 2017 to RMB7,384 in the year ended December 31, 2018. The increase in the average cost per sq.m. sold in 2018 was primarily due to the increase in construction costs.

Gross Profit

As a result of the foregoing, our gross profit increased by RMB5,476.3 million, or 40.3%, from RMB13,581.1 million in the year ended December 31, 2017 to RMB19,057.4 million in the year ended December 31, 2018. Our overall gross profit margin increased from 33.3% in the year ended December 31, 2017 to 34.8% in the year ended December 31, 2018, primarily due to the difference in the composition of recognized projects and an increase in the GFA of properties delivered and recognized as sales.

Fair Value Gains on Investment Properties

Our fair value gains on investment properties increased by RMB1,953.2 million, or 146.7%, from RMB1,331.9 million in the year ended December 31, 2017 to RMB3,285.1 million in the year ended December 31, 2018. This increase in gains on investment properties was primarily because our newly developed investment properties increased in 2018.

Selling and Marketing Costs

Our selling and marketing costs increased by RMB542.5 million, or 29.6%, from RMB1,831.9 million in the year ended December 31, 2017 to RMB2,374.4 million in the year ended December 31, 2018, primarily due to an increase in selling and marketing expenses incurred as we launched more projects for pre-sale in 2018.

Administrative Expenses

Our administrative expenses increased by RMB383.9 million, or 16.9%, from RMB2,266.9 million in the year ended December 31, 2017 to RMB2,650.8 million in the year ended December 31, 2018. The increase was primarily due to an increase in our administrative staff costs resulting from an increase in our administrative staff headcount and remuneration in 2018.

Finance Costs – Net

Our net finance costs increased by RMB71.7 million, or 10.7%, from RMB668.2 million in the year ended December 31, 2017 to RMB739.9 million in the year ended December 31, 2018. This increase was primarily due to the foreign exchange loss on borrowings which are denominated in USD, at the depreciation of RMB against US dollars.

Income Tax Expense

Our income tax expense increased by RMB1,871.1 million, or 39.6%, from RMB4,728.8 million in the year ended December 31, 2017 to RMB6,599.9 million in the year ended December 31, 2018. The increase was primarily due to the increase in our profit from sales of properties in 2018.

Profit for the Year

As a result of the foregoing, our profit increased by RMB6,034.0 million, or 100.3%, from RMB6,013.6 million in the year ended December 31, 2017 to RMB12,047.6 million in the year ended December 31, 2018. Our net profit margin increased from 14.7% in the year ended December 31, 2017 to 22.0% in the year ended December 31, 2018.

Liquidity and Capital Resources

Overview

We operate in a capital-intensive industry, and our primary use for cash is to pay for land acquisition costs, construction costs and finance costs and to fund our working capital. To date, we have primarily financed our working capital, capital expenditure and other capital requirements primarily through proceeds from our IPO and the offering of our onshore corporate bonds and offshore senior notes, borrowings from banks and other financial institutions, proceeds from the pre-sales and sales of properties and income generated from our property management services and investment properties. Going forward, we believe our liquidity requirements will be satisfied using a combination of bank loans, cash generated from operating activities, proceeds from the offering of the Notes and other funds raised from the capital markets from time to time.

Cash Flows

The following table sets forth a summary of our consolidated statement of cash flows for the years indicated:

	Year ended December 31,			
	2017	2018	2019	
	(RMB)	(RMB)	RMB	US\$ (unaudited)
	(in thousands)			
Selected cash flow statement data				
Net cash (used in)/generated from operating activities	(13,578,503)	320,944	37,655,304	5,408,846
Net cash used in investing activities.	(1,026,724)	(21,046,797)	(8,689,882)	(1,248,223)
Net cash generated from/(used in) financing activities	23,400,849	41,247,424	(10,445,397)	(1,500,387)
Net increase in cash and cash equivalents.	8,795,622	20,521,571	18,520,025	2,660,235
Cash and cash equivalents at the beginning of the year	11,905,339	20,542,676	41,213,881	5,920,004
Cash and cash equivalents at end of the year	20,542,676	41,213,881	59,691,685	8,574,174

Net cash generated from/(used in) or used in operating activities

We generate our cash from operating activities primarily from proceeds received from pre-sales and sales of our properties and rental income. Our cash used in operating activities is primarily for our property development activities and land acquisitions.

Our net cash flow generated from operating activities reflects our profit before income tax, as adjusted for non-cash items, such as fair value gains on investment properties, finance costs and accrual or reversal of provisions for properties held for sale, and the effects of changes in working capital, such as increases or decreases in payments for properties held or under development for sale, advances from pre-sale of properties, prepayments for leasehold land and trade and other receivables or payables.

In 2019, we had net cash generated from operating activities of RMB37,655.3 million (US\$5,408.8 million), which primarily consisted of cash generated from operations of RMB52,371.2 million (US\$7,522.6 million), partially offset by (i) interest paid of RMB5,855.3 million (US\$841.1 million), (ii) PRC income tax paid of RMB5,124.3 million (US\$736.1 million) and (iii) PRC LAT of RMB3,736.4 million (US\$536.7 million).

In 2018, we had net cash generated from operating activities of RMB320.9 million, which primarily consisted of cash generated from operations of RMB9,378.8 million, partially offset by (i) interest paid of RMB3,354.7 million, (ii) PRC income tax paid of RMB3,771.7 million and (iii) PRC LAT of RMB1,931.5 million.

In 2017, we had net cash used in operating activities of RMB13,578.5 million, which primarily consisted of (i) cash used in operations of RMB8,608.2 million, (ii) interest paid of RMB2,399.0 million, (iii) PRC income tax paid of RMB1,806.0 million and (iv) PRC LAT of RMB765.2 million.

See “Risk Factors – We had negative net operating cash flow for the year ended December 31, 2017. If we are unable to meet our payment obligations, our business, financial condition and results of operations may be materially adversely affected.” for further information relating to the risks associated with our negative net operating cash flow.

Net cash used in investing activities

In 2019, we had net cash used in investing activities of RMB8,689.9 million (US\$1,248.2 million), primarily due to (i) fundings to related parties/other investors of joint ventures or associates of RMB87,249.0 million (US\$12,532.5 million) and (ii) additions of investment properties of RMB17,389.6 million (US\$2,497.9 million), partially offset by fundings received from related parties/other investors of joint ventures or associates of RMB92,674.7 million (US\$13,311.9 million).

In 2018, we had net cash used in investing activities of RMB21,046.8 million, primarily due to (i) fundings to related parties/other investors of joint ventures or associates of RMB112,187.7 million and (ii) additions of investment properties of RMB10,190.9 million, partially offset by fundings received from related parties/other investors of joint ventures or associates of RMB108,266.7 million.

In 2017, we had net cash used in investing activities of RMB1,026.7 million, primarily due to (i) fundings to related parties/other investors of joint ventures or associates of RMB40,794.1 million, (ii) investments in joint ventures of RMB6,542.6 million and (iii) additions of investment properties of RMB4,454.1 million, partially offset by fundings received from related parties/other investors of joint ventures or associates of RMB55,927.0 million.

Net cash generated from financing activities

In 2019, we had net cash used in financing activities of RMB10,445.4 million (US\$1,500.4 million), primarily due to (i) repayments of borrowings of RMB51,803.3 million (US\$7,441.1 million) and (ii) fundings to non-controlling interests of subsidiaries of RMB20,507.1 million (US\$2,945.7 million), partially offset by (i) proceeds from borrowings of RMB49,793.4 million (US\$7,152.4 million) and (ii) fundings from non-controlling interests of subsidiaries of RMB13,347.8 million (US\$1,917.3 million).

In 2018, we had net cash generated from financing activities of RMB41,247.4 million, which consisted primarily of (i) proceeds from borrowings of RMB59,957.8 million, (ii) fundings from non-controlling interests of subsidiaries of RMB10,404.4 million and (iii) capital contribution from non-controlling interests of RMB9,099.9 million, partially offset by (i) repayments of borrowings of RMB26,269.7 million and (ii) fundings to non-controlling interests of subsidiaries of RMB13,670.3 million.

In 2017, we had net cash generated from financing activities of RMB23,400.8 million, which consisted primarily of proceeds from borrowings of RMB41,364.1 million, partially offset by (i) repayments of borrowings of RMB17,539.8 million and (ii) repayment of advances from non-controlling interests of subsidiaries of RMB1,047.7 million.

Net Current Assets Position

The following table sets forth our assets and liabilities as of the balance sheet dates indicated:

	As of December 31,			
	2017	2018	2019	
	(RMB)	(RMB)	RMB	US\$ (unaudited)
	(in thousands)			
Current assets				
Prepayments for leasehold land	9,808,432	13,610,385	578,819	83,142
Properties held or under development for sale	76,396,636	145,596,570	231,283,880	33,221,851
Trade and other receivables and prepayments	34,071,920	58,906,517	70,759,431	10,163,956
Contract costs	—	1,229,533	1,962,747	281,931
Restricted cash	4,105,100	6,441,945	5,882,328	844,944
Cash and cash equivalents	20,542,676	41,213,881	59,691,685	8,574,174
Financial assets at fair value through other comprehensive income	—	—	338,697	48,651
Financial assets at fair value through profit or loss	—	—	733,870	105,414
Financial assets at amortised costs . .	—	220,001	34,697	4,984
Derivative financial instruments	—	151,475	—	—
Total current assets	144,924,764	267,370,307	371,266,154	53,329,046
Current liabilities				
Trade and other payables	56,558,252	75,524,146	106,303,180	15,269,496
Advances from pre-sale of properties	50,866,242	435,133	698,017	100,264
Contract liabilities	—	118,230,992	197,667,554	28,393,168
Current income tax liabilities	6,204,479	9,476,038	13,128,753	1,885,827
Borrowings	15,273,142	24,987,790	40,849,008	5,867,593
Lease liabilities	—	—	144,841	20,805
Financial liabilities at fair value through profit or loss	—	2,069,576	80,993	11,634
Derivative financial instruments	—	12,478	—	—
Dividends payable	124	18,058	11,938	1,715
Total current liabilities	128,902,239	230,754,211	358,884,284	51,550,502
Net current assets	16,022,525	36,616,096	12,381,870	1,778,544

Commitments

Property Development Expenditure Commitments

The following table sets forth our property development expenditures contracted but not provided for as of the dates indicated:

	As of December 31,			
	2017	2018	2019	
	(RMB)	(RMB)	RMB	US\$
				(Unaudited)
	(in thousands)			
Property development expenditure commitments contracted but not provided for	33,294,079	38,008,186	46,156,456	6,629,960

Capital Commitments

The following table sets forth our capital committed but not yet incurred as of the dates indicated:

	As of December 31,			
	2017	2018	2019	
	(RMB)	(RMB)	RMB	US\$
				(Unaudited)
	(in thousands)			
Committed acquisition of equipment	100,013	180,663	22,400	3,218

Operating Lease Commitments

The following table sets forth our operating lease commitments for rental expenses as of the dates indicated:

	As of December 31,			
	2017	2018	2019	
	(RMB)	(RMB)	RMB	US\$
				(Unaudited)
	(in thousands)			
No later than 1 year.	52,272	188,987	2,835	407
Later than 1 year and no later than 5 years	125,915	201,514	11	2
After 5 years	49,337	19,130	–	–
	227,524	409,631	2,846	409

Investment Commitments

The following table sets forth our investment commitments as of the dates indicated:

	As of December 31,			
	2017	2018	2019	
	(RMB)	(RMB)	RMB	US\$ (Unaudited)
	(in thousands)			
Committed investments in associates.....	600,000	678,272	602,010	86,473
Committed investments in joint ventures.....	64,799	181,419	263,920	37,910
	<u>664,799</u>	<u>859,691</u>	<u>865,930</u>	<u>124,383</u>

Operating Lease Rentals Receivable

The following table sets forth our operating lease rentals receivable as of the dates indicated:

	As of December 31,			
	2017	2018	2019	
	(RMB)	(RMB)	RMB	US\$ (Unaudited)
	(in thousands)			
Within 1 year	1,385,296	3,061,578	4,951,499	711,238
1 to 5 years.....	3,527,676	7,280,000	10,268,399	1,474,963
After 5 years.....	1,474,702	3,346,619	4,517,766	648,936
	<u>6,387,674</u>	<u>13,688,197</u>	<u>19,737,664</u>	<u>2,835,138</u>

We intend to fund our capital and lease commitments principally from bank financings and proceeds from sales and pre-sales of our developed properties.

Indebtedness

The following table sets forth our outstanding borrowings as of the dates indicated:

	As of December 31,			
	2017	2018	2019	
	(RMB)	(RMB)	RMB	US\$ (Unaudited)
	(in thousands)			
Current borrowings				
Current, secured:				
Bank loans and non-bank financial institutions	1,041,937	1,339,067	1,946,615	279,614
Trust financing arrangements	750,000	2,212,060	2,839,110	407,811
Guaranteed senior notes	–	2,058,022	2,091,910	300,484
Asset backed notes	–	–	1,480,000	212,589
Financing under securitisation arrangements	–	1,811,800	1,593,000	228,820
	1,791,937	7,420,949	9,950,635	1,429,319
Current, unsecured:				
Bank loans	–	136,687	134,370	19,301
Corporate bonds	1,085,000	840,000	1,169,177	167,942
Short-term Commercial Paper	–	2,400,000	–	–
	1,085,000	3,376,687	1,303,547	187,243
Current portion of long-term borrowings	12,396,205	14,190,154	29,594,826	4,251,031
Total current borrowings	15,273,142	24,987,790	40,849,008	5,867,593
Non-current borrowings				
Non-current, secured:				
Bank loans and non-bank financial institutions	19,701,362	30,360,065	29,993,247	4,308,260
Trust financing arrangements	3,116,452	3,576,239	4,406,800	632,997
Senior notes	2,261,099	4,408,200	7,976,092	1,145,694
Guaranteed senior notes	1,281,435	8,067,678	12,716,031	1,826,544
Asset backed notes	2,100,000	2,100,000	2,080,750	298,881
	28,460,348	48,512,182	57,172,920	8,212,376
Non-current, unsecured:				
Middle term notes	4,500,000	6,500,000	8,500,000	1,220,949
Private placement notes	2,000,000	4,500,000	4,500,000	646,385
Corporate bonds	11,543,927	11,193,345	6,419,845	922,153
	18,043,927	22,193,345	19,419,845	2,789,486
Less: Current portion of long-term borrowings	(12,396,205)	(14,190,154)	(29,594,826)	(4,251,031)
Total non-current borrowings	34,108,070	56,515,373	46,997,939	6,750,832
Total current and non-current borrowings	49,381,212	81,503,163	87,846,947	12,618,424

Since 2014, we have been funding our development costs (including land premium) with internal resources and bank borrowings and proceeds from issuance of corporate bonds and senior notes.

Our outstanding current and non-current borrowings, which include our borrowings from banks, corporate bonds and senior notes were RMB49,381.2 million, RMB81,503.2 million and RMB87,846.9 million (US\$12,618.4 million) as of December 31, 2017, 2018 and 2019, respectively. Our current and non-current borrowings increased during the three years ended December 31, 2017, 2018 and 2019, primarily due to an increase in construction activities during such periods.

As of December 31, 2019, we had unutilized banking facilities of approximately RMB31,199.2 million (US\$4,481.5 million). Provided that we obtain all necessary permits and licenses for development of our relevant projects as required by the banks and that the funding will be used for the relevant project for which we have applied for the funding, the use of the unutilized banking facilities generally will not be restricted. These conditions are customary for the banks to provide banking facilities to property developers in China.

The following table sets forth the maturity profile of our non-current borrowings as of the dates indicated:

	As of December 31,			
	2017	2018	2019	
	(RMB)	(RMB)	RMB	US\$
	(in thousands)			
				(Unaudited)
Between 1 and 2 years	15,906,472	37,106,386	31,100,376	4,467,279
Between 2 and 5 years	18,120,348	19,352,737	15,480,163	2,223,592
Over 5 years	81,250	56,250	417,400	59,956

All of our bank borrowings are secured by one or a combination of the following methods: pledges of land to be developed, properties under development, properties held for sale, investment properties, land use rights, property, plant and equipment, shares of our subsidiaries, bank deposits and guarantees by our subsidiaries. Our bank borrowings are from major commercial banks, which are independent third parties. As of December 31, 2017, 2018 and 2019, the weighted average interest rate on our total borrowings was 5.28%, 6.09% and 6.57%, respectively.

As a result of these borrowings, our operations are subject to a wide range of customary restrictive covenants. For further information, see the sections headed “Risk Factors – Risks Relating to Our Business – We are subject to risks associated with certain covenants or restrictions under our bank borrowings which may adversely affect our business, financial condition and results of operations.”

Financial Guarantees and Contingent Liabilities

We make arrangements with various PRC banks to provide mortgage facilities to purchasers of our pre-sold properties. In accordance with market practice, we are required to provide guarantees to these banks in respect of mortgages provided to such purchasers. Guarantees for mortgages on pre-sold residential properties are generally discharged when: (i) the property ownership certificates are registered in favor of the mortgagee banks, or (ii) the settlement of mortgage loans between the mortgagee banks and the purchasers, whichever occurs first. If a purchaser defaults on the mortgage loan, we are typically required to repurchase the underlying property to pay off the mortgage loan. If we fail to do so, the mortgagee banks will auction the underlying property and recover the balance from us if the outstanding loan amount exceeds the net foreclosure sale proceeds. In line with industry practice, we do not conduct independent credit checks on our purchasers but rely on the credit checks conducted by the mortgagee banks. As of December 31, 2017, 2018 and 2019, our outstanding guarantees for mortgage loans of the purchasers of our pre-sold properties were approximately RMB18,825.4 million, RMB41,015.5 million and RMB67,426.5 million (US\$9,685.2 million), respectively. Our general policy is that for purchasers utilizing mortgage loans, if purchasers default on subsequent payments after the down payment, we reserve our rights to seize the full amount of the down payment, unless we are able to resell the property at a price not less than the original amount at which we sold the property to such defaulting purchasers, and that the resale proceeds are sufficient to cover our enforcement costs. Financial guarantees are contingent liabilities not recognized in our financial statements.

The following table sets forth our financial guarantees as of the dates indicated:

	As of December 31,			
	2017	2018	2019	
	(RMB)	(RMB)	RMB	US\$ (Unaudited)
	(in thousands)			
Guarantees in respect of mortgage facilities for certain purchasers of the Group's properties.	18,825,358	41,015,531	67,426,466	9,685,206

Except as disclosed in “– Commitments” and “– Indebtedness” above, we did not have outstanding mortgages, charges, debentures, loan capital, bank overdrafts, loans, debt securities or other similar indebtedness, finance leases or hire purchase commitments, liabilities under acceptances or acceptance credits or any guarantees or other material contingent liabilities outstanding as of December 31, 2019.

Qualitative and Quantitative Disclosure about Market Risk

We are exposed to various types of market risks, including credit risk, interest rate risk, and liquidity risk.

Credit Risk

We considered the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. To assess whether there's a significant increase in credit risk, we compare the risk of a default occurring on the asset at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower
- significant increases in credit risk on other financial instruments of the same borrower
- significant changes in the expected performance and behavior of the borrower, including changes in the payment status of borrowers in the Group and changes in the operating results of the borrower.

(a) Cash in banks

We expect that there is no significant credit risk associated with cash deposits at banks since they are substantially deposited with state-owned banks and other medium or large size listed banks. Management does not expect that there will be any significant losses from non-performance by these counterparties.

(b) *Trade receivables*

The Group applies the simplified approach to providing for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit loss also incorporates forward looking information.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group. The Group made no written off for trade receivables during the year ended December 31, 2019.

(c) *Other receivables*

The Group uses three categories for other receivables which reflect their credit risk and how the loss provision is determined for each of those categories. These internal credit risk ratings are aligned to external credit ratings.

A summary of the assumptions underpinning the Group's expected credit loss model is as follows:

Category	Group definition of category	Basis for recognition of expected credit loss provision	Basis for calculation of interest revenue
Stage one	Customers have a low risk of default and a strong capacity to meet contractual cash flow	12 months expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime.	Gross carrying amount
Stage two	Receivables for which there is a significant increase in credit risk since initial recognition	Lifetime expected losses	Gross carrying amount
Stage three	Receivables for which there is credit loss since initial recognition	Lifetime expected losses	Amortized cost carrying amount (net of credit allowance)

The Company accounts for its credit risk by appropriately providing for expected losses on a timely basis. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of receivables and adjusts for forward looking macroeconomic data.

Since credit risk has not significantly increased after initial recognition, the loss allowance recognised was therefore limited to 12 months expected losses.

Other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group. The Group made no written off for other receivables during the year ended December 31, 2019.

(d) Financial assets at amortized cost

All of the entity's debt investments at amortized cost are considered to have low credit risk, and the loss allowance recognized during the period was therefore limited to 12 months expected losses. Our Management considers 'low credit risk' for listed bonds to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

(e) Financial assets at fair value through profit or loss

We are also exposed to credit risk in relation to debt investments that are measured at fair value through profit or loss. The maximum exposure at the end of the reporting period is the carrying amount of these investments.

(f) Financial Guarantee

We have policies in place to ensure that sales are made to purchasers with an appropriate financial strength and appropriate percentage of down payments. We have arranged bank financing for certain purchasers of our property units and provided guarantees to secure obligations of such purchasers for repayments. If a purchaser defaults on the payment of its mortgage loan during the guarantee period, the bank holding the guarantee may demand us to repay the outstanding principal of the loan and any interest accrued thereon. Under such circumstances, we are able to forfeit the customer's deposit and resell the property to recover any amounts paid by us to the bank. In this regard, our directors consider that our credit risk is significantly reduced.

We also provide guarantees to our certain related parties to obtain borrowings after assessing the credit history and pledge information of these related parties. We closely monitor the repayment progress of the relevant borrowings by these related parties. In the opinion of our directors, the related party transactions were carried out in the normal course of business and at terms mutually negotiated between us and the respective related parties. Our directors consider that the likelihood of default in payments is minimal and the financial guarantees measured at fair value are immaterial, as all the related parties are engaged in property development with solid financial position.

Interest Rate Risk

Our interest rate risk relates primarily to our fixed-rate borrowings and variable-rate borrowings. Borrowings at fixed-rates expose us to fair value interest rate risk and borrowings at variable rates expose us to cash flow interest rate risk. We currently have not entered into interest rate swaps to hedge against our exposure to changes in fair values of our borrowings. It is our policy to maintain an appropriate level between our fixed-rate and variable rate borrowings so as to balance the fair value and cash flow interest rate risk.

In addition, to the extent that we may need to raise debt financing in the future, upward fluctuations in interest rates will increase the cost of new debt. Fluctuations in interest rates can also lead to significant fluctuations in the fair value of our debt obligations.

We currently do not use any derivative instruments to manage our interest rate risk. To the extent we decide to do so in the future, there can be no assurance that any future hedging activities will protect us from fluctuations in interest rates.

Liquidity Risk

The capital-intensive nature of our business exposes us to liquidity risk. We are exposed to liquidity risk if we are unable to raise sufficient funds to meet our capital commitments. To manage the liquidity risk, we monitor and maintain a level of cash and cash equivalents considered adequate by our management to finance our operations and mitigate the effects of fluctuations in cash flows. In doing so, our management monitors capital on the basis of the gearing ratio to ensure adequate undrawn banking facilities and monitors the utilization of borrowings to ensure compliance with loan covenants. We also continue to obtain longer term financing facilities, mainly issuance of senior notes, project bank loans with pledge of our properties or other resources of funding which we consider appropriate.

Off-Balance Sheet Arrangements

Except for the contingent liabilities disclosed, we have not entered into any off-balance sheet arrangements or commitments to guarantee the payment obligations of any third parties. We do not have any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support to us or engages in leasing or hedging services with us.

Non-GAAP Financial Measures

We use EBITDA to provide additional information about our operating performance. EBITDA refers to our earnings before the following items:

- finance costs, including capitalized interest under cost of sales;
- income tax expense;
- fair value gains on investment properties;
- other gains-net;
- depreciation; and
- amortization.

EBITDA is not a standard measure under HKFRSs or generally accepted accounting principles in other jurisdictions. As the property development business is capital intensive, capital expenditure requirements and levels of debt and interest expenses may have a significant impact on the profit of companies with similar operating results. Therefore, we believe the investor community commonly use this type of financial measure to assess the operating performance of companies in our market sector.

You should not consider our definition of EBITDA in isolation or construe it as an alternative to profit for the year/period or as an indicator of operating performance or any other standard measure under HKFRSs or generally accepted accounting principles in other jurisdictions. Our definition of EBITDA does not account for taxes and other non-operating cash expenses. Our EBITDA measures may not be comparable to similarly titled measures used by other companies.

The following table reconciles our profit for the year under HKFRSs to our definition of EBITDA for the years and periods indicated.

	Year ended December 31,			
	2017	2018	2019	
	(RMB)	(RMB)	RMB	US\$
				(Unaudited)
	(in thousands)			
Revenue	40,820,316	54,780,995	86,851,178	12,475,391
Profit for the year	6,013,625	12,047,566	12,606,189	1,810,766
Adjustments:				
Finance costs (including capitalized interest under cost of sales)	2,184,784	5,894,214	10,053,836	1,444,143
Income tax expense	4,728,785	6,599,934	9,018,982	1,295,496
Fair value gains on investment properties	(1,331,853)	(3,285,089)	(2,438,106)	(350,212)
Other gains – net	(301,048)	(840,148)	(902,282)	(129,605)
Depreciation	325,474	397,925	536,820	77,109
Amortization	15,604	46,652	146,909	21,102
EBITDA ⁽¹⁾	11,635,371	20,861,054	29,022,348	4,168,799
EBITDA margin ⁽²⁾	28.5%	38.1%	33.4%	33.4%

(1) EBITDA refers to our operating profit plus depreciation, amortization and capitalized interest under cost of sales, but excluding fair value gains on the investment properties and net gains or losses. EBITDA is not a standard measure under HKFRSs. EBITDA is a widely used financial indicator of a company's ability to service and incur debts. EBITDA should not be considered in isolation or construed as an alternative to cash flows, net income or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities. EBITDA does not account for taxes, interest expense or other non-operating items. In evaluating EBITDA, we believe that investors should consider, among other things, the components of EBITDA such as sales and operating expenses and the amount by which EBITDA exceeds capital expenditures and other charges. We have included EBITDA because we believe it is a useful supplement to cash flow data as a measure of our performance and our ability to generate cash flow from operations to cover debt service and taxes. EBITDA presented herein may not be comparable to similarly titled measures presented by other companies. Investors should not compare our EBITDA to EBITDA presented by other companies because not all companies use the same definition. See the section headed "Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Financial Measures" for a reconciliation of our profit for the year under HKFRSs to our definition of EBITDA. Investors should also note that EBITDA as presented herein may be calculated differently from Consolidated EBITDA as defined and used in the Indenture. See the section headed "Description of the Notes – Definitions" for a description of the manner in which Consolidated EBITDA is defined for purposes of the Indenture.

(2) EBITDA margin is calculated by dividing EBITDA by revenue.

Recent Accounting Announcements

The following are new amendment and improvements of HKFRSs adopted by us during the year ended December 31, 2019.

- HKFRS 16 Lease Liabilities; and
- Amendments to HKFRS 3 – Definition of a Business.

The effects of the adoption of HKFRS 16 and amendments to HKFRS 3 are disclosed in our audited consolidated financial information for the year ended December 31, 2019. The other standards, amendments and interpretations described above are either currently not relevant to the Group or had no material impact on the Group's financial statements.

We have not early adopted any new accounting and financial reporting standards, amendments and improvements to existing standards which have been issued but are not yet effective for the financial year beginning January 1, 2020.

INDUSTRY OVERVIEW

Certain information and statistics set out in this section have been extracted from various government publications, market data provider and other independent third-party sources. We believe that the sources of this information are appropriate sources for such information and have taken reasonable care in extracting and reproducing such information. We have no reason to believe that such information is false or misleading or that any fact has been omitted that would render such information false or misleading. The information has not been independently verified by us or any other party involved in the offering of the Notes and no representation is given as its accuracy. Accordingly, such information should not be unduly relied upon.

Overview of the PRC Economy

From 2008 to 2018, China's nominal GDP grew at a CAGR of 10.9%, reaching approximately RMB90.03 trillion in 2018, making China one of the fastest growing economies in the world. Amid the global financial crisis, China achieved an annual real GDP growth of 9.7% in 2008 and maintained positive economic growth throughout the crisis. China was among the first countries to recover from the global financial crisis. In February 2011, it overtook Japan to become the world's second largest economy. China's economic growth slowed in 2012 due to various factors, including the European debt crises and weaker global demand for exports.

Overall Economic Growth

In the past decade, China's nominal GDP has increased from RMB31,924 billion in 2008 to RMB90,031 billion in 2018, representing a CAGR of approximately 10.9%. Over the same period, China's nominal GDP per capita increased at a CAGR of 10.4% from RMB24,100 in 2008 to RMB64,644 in 2018, demonstrating a significant increase in the purchasing power of the PRC population. The table below sets out selected economic statistics of China for the periods indicated.

OVERALL ECONOMIC GROWTH	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2008- 2018 CAGR
Nominal GDP												
(RMB billion)	31,924	34,852	41,212	48,794	53,858	59,296	64,128	68,599	74,006	82,075	90,031	10.90%
Real GDP growth rate . .	9.70%	9.40%	10.60%	9.60%	7.90%	7.80%	7.30%	6.90%	6.70%	6.80%	6.60%	N/A
Nominal GDP per capita												
(RMB)	24,100	26,180	30,808	36,302	39,874	43,684	47,005	50,028	53,680	59,201	64,644	10.40%
Fixed asset investment												
(RMB billion)	14,817	19,414	24,141	30,193	36,484	43,653	50,200	55,159	59,650	63,168	63,564	15.70%
Fixed asset investment												
growth	26.20%	31.00%	24.40%	25.10%	20.80%	19.70%	15.00%	9.90%	8.10%	5.90%	0.60%	N/A

Source: National Bureau of Statistics

Urbanization

Strong economic growth has encouraged the rapid urbanization and population growth in certain cities in China. The urbanization rate in China has increased significantly from 47.0% in 2008 to 59.6% in 2018. The table below sets out China's urbanization rate for the periods indicated.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2008-2018 CAGR
Urban population (million)	624	645	670	691	712	731	749	771	793	813	831	2.9%
Total population (million).	1,328	1,335	1,341	1,347	1,354	1,361	1,368	1,375	1,383	1,390	1,395	0.5%
Urbanization rate (%)	47.0%	48.3%	49.9%	51.3%	52.6%	53.7%	54.8%	56.1%	57.3%	58.5%	59.6%	N/A

Source: National Bureau of Statistics

Disposable Income

The strong growth of the PRC economy has contributed to the rise in disposable income in China. Per capita disposable income of urban households grew steadily between 2008 and 2018 at a CAGR of 9.7%. The table below sets out the per capita disposable income of urban households over the periods indicated.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2008-2018 CAGR
Per capita disposable income of urban households (RMB)	15,549	16,901	18,779	21,427	24,127	26,467	28,844	31,195	33,616	36,396	39,251	9.7%

Source: National Bureau of Statistics

The cities in which our existing and planned property developments and investments are situated also experienced significant GDP growth. The tables below set out certain economic statistics of these cities for the periods indicated.

	2008		2009		2010		2011		2012		2013		2014		2015		2016		2017		2018	
	Nominal GDP	Normal growth rate	Nominal GDP	Normal growth rate	Nominal GDP	Normal growth rate	Nominal GDP	Normal growth rate	Nominal GDP	Normal growth rate	Nominal GDP	Normal growth rate	Nominal GDP	Normal growth rate	Nominal GDP	Normal growth rate	Nominal GDP	Normal growth rate	Nominal GDP	Normal growth rate	Nominal GDP	Normal growth rate
	RMB bn		RMB bn		RMB bn		RMB bn		RMB bn		RMB bn		RMB bn		RMB bn		RMB bn		RMB bn		RMB bn	
China	31,924	18.20%	34,852	9.20%	41,212	18.20%	48,794	18.40%	53,858	10.40%	59,296	10.10%	64,128	8.10%	68,599	7.00%	74,006	7.90%	82,075	10.90%	90,031	9.70%
Changzhou . .	227	18.40%	252	11.20%	304	20.80%	358	17.60%	404	12.80%	453	12.10%	499	10.20%	537	7.60%	588	9.40%	662	12.60%	705	6.50%
Shanghai . . .	1,407	12.60%	1,505	6.90%	1,717	14.10%	1,920	11.80%	2,018	5.10%	2,182	8.10%	2,357	8.00%	2,512	6.60%	2,818	12.20%	3,063	8.70%	3,268	6.70%
Nanjing	381	14.20%	423	10.90%	513	21.30%	615	19.80%	731	18.90%	820	12.20%	896	9.20%	986	10.10%	1,066	8.10%	1,172	9.90%	1,282	9.40%
Wuxi	446	15.00%	499	11.90%	579	16.10%	688	18.80%	745	8.20%	792	6.40%	836	5.50%	869	3.90%	939	8.10%	1,051	12.00%	1,144	8.80%
Suzhou	708	21.00%	774	9.40%	923	19.20%	1,072	16.10%	1,221	13.90%	1,319	8.10%	1,399	6.10%	1,476	5.50%	1,575	6.70%	1,732	10.00%	1,860	7.40%
Changsha . . .	300	37.00%	374	24.80%	455	21.40%	562	23.60%	640	13.90%	715	11.80%	782	9.40%	851	8.80%	936	10.00%	1,021	9.10%	N/A	N/A
Wuhan	396	26.00%	462	16.70%	557	20.50%	676	21.50%	800	18.40%	905	13.10%	1,007	11.20%	1,091	8.30%	1,191	9.20%	1,341	12.60%	1,485	10.70%
Zhenjiang . .	149	18.50%	167	12.10%	199	18.90%	231	16.30%	269	16.50%	302	12.20%	331	9.40%	356	7.70%	390	9.50%	401	2.80%	405	1.00%

Source: National Bureau of Statistics

	2008		2009		2010		2011		2012		2013		2014		2015		2016		2017		2018	
	Nominal GDP per capita	Normal growth rate	Nominal GDP per capita	Normal growth rate	Nominal GDP per capita	Normal growth rate	Nominal GDP per capita	Normal growth rate	Nominal GDP per capita	Normal growth rate	Nominal GDP per capita	Normal growth rate	Nominal GDP per capita	Normal growth rate	Nominal GDP per capita	Normal growth rate	Nominal GDP per capita	Normal growth rate	Nominal GDP per capita	Normal growth rate	Nominal GDP per capita	Normal growth rate
	RMB		RMB		RMB		RMB		RMB		RMB		RMB		RMB		RMB		RMB		RMB	
China	24,100	17.60%	26,180	8.60%	30,808	17.70%	36,302	17.80%	39,874	9.80%	43,684	9.60%	47,005	7.60%	50,028	6.40%	53,680	7.30%	59,201	10.30%	64,644	9.20%
Changzhou . .	51,746	16.40%	56,890	9.90%	67,327	18.30%	77,485	15.10%	86,538	11.70%	96,547	11.60%	106,329	10.10%	114,308	7.50%	124,889	9.30%	140,435	12.40%	149,275	6.30%
Shanghai . . .	66,932	7.90%	69,165	3.30%	76,074	10.00%	82,560	8.50%	85,373	3.40%	90,993	6.60%	97,370	7.00%	103,796	6.60%	116,562	12.30%	126,634	8.60%	135,000	6.60%
Nanjing	50,855	11.20%	55,290	8.70%	65,273	18.10%	76,263	16.80%	89,816	17.80%	100,307	11.70%	109,194	8.90%	119,883	9.80%	129,194	7.80%	141,103	9.20%	N/A	N/A
Wuxi	73,733	12.40%	81,146	10.10%	92,167	13.60%	107,437	16.60%	115,468	7.50%	122,318	5.90%	128,756	5.30%	133,515	3.70%	143,985	7.80%	160,706	11.60%	174,300	8.50%
Suzhou	78,875	14.10%	83,696	6.10%	93,043	11.20%	102,129	9.80%	115,891	13.50%	124,872	7.70%	132,131	5.80%	139,127	5.30%	148,146	6.50%	162,388	9.60%	N/A	N/A
Changsha . . .	45,765	35.80%	56,620	23.70%	66,443	17.30%	79,530	19.70%	89,903	13.00%	99,570	10.80%	107,683	8.10%	115,443	7.20%	124,122	7.50%	131,207	5.70%	N/A	N/A
Wuhan	44,290	24.50%	51,144	15.50%	58,961	15.30%	68,315	15.90%	79,482	16.30%	89,000	12.00%	98,000	10.10%	104,132	6.30%	111,469	7.00%	123,831	11.10%	135,136	9.10%
Zhenjiang . .	49,235	17.70%	54,732	11.20%	64,284	17.50%	73,981	15.10%	85,651	15.80%	95,653	11.70%	104,352	9.10%	112,225	7.50%	122,686	9.30%	125,962	2.70%	N/A	N/A

Source: National Bureau of Statistics

PER CAPITA DISPOSABLE INCOME

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
China	15,549	16,901	18,779	21,427	24,127	26,467	28,844	31,195	33,616	36,396	39,251
Changzhou . . .	21,234	23,392	25,875	29,559	33,326	36,290	39,483	42,710	46,058	49,955	54,000
Shanghai	26,675	28,838	31,838	36,230	40,188	44,878	48,841	52,962	57,692	62,596	68,034
Nanjing	22,337	24,678	27,383	31,100	35,092	39,125	42,568	46,104	49,997	54,538	59,308
Wuxi	23,263	25,027	27,750	31,638	35,663	38,426	41,731	45,129	48,628	52,659	56,989
Suzhou	24,680	27,188	30,366	34,617	39,079	42,981	46,677	50,390	54,341	58,806	63,481
Changsha	17,891	20,238	22,814	26,451	30,288	33,662	36,826	39,961	43,294	46,948	50,792
Wuhan	16,712	18,385	20,806	23,738	27,061	30,273	33,270	36,436	39,737	43,405	47,359
Zhenjiang	19,001	21,041	23,244	26,637	30,045	32,740	35,752	38,666	41,794	45,386	48,903

Source: National Bureau of Statistics

Overview of the PRC Property Market

Between 2008 and 2017

Favorable economic conditions in the PRC have contributed to the strong growth of the PRC property market. From 2008 to 2018, investment in real estate in China increased at a CAGR of 14.4%, and the total GFA of commodity properties sold increased at a CAGR of 10.0%. The table below sets out certain information about the PRC property market over the periods indicated.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2008-2018 CAGR
Commodity properties												
Total real estate investment												
(RMB billion)	3,120	3,624	4,826	6,180	7,180	8,601	9,504	9,598	10,258	10,980	12,026	14.4%
Total GFA under construction												
(million sq.m.)	2,833	3,204	4,054	5,068	5,734	6,656	7,265	7,357	7,590	7,815	8,223	11.2%
Total GFA sold												
(million sq.m.)	660	948	1,048	1,094	1,113	1,306	1,206	1,285	1,573	1,694	1,717	10.0%
Residential properties												
Total real estate investment												
(RMB billion)	2,244	2,561	3,404	4,432	4,937	5,895	6,435	6,460	6,870	7,515	N/A	N/A
Total GFA under construction												
(million sq.m.)	2,229	2,153	3,148	3,877	4,290	4,863	5,151	5,116	5,213	5,364	5,700	9.8%
Total GFA sold												
(million sq.m.)	593	862	934	965	985	1,157	1,052	1,124	1,375	1,448	1,479	9.6%

Source: National Bureau of Statistics

Prices for real estate in the PRC experienced steady growth between 2008 and 2018, with the average price of commodity properties growing at a CAGR of 8.7% over the same period. The table below sets out average property prices in the PRC over the periods indicated.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2008-2018 CAGR
Average price of commodity properties (RMB per sq.m.) . .	3,800	4,681	5,032	5,357	5,791	6,237	6,324	6,793	7,476	7,892	8,737	8.7%
Average price of residential properties (RMB per sq.m.) . .	3,576	4,459	4,725	4,993	5,430	5,850	5,932	6,472	7,203	7,614	8,544	9.1%

Source: National Bureau of Statistics

Recent Developments in the PRC Property Market

The PRC property market generally improved in the first half of 2016, as a result of the easing of mortgage policies and a series of interest rate cuts since September 30, 2014. According to a report issued by the National Bureau of Statistics, the total GFA sold and property sales in China in the first half of 2016 increased by 27.9% and 42.1%, respectively, compared to the same period in 2015. According to the 70-city property price index released by the National Bureau of Statistics, in 2016, the PRC government took measures to discourage speculation in the residential property market and to increase the supply of affordable housing rather than high-end residential properties. In response to concerns over the scale of the increase in property investment, the PRC government introduced policies and measures to restrict such increase.

Regulatory Milestones of the PRC Property Industry

From time to time, the PRC government has taken actions to tighten its control over the property market. In particular, the PRC government has taken measures to discourage speculation in the residential property market and to increase the supply of affordable housing. The table below sets out the key regulatory milestones of the PRC property industry, including major policies and measures implemented by the PRC government since 2008:

2008 The State Council issued Notice on Promoting the Land Saving and Intensive Use (國務院關於促進節約集約用地的通知) (國發[2008]3號) on January 3, 2008, which provided for stricter supervision on land development and regulation of idle land.

In October 2008, the PBOC reduced the minimum down payment requirement to 20% of the purchase price of the underlying property and the minimum mortgage loan interest rate to 70% of the PBOC benchmark interest rate for the purchase of a principal residence with a total GFA less than 90 sq.m.

On October 22, 2008, the State Council, the Ministry of Finance and the SAT jointly announced the decision to reduce the tax expenses of property transactions.

In October 2008, the CBRC issued regulatory notices to restrict trust financing companies from providing trust loans, in form or in nature, to (i) property projects that have not obtained the requisite land use rights certificates, construction land planning permits, construction works planning permits and construction work commencement permits; (ii) property developers that had not been issued with Class 2 qualification certificates by the relevant competent construction authorities; (iii) property projects of which less than 30% of the total investments are funded by the property developers' own capital (except for affordable housing and commodity apartments, of which 20% of the total investment shall be funded by the developer's own capital); and (iv) property developers for payment of land premium or for working capital purposes.

2010 On March 8, 2010, the Ministry of Land and Resources instituted measures aimed at ensuring sufficient land supply for government-subsidized residential property.

On April 17, 2010, the State Council announced its decision to implement diverse credit policies for different types of purchases.

On September 21, 2010, the Ministry of Land and Resources and the MOHURD instituted measures to require relevant governmental authorities to (i) strengthen the management of the annual plan for land supply and residential property construction; (ii) accelerate the approval process for land supply and construction for residential properties; (iii) strengthen the management of land grants for residential properties; (iv) strengthen the supervision on land supply and construction of residential properties; and (v) strengthen the supervision and investigation of illegal conduct.

On September 29, 2010, the PBOC and the CBRC issued the Notice on the Improvement of Diversified Residential Credit Policies (中國人民銀行、中國銀行業監督管理委員會關於完善差別化住房信貸政策有關問題的通知) (銀發[2010]275號) to require, among other things, all commercial banks to suspend (i) the extension of loans to individuals for purchase of third or subsequent residences and (ii) the extension of loans to non-local residents who cannot provide certificates evidencing payment of local taxes or social insurance for more than one year. For the purchase of a primary residence, the minimum down payment was increased to 30% of the purchase price of the underlying property.

On September 29, 2010, the Ministry of Finance, the SAT and the MOHURD issued the Notice on Adjustment of Preferential Policies for Deed Tax and Individual Income Tax for Real Estate Transactions (財政部、國家稅務總局關於住房和城鄉建設部關於調整房地產交易環節契稅個人所得稅優惠政策的通知) (財稅[2010]94號) to curb transfers by individuals of residential properties purchased within one year through the levying of individual income tax.

On December 19, 2010, the Ministry of Land and Resources promulgated the Circular on Issues Pertaining to the Strengthened Implementation of Real Estate Land Use Regulatory Policies and the Healthy Development of the Property Market (關於嚴格落實房地產用地調控政策促進土地市場健康發展有關問題的通知) (國土資發[2010]204號) to further regulate the granting of land use rights for real estate development and tighten regulation of idle land.

On November 4, 2010, the MOHURD and SAFE issued the Notice on Further Standardization of the Administration of Housing Purchase by Foreign Entities and Individuals (關於進一步規範境外機構和個人購房管理的通知) (建房[2010]186號) to further restrict foreign individuals from purchasing property in the PRC.

2011 In January 2011, the State Council issued a notice to further restrict property purchases and strengthen regulations on land transfers, property development projects and idle land. Among other things, the notice (i) increased the minimum down payment for the purchase of a second home from 50% to 60%; (ii) required local governmental authorities to take steps to expand the coverage of low-income housing by increasing supply of low-income housing through construction, redevelopment, purchases and long-term leases and to build 10 million units of low-income housing in 2011; (iii) increased the minimum down payment from 20% to 30% for the purchase of the first residential property of a family if the underlying property has a unit GFA of 90 sq.m. or more; (iv) required that if a property developer failed to obtain the relevant construction permits and failed to commence construction within two years from the designation of land for property development, the relevant land use rights granted be forfeited and an idle land penalty be imposed; (v) prohibited the transfers of land or a property development project if the amount of property development investment (excluding the land premium) incurred is less than 25% of the total investment amount in respect of the project; and (vi) prohibited families holding local residency and owning two or more residential properties and families holding non-local residency and owning at least one residential property or who cannot provide a local tax payment certificate or a social security certificate from purchasing additional residential properties in their local district.

In March 2011, the MOHURD released the Notice on Inspection in respect of Standardized Management of Low-Income Housing Security Policy, requesting all local government authorities to fully understand the importance and long-term nature of the standardized management of low-income housing security policy, continue adopting effective measures, implement management accountability, improve management standards, and set up a comprehensive scientific, orderly, efficient, open and transparent management system.

In July 2011, MOHURD issued the Notice on Relevant Issues Relating to Enhanced Implementation of Real Estate Control Policies (關於進一步落實房地產調控政策有關問題的函) to enhance the implementation of purchase restrictions in second-tier and third-tier cities and to increase the number of cities subject to property purchase restrictions. This notice set out five criteria and encouraged local governments to, subject to local market conditions, implement property purchase restrictions if three or more of the following criteria are met: (i) prices of new residential units in the relevant city recorded year-on-year increase or recorded month-on-month increase during the six months ended June 30, 2011 according to information provided by the National Bureau of Statistics; (ii) the average price of new residential units in the relevant city in June 2011 had been higher than or closed to the maximum average price of residential units pre-determined by the relevant authorities; (iii) the sales volume of new commodity properties in the relevant city increased significantly from January 2011 to June 2011, as compared with the same period in past year; (iv) the relevant city is located close to major city(ies) with property purchase restrictions implemented and the proportion of non-local purchasers of properties in such city remained high; and (v) state-wide restrictive policies in real estate market had not been fully implemented in the relevant city which resulted in continued and significant increase in property prices and dissatisfaction of local residents.

In addition, the PRC government plans to build 36 million units of low-income housing during its “Twelfth Five-year” period. Through large-scale and nationwide development of low-income housing, it is expected that by the end of the “Twelfth Five-year” period, the coverage of low-income housing in urban cities and counties will reach 20% or above nationwide.

- 2012 On June 1, 2012, the Ministry of Land and Resources promulgated the revised Measures on the Disposal of Idle Land (閒置土地處置辦法) (國土資源部令第53號), which became effective on July 1, 2012. Under these measures, if any land parcel constitutes “idle land” due to government-related acts, the holder of the relevant land use rights are required to explain to the relevant municipality or county-level land administrative department(s) the reasons for the land becoming idle, consult the relevant government authorities and rectify the situation accordingly. The means of rectification include but are not limited to the extension of the period permitted for commencing development, the adjustment of the land use and planning conditions or the substitution of the relevant idle land parcels with other land parcels.
- 2013 On February 26, 2013, the General Office of the State Council promulgated the Notice on Continuing Adjustment and Control of Property Markets (關於繼續做好房地產市場調控工作的通知) (國辦發[2013]17號), which reiterated the importance of controlling property prices and promoting the healthy development of the PRC property market. The notice mandated provincial governments to increase the effectiveness of regulations designed to achieve national property control policies. Key goals are to (i) fine tune existing measures to control property prices, (ii) curb property speculation, (iii) increase the supply of commodity housing, (iv) accelerate the development of affordable housing projects, and (v) manage the market expectation of the property industry and strengthen the credit management of property developers.
- 2014 On September 30, 2014, the PBOC loosened mortgage restrictions. In easing mortgage restrictions, the PBOC announced that purchasers of second home can be considered as first-time buyers and can make down payments of 30%. Previously, such home buyers either wouldn't qualify for a housing loan or would have to make a minimum 60% down payment. Banks can also offer as much as a 30% discount on benchmark rates for mortgages. To qualify, the home buyers have to pay off any existing mortgage debt from their first purchases.

- 2015 On March 30, 2015, the PBOC, MOHURD and CBRC jointly issued the Notice on Matters Concerning Personal Housing Loan Policies (關於個人住房貸款政策有關問題的通知), according to which, for a household which already owns one or more residential properties and has not paid off the relevant mortgage, the minimum down payment ratio when purchasing an additional property is adjusted to 40%. For the first-time buyers of ordinary residential property who apply for housing accumulation fund loans, the minimum down payment ratio is 20%, and for those already own one or more residential properties and have paid off the relevant mortgage, when applying for additional housing accumulation fund loans to buy the another ordinary residential property, the minimum down payment ratio is 30%.
- On September 14, 2015, the State Council issued a Notice on Adjusting and Perfecting the Capital Ratio of Fixed Assets Investment Project (《國務院關於調整和完善固定資產投資項目資本金制度的通知》(國發[2015]51號)), the Notice provides that the minimum capital requirements for affordable housing and ordinary commodity apartment are 20%, and the minimum capital requirement for other real estate development projects is 25%. These regulation apply to both domestic and foreign investment projects.
- On September 30, 2015, the PBOC and CBRC jointly issued the Notice on Matters Concerning Further Improvement of Differentiated Housing Credit Policies (關於進一步完善差別化住房信貸政策有關問題的通知), which adjusted the minimum down payment ratio to 25% for the first-time buyers of ordinary residential property living in cities not subject to purchase restrictions when applying for mortgages.
- 2016 On February 1, 2016, the PBOC and CBRC jointly issued the Notice on Issues Concerning Adjusting the Individual Housing Loan Policies (《中國人民銀行,中國銀行業監督管理委員會關於調整個人住房貸款政策有關問題的通知》) which provides that in cities where restrictions on purchase of residential property are not being implemented, the minimum down payment ratio for a personal housing commercial loan obtained by a household for purchasing its first ordinary residential property is, in principle, 25% of the property price, which can be adjusted down by 5% by local authorities. For existing residential property household owners who have not fully repaid previous loan and are obtaining further personal housing commercial loan to purchase an additional ordinary residential property for the purpose of improving living conditions, the minimum down payment ratio shall be not less than 30% which is lower than the previous requirement of not less than 40%. From September 30, 2016 to date, Beijing, Shanghai, Guangzhou, Shenzhen, Tianjin, Suzhou, Zhengzhou, Wuxi, Hefei, Wuhan, Nanjing, Foshan Dongguan, Fuzhou, Huizhou, Hangzhou and other cities have issued new property market control policies, including restoring or strengthening the restrictions on purchases of residential properties and tightening credit policy.
- 2017 On April 1, 2017, the MOHURD and the Ministry of Land and Resources jointly issued the “Circular of Relevant Work on Strengthening the Recent Administration and Control of Housing and Land Supply” (關於加強近期住房及用地供應管理和調控有關工作的通知) which provides, among others, that cities and counties that have more than one million inhabitants shall make three-year (2017-2019) and five-year (2017-2021) plans for housing land supply, and make such plans public by the end of June 2017. The circular further requires that local governments shall adjust the size, structure and timing of land supply for residential housing in due course based on the period of depleting commodity residential housing inventory. In addition, the circular stipulates that local authorities shall adopt the examination system of land acquisition capital to insure that the property developers use internal funds to acquire lands and that, if the land bid capital originate from a questionable source, the property developers shall be disqualified and prohibited from bidding for land for a designated time.

Over the years, land premiums have generally been on the rise in China. It is widely expected that land premiums will continue to rise as the PRC economy continues to develop and demolition and resettlement costs continue to increase.

Overview of the Yangtze River Delta

The Yangtze River Delta region is one of the most affluent regions in China. It is also widely regarded as the largest regional economy as well as the economic zone in China with the greatest development potential. It is located in the eastern part of China covering the Jiangsu Province, Zhejiang Province and Shanghai, which together account for approximately 1.0% of China's total land area, 11.6% of China's total population and approximately 20.2% of China's total GDP in 2017. The table below sets out the nominal GDP of China and other key economic zones in China for the periods indicated.

	Nominal GDP (in RMB billion)											2008-2018
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	CAGR
China	31,924	34,852	41,212	48,794	53,858	59,296	64,128	68,599	74,006	82,075	90,031	10.9%
Yangtze River Delta Region ⁽¹⁾	6,651	7,249	8,530	10,062	10,891	11,833	12,880	13,797	15,282	16,780	N/A	N/A
Pearl River Delta Region ⁽²⁾	2,995	3,215	3,739	4,372	4,785	5,306	5,780	5,952	6,784	7,581	N/A	N/A
Beijing-Tianjin Metropolitan Region ⁽³⁾	1,783	1,967	2,289	2,756	3,069	3,387	3,705	3,955	4,356	4,660	N/A	N/A
Chengdu-Chongqing Economic Zone ⁽⁴⁾	974	1,103	1,345	1,681	1,960	2,177	2,432	2,652	2,991	3,339	N/A	N/A

Source: National Bureau of Statistics, bureau of statistics of the respective cities

- (1) Yangtze River Delta Region includes Shanghai, Jiangsu Province and Zhejiang Province.
- (2) Pearl River Delta Region includes Guangzhou, Shenzhen, Zhuhai, Dongguan, Zhongshan, Foshan, Zhaoqing, Jiangmen and Huizhou.
- (3) Beijing-Tianjin Metropolitan Region includes Beijing and Tianjin.
- (4) Chengdu-Chongqing Economic Zone includes Chengdu and Chongqing.

The Yangtze River Delta region has become one of the most prosperous economic zones in China. In June 2010, the State Council issued the “Regional Development Outlook of the Yangtze River Delta” (長江三角洲地區區域規劃綱要), pursuant to which the Yangtze River Delta has been positioned to become the most competitive international, economic, financial, trade and logistics center of China. Acting as the engine of development, Shanghai, situated at the heart of the Yangtze River Delta, has been consolidating resources and competitive strengths from cities in six nearby regions to form an enhanced and consolidated economic development zone of the Shanghai-Nanjing Economic Corridor. The six nearby regions include the “Shanghai-Nanjing-Hangzhou Development Zones” (滬寧滬杭沿綫發展帶), the “Yangtze Riverside Development Zone” (沿江發展帶), “Hangzhou Bayside Development Zone” (沿灣發展帶), “Coastal Development Zone” (沿海發展帶), “Nanjing-Huzhou-Hangzhou Development Zone” (寧湖杭發展帶) and the “Taihu Ecological Tourism Area” (沿湖生態服務帶). As a result of the vibrant economic development in the Yangtze River Delta, major cities along the Shanghai-Nanjing Economic Corridor are widely recognized as leading cities in the PRC property market.

Overview of Selected Key Cities

Changzhou

Overview

Changzhou is one of the major manufacturing bases in the Yangtze River Delta, the third largest economy in Jiangsu Province in terms of GDP and one of the most prosperous regions in China. Changzhou is situated in the southern part of Jiangsu Province and at the heart of the Shanghai-Nanjing Economic Corridor in the Yangtze River Delta region, bordering Wuxi to the east, Taihu Lake to the south, Nanjing to the west and the Yangtze River to the north. The city had a total population of approximately 4.7 million at the end of 2018. It covers an area of approximately 4,372 sq.km. According

to China Research Society of Urban Development (中國城市發展研究會), Changzhou ranked tenth on the Table of the Most Affluent Sub-provincial Level Cities of China (全國地級市富裕指數排名) and ranked third among the most affluent cities in Jiangsu Province in 2014.

Since the establishment of a state-level high-tech development zone in Xinbei District in 1992, Changzhou's government has been putting increasing emphasis on developing high-tech industries in the city.

Changzhou has a well-developed transportation infrastructure. In addition to the Beijing-Shanghai High Speed Railway, it is connected to Shanghai and Nanjing by the Shanghai-Nanjing Inter-city High Speed Railway (滬寧城際高鐵). The table below sets out selected economic statistics of Changzhou for the periods indicated.

	Nominal GDP (in RMB billion)											2008-2018 CAGR
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
Nominal GDP (RMB billion)	227	252	304	358	397	436	490	527	577	662	705	12.0%
Real GDP growth rate	12.4%	11.7%	13.1%	12.2%	11.5%	10.9%	10.1%	9.2%	8.5%	8.1%	7.0%	N/A
Nominal GDP per capita (RMB) . .	51,746	56,890	67,327	77,485	86,538	96,547	106,329	114,308	124,889	140,435	149,275	11.2%
Per capita disposable income for urban households	21,592	23,751	26,269	29,559	33,587	36,290	39,483	42,710	46,058	49,955	54,000	9.6%
Real estate investment (RMB billion)	31	31	45	57	60	68	68	51	45	48	N/A	N/A

Source: National Bureau of Statistics, Changzhou Statistics Bureau

Property market

The table below sets out key statistics related to the property market in Changzhou for the periods indicated.

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2008-2016 CAGR
Commodity properties											
Total GFA completed (million sq.m.)	6.0	6.9	7.5	7.3	6.5	9.3	11.5	8.5	7.7	6.3	-1.1%
Total GFA sold (million sq.m.) . .	5.8	5.0	9.2	9.2	6.6	7.6	8.8	7.9	7.8	9.3	8.1%
Sales revenue (RMB billion) . .	22.9	22.0	44.6	55.3	48.5	51.5	59.1	50.4	49.7	65.9	14.7%
Average price (RMB per sq.m.).	3,944	4,363	4,831	6,041	N/A	N/A	6,742	6,380	6,372	7,086	6.2%
Residential properties											
Total GFA completed (million sq.m.)	4.9	5.4	5.5	4.9	4.7	6.4	8.9	5.8	5.5	4.3	-2.8%
Total GFA sold (million sq.m.) . .	5.1	4.3	8.0	7.8	5.4	6.7	7.7	6.7	6.7	8.1	8.2%
Sales revenue (RMB billion) . .	19.4	17.5	35.7	44.5	36.9	43.3	50.6	41.6	42	57.9	16.1%
Average price (RMB per sq.m.).	3,765	4,111	4,448	5,735	6,853	6,516	6,575	6,209	6,269	7,148	7.2%
Commercial properties											
Total GFA completed (million sq.m.)	0.6	0.82	1.25	1.2	0.9	1.4	1.1	1.3	0.9	0.8	-0.2%
Total GFA sold (million sq.m.) . .	0.45	0.62	0.86	1.0	0.81	0.57	0.54	0.64	0.6	0.6	-0.4%
Sales revenue (RMB billion) . .	2.8	3.9	7.1	8.6	9.0	6.5	6.8	6.3	5.9	5.8	5.1%

Source: National Bureau of Statistics, Changzhou Statistics Bureau

Local restrictive measures

The General Office of Changzhou government issued the Opinion on Further Improvement of the Control in Real Estate Market (關於進一步做好房地產市場調控工作的意見) on February 28, 2011. In 2016, the local government of Changzhou took actions to help the real estate market having a health growth.

On April 8, 2017, Changzhou issued a new policy that the down payment ratio of the second house will increase from 30% to 50%, and there will not be lending limit while there are sales limit.

- The down payment ratio for the second loan of the housing provident fund will be increased to 50%;
- Newly purchased commodity housing can only be traded after 2 years of obtaining the ownership certificate;
- The filing of new commodity housing contract shall be published for 15 days after being written off, and shall not be re-filed during the publicity period. The price for refiling within one year after the expiration of the publicity period shall not be higher than the last filing price;
- Full implementation of the taxable price assessment system for second-hand housing transactions.

Shanghai

Overview

Shanghai is the most important financial and trading center in China as well as one of the fastest growing financial capitals in the world. Shanghai is situated at the heart of the Shanghai-Nanjing Economic Corridor. It is one of the four municipalities in China, covering an area of approximately 7,037 sq.km., and had a total population of approximately 24.2 million at the end of 2018. Shanghai's population ranked third among all cities in China, after Beijing and Chongqing. It hosted the World Expo in 2010 and is the location of choice for a large number of multi-national corporations seeking to establish headquarters in China.

Shanghai is also China's most important industrial base and transportation hub and has one of the world's busiest ports. It is an integral part of both railway and expressway networks in Eastern China. In addition to the Beijing-Shanghai Railway, Shanghai is connected by the Shanghai-Nanjing Expressway and the Shanghai-Hangzhou Expressway, which allow quick access from Shanghai to other major economically developed cities in the Yangtze River Delta region. Shanghai is served by two international airports, the Hongqiao International Airport and the Pudong International Airport, with both offering domestic and international flights. Its three major harbors and container ports, including Wai Gao Qiao Free Trade Zone (外高橋保稅區), Wu Song Pier (吳淞碼頭) and Yangshan Deep Water Harbor (洋山深水港), further strengthen Shanghai's competitive strengths as the nation's trading and logistics center.

The table below sets out key economic statistics of Shanghai for the periods indicated, which demonstrates an increase in earnings of the population in the city.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2008-2018 CAGR
Nominal GDP (RMB billion) . . .	1,407	1,505	1,717	1,920	2,018	2,182	2,357	2,512	2,818	3,063	3,268	8.8%
Real GDP growth rate	9.7%	8.2%	10.3%	8.2%	7.5%	7.7%	7.0%	6.9%	6.9%	6.9%	6.6%	N/A
Nominal GDP per capita (RMB) .	66,932	69,164	76,074	82,560	85,373	90,973	97,370	103,796	116,562	126,634	135,000	7.3%
Per capita disposable income for urban households (RMB) . . .	26,675	28,838	31,838	36,230	40,188	44,878	48,841	52,962	57,692	62,596	68,034	9.8%
Real estate investment (RMB billion)	137	146	198	217	238	282	321	347	371	386	403	11.4%

Source: Shanghai Bureau of Statistics

Property market

The table below sets out key statistics related to the property market in Shanghai for the periods indicated.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2008-2018 CAGR
Commodity properties												
Total GFA completed (million sq.m.)	24.8	21.0	19.4	23.8	23.1	22.5	23.1	26.5	25.5	33.9	31.2	2.3%
Total GFA sold (million sq.m.)	23.0	33.7	20.6	17.7	19.0	23.8	20.8	24.3	27.1	16.9	17.7	-2.6%
Sales revenue (RMB billion)	189.5	433.0	298.1	261.5	266.9	391.2	350.0	509.4	669.6	402.7	475.2	9.6%
Average price (RMB per sq.m.)	8,195	12,840	14,464	14,603	14,061	16,420	16,787	20,949	24,747	23,804	26,890	12.6%
Residential properties												
Total GFA completed (million sq.m.)	17.6	15.1	14.0	16.5	16.1	14.2	15.4	15.9	15.3	18.6	17.3	-0.2%
Total GFA sold (million sq.m.)	19.7	29.3	16.9	15.0	15.9	20.2	17.8	20.1	20.2	13.4	13.3	-3.8%
Sales revenue (RMB billion)	160.8	362.0	240.0	203.5	220.9	326.4	292.3	432.0	523.3	333.6	386.4	9.2%
Average price (RMB per sq.m.)	8,115	12,364	14,290	13,566	13,870	16,192	16,415	21,501	25,910	24,866	28,981	13.6%
Commercial properties												
Total GFA completed (million sq.m.)	2.2	2.0	1.8	2.6	1.8	2.5	2.1	3.1	2.7	3.9	3.4	4.4%
Total GFA sold (million sq.m.)	1.2	1.3	1.3	0.9	1.2	1.2	1.0	1.1	2.1	0.8	1.0	-1.4%
Sales revenue (RMB billion)	7.8	19.3	19.8	17.6	19.5	22.5	22.6	22.8	47.0	20.8	26.9	13.3%

Source: National Bureau of Statistics, Shanghai Statistics Bureau

Local restrictive measures

On January 31, 2011, the General Office of the Shanghai government issued the Opinion on Implementing the General Office of the State Council's Notice on Further Improvement of Control in the Real Estate Market (關於本市貫徹國務院辦公廳關於進一步做好房地產市場調控工作的通知的實施意見) (滬府辦發[2011]6號). In addition to the nationwide purchase restrictions issued by the State Council, this opinion provides the following purchase restrictions:

- Local resident families that own one housing unit are allowed to purchase only one additional housing unit (whether newly built or secondhand);
- Sales of properties to local resident families that own two housing units or more are prohibited;
- Non-local resident families that own one housing unit and can provide local tax clearance certificates or local social insurance payment certificates for one year or above within the two years prior to the purchase date are allowed to purchase only one additional housing unit (whether newly built or secondhand); and
- Sales of properties to non-local resident families that cannot provide local tax clearance certificates or local social insurance payment certificates for one year or above within two years prior to the purchase date or to non-local resident families that own two housing units or more are prohibited.

On March 30, 2013, the General Office of the Shanghai government issued the Opinion on Implementing the Notice on Continuing Adjustment and Control of the Property Market promulgated by the General Office of the State Council (關於本市貫徹國務院辦公廳關於繼續做好房地產市場調控工作的通知的實施意見) (滬府辦發[2013]20號). This opinion provides further restrictions:

- prohibiting loans to individuals that own two or more residential properties for the purchase of third (or more) residential properties;
- imposing a 20% individual income tax on gains from the sale of secondhand properties;
- continuing to steadily implement residential property tax reform;
- increasing the ordinary commodity housing land supply. For development projects of which small-to-medium size units account for more than 70% of the total units, financial institutions, on the condition of complying with their credit terms, must give priority to support the development of such projects.

In addition to purchase restrictions, the local tax authorities of Shanghai also require prepayment of LAT by the property developers upon receipt of sale and pre-sale proceeds from property development projects. Such amount of LAT pre-payable by property developers to the Shanghai tax authorities ranges between 2% to 5%, depending on the price and the location of the relevant properties.

In 2016, a series of measures for control on real estate market had been issued in Shanghai. On March 25, 2016, the Shanghai government issued the Opinions on Further Improvement and Protection of the Housing Market in Shanghai for Stable and Healthy Development of the Real Estate Market (《關於進一步完善本市住房市場體系和保障體系促進房地產市場平穩健康發展的若干意見》), which provides that households who are not Shanghai residents shall have paid individual income tax and social insurance for no less than five years, while a household with one residential property shall make down payment for the purchase of the second residential property of no less than 50% of the total purchase price, and that the purchasers shall undertake that they are making down payment with their own fund.

On October 8, 2016, the Shanghai Municipal Commission of Housing and Urban-Rural Development and Shanghai Municipal Administration of Planning and Land Resources jointly issued Shanghai's Six Measures. Shanghai Municipal Commission of Housing and Urban-Rural Development and Shanghai Municipal Administration of Planning and Land Resources jointly issued the Opinions on Further Enhancing the Supervision of the Real Estate Market in Shanghai in Promoting the Steady and Healthy Development of the Real Estate Market (《關於進一步加強本市房地產市場監管促進房地產市場平穩健康發展的意見》) (the **"Opinion"**), which provides that the regulation and enforcement on the real estate market shall be strengthened on strict implementation of the Opinions on Further Improvement and Protection of the Housing Market in Shanghai in Promoting the Steady and Healthy Development of the Real Estate Market (the **"Shanghai Six Measures"**) so as to regulate the real estate market and prevent overly high level of housing price in ensuring steady and healthy development of the real estate market in Shanghai.

On November 28, 2016, the Shanghai Municipal Commission of Housing and Urban-Rural Development, Shanghai branch of the People's Bank of China and Shanghai Bureau of CBRC jointly issued the Notice on Promoting the Steady and Healthy Development of the Real Estate Market and Further Improving the Differential Housing Credit Policies (《關於促進本市房地產市場平穩健康有序發展進一步完善差別化住房信貸政策的通知》) (滬建房管聯[2016]1062號). On the same day, Shanghai Municipal Housing Provident Fund Management Committee issued the Notice on the Adjustment of Housing Provident Fund Personal Loans Policy, which announces stringent implementation of differential housing credit policies for commercial banks and provident fund. It is another key measure for control on real estate market following Shanghai Nine Measures and Shanghai Six Measures. The notice provides that the household intends to purchase the first residential property (i.e. the household has no residential property in Shanghai and has no record for loans in respect of commercial houses or housing provident funds) and apply for personal commercial housing loan shall make down payment for the purchase of the first residential property of no less than 35% of the total purchase price. Household with one resident house in Shanghai or household with no residential property but has record of loans in respect of residential house (including record for commercial houses or housing provident fund) and intends to apply for personal commercial housing loan for purchasing ordinary residential house shall make down payment of no less than 50% of the total purchase price. Household intends to purchase non-ordinary residential house shall make down payment of no less than 70% of the total purchase price.

Shanghai Municipal Housing Provident Fund Management Committee has also issued the Notice on the Adjustment of Housing Provident Fund Personal Loans Policy in Shanghai, which announces (1) stringent implementation of differential housing credit policies by raising the down payment by upgraders for ordinary commodity house and non-ordinary commodity house to 50% and 70% of the total purchase price, respectively, raising the loan interest for ordinary commodity house by 10%, reducing the maximum loan amount to RMB100,000 for ordinary commodity house and cease to grant loans to working household which had borrowings for provident fund for twice, on the differential policy for first residential property and second residential property; (2) the equality, sustainability and risk controllability of the provident fund system, as the multiplier for maximum amount of loan against the balance of the borrower's provident account will be decreased from 40 times to 30 times. The notice also announces stringent implementation of the ratio for determining loan repayment capacity that the percentage of repayment to monthly wages shall be reduced to not exceeding 40%, and a set of standardized measure for upgraders will be adopted.

In 2017, Shanghai continued to rectify and regulate the order of the real estate market. In order to reflect the openness and fairness, the newly opened commodity housing should be presided over by a notary public, sorted by lot, and sold by public methods in order. In addition, the property development companies suspected of violating the rules will be suspended the online signing once they are verified.

Nanjing

Overview

Nanjing, the capital of Jiangsu Province, is an important industrial base in China.

Nanjing is situated in the western end of the Shanghai-Nanjing Economic Corridor in the Yangtze River Delta region. Nanjing borders Yangzhou to the northeast, Zhenjiang to the east and Changzhou to the southeast. As the second largest financial center in the Eastern China region after Shanghai, Nanjing had a total population of approximately 8.3 million at the end of 2017 and covers an area of approximately 6,598 sq.km.

Key industries in Nanjing include electronics, automobiles, petrochemical, iron and steel, and power. Nanjing has the second largest manufacturing capacity in the electronics industry and the petro-chemical industry, and the third largest automobile manufacturing capacity among all cities in China. It is one of the major scientific and educational centers in China and boasts some of the most prominent educational institutions in the region. According to China Institute of City Competitiveness, Nanjing ranked sixth among the top 100 PRC cities in terms of competitiveness (中國城市綜合實力百強城市) in 2017.

The table below sets out key economic statistics of Nanjing for the periods indicated.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2008-2018 CAGR
Nominal GDP (RMB billion) . . .	381	423	501	615	720	801	882	972	1,050	1,172	1,282	12.9%
Real GDP growth rate	12.1%	11.5%	13.1%	12.0%	11.7%	N/A	10.1%	9.3%	8.0%	8.1%	8.0%	N/A
Nominal GDP per capita (RMB) .	50,858	55,290	63,771	76,263	88,525	98,011	107,545	118,171	127,264	141,103	N/A	N/A
Per capita disposable income for urban households (RMB) . . .	23,123	25,504	28,312	32,200	36,322	39,881	42,568	46,104	49,997	54,538	52,916	8.6%
Real estate investment (RMB billion)	51	60	75	87	102	112	113	143	185	217	235	16.6%

Source: National Bureau of Statistics, Nanjing Statistics Bureau

Property market

The table below sets out key statistics related to the property market in Nanjing for the periods indicated.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2008-2018 CAGR
Commodity properties												
Total GFA completed (million sq.m.)	10.6	15.2	10.4	11.7	17.0	10.4	9.7	14.5	12.4	10.8	11.8	1.0%
Total GFA sold (million sq.m.) . .	7.0	11.9	8.2	7.7	9.5	12.2	12.1	15.4	15.6	14.3	12.2	5.7%
Sales revenue (RMB billion) . . .	35.9	85.3	78.7	71.5	96.1	140.5	135.2	177.3	276.6	223.8	273.2	22.5%
Average price (RMB per sq.m.) .	5,109	7,185	9,565	9,310	10,116	11,495	11,198	11,489	17,754	15,653	22,380	15.9%
Residential properties												
Total GFA completed (million sq.m.)	8.9	12.3	7.4	8.6	13.6	7.5	7.2	10.6	9.1	8.1	8.5	-0.5%
Total GFA sold (million sq.m.) . .	6.6	11.1	7.5	6.8	8.8	11.4	11.2	14.3	14.1	12.1	9.8	4.1%
Sales revenue (RMB billion) . . .	31.7	76.8	69.6	57.3	84.8	126.6	123.3	160.9	251.5	184.5	193.7	19.8%
Average price (RMB per sq.m.) .	4,808	6,893	9,227	8,415	9,675	11,078	10,964	11,260	17,884	15,259	19,708	15.2%
Commercial properties												
Total GFA completed (million sq.m.)	0.7	1.3	1.2	1.1	1.1	0.8	0.6	1.3	1.0	0.9	1.0	3.4%
Total GFA sold (million sq.m.) . .	0.2	0.4	0.4	0.4	0.3	0.4	0.4	0.6	0.8	1.1	1.3	18.6%
Sales revenue (RMB billion) . . .	2.0	5.1	6.6	5.9	5.2	8.6	7.1	9.7	14.4	20.2	60.7	40.5%

Source: National Bureau of Statistics, Nanjing Statistics Bureau

Local restrictive measures

On September 26, 2016, the Nanjing government issued the housing restriction policy for purchasing houses in core areas, which became effective on September 26, 2016. The policy clearly provides that households who are not residents of Nanjing and having one or more residential houses in the core area of Nanjing shall not be allowed to purchase second new commodity house and secondhand house; purchasers who are residents of Nanjing and having two or more residential houses shall not be allowed to purchase another new commodity house. The government has adopted differential measures to meet different needs of housing, maintain strong demand for housing and the demand of upgraders, and curb speculation in the real estate market. The Nanjing government issued the Notice on Further Strengthening the Control on the Real Estate Market in Nanjing on October 5, 2016, which emphasized the strengthened control on real estate markets in core areas (excluding Liuhe, Lishui and Gaochun areas).

The details are as follows: (i) households that are not residents of Nanjing shall produce supporting documents in relation to payment of individual income tax or social insurance (urban social insurance) for at least one year within 2 years from the date of purchase; (ii) adult single (including those divorced) with household registration in Nanjing may only purchase one residential house. Meanwhile, the policy provides for strengthened implementation of differential housing credit policies, which include the following measures: (x) down payment for first residential house shall be no less than 30% of the total purchase price; (y) household with record of home loan but has no residential house when applying for home loan and household with 1 residential house but has no record for home loan or has the loan settled when applying for personal commercial housing loan shall make down payment of no less than 50% of the total purchase price for ordinary residential house; (z) household with 1 residential house and loan unsettled when applying for personal commercial housing loan shall make down payment of no less than 80% of the total purchase price for ordinary residential house. No personal commercial housing loan shall be granted to household with two or more residential houses.

On April 1, 2018, the Nanjing Housing Provident Fund Management Center announced the adjustment policy of the Nanjing Housing Provident Fund policy, including raising the first housing loan quotas, increasing the amount of rent quota, and adjusting the criteria of average floor area in the provident fund loans when purchasing the second housing.

Wuxi

Overview

Wuxi is an internationally renowned industrial base in China and the second largest economy in Jiangsu Province in terms of GDP. Wuxi borders Changzhou to the west and Suzhou to the east. It is the second largest economy in the Jiangsu Province in terms of GDP, had a total population of approximately 6.6 million at the end of 2018 and covers an area of approximately 4,628 sq.km.

Wuxi has a number of large industrial parks designed to promote the high-tech industry, including Wuxi-Singapore Industrial Park and Taihu New Town Science and Education Industrial Park. Because of its strong economic growth in recent years, Wuxi is often referred to as “Little Shanghai”. According to the National Bureau of Statistics, Wuxi was ranked fourteenth among all cities in China by GDP in 2016.

The table below sets out key economic statistics of Wuxi for the periods indicated.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2008-2018 CAGR
Nominal GDP (RMB billion) . . .	446	499	579	688	745	792	836	869	939	1,051	1,144	9.9%
Real GDP growth rate.	12.4%	11.6%	13.2%	11.6%	10.1%	9.3%	8.2%	7.1%	7.5%	7.4%	7.4%	N/A
Nominal GDP per capita (RMB) .	73,733	81,146	92,167	107,437	115,468	122,318	128,756	133,515	143,985	160,700	174,300	9.0%
Per capita disposable income for urban households (RMB) . . .	23,263	25,027	27,750	31,638	35,663	38,426	41,731	45,129	48,628	52,659	56,989	9.4%
Real estate investment (RMB billion)	45	46	61	88	97	113	127	99	103	120	131	11.3%

Source: National Bureau of Statistics, Wuxi Statistics Bureau

Property market

The table below sets out key statistics related to the property market in Wuxi for the periods indicated.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2008-2018 CAGR
Commodity properties												
Total GFA completed												
(million sq.m.)	7.1	6.8	10.1	8.1	8.1	11.4	9.5	11.7	13.2	11.3	7.6	0.6%
Total GFA sold												
(million sq.m.)	5.4	10.1	10.1	6.5	9.2	9.1	8.4	9.9	12.7	11.7	13.7	9.8%
Sales revenue												
(RMB billion)	28.9	63.1	77.5	56.8	77.5	71.4	64.1	77.5	110.6	124.7	157.6	18.5%
Average price												
(RMB per sq.m.)	5,375	5,997	7,764	8,637	8,385	7,871	7,760	7,866	8,681	10,609	N/A	N/A
Residential properties												
Total GFA completed												
(million sq.m.)	5.9	5.2	7.9	6.0	5.6	8.5	6.2	8.8	9.7	8.6	5.5	-0.8%
Total GFA sold												
(million sq.m.)	4.6	9.8	8.5	5.3	7.8	7.8	7.4	8.6	11.6	10.2	12.5	10.6%
Sales revenue												
(RMB billion)	23.3	53.9	62.8	42.8	60.6	58.0	53.8	65.5	99.8	108.2	145.6	20.1%
Average price												
(RMB per sq.m.)	5,096	5,858	7,462	8,065	7,741	7,448	7,198	7,575	8,562	10,503	N/A	N/A
Commercial properties												
Total GFA completed												
(million sq.m.)	0.7	1.0	1.3	1.2	1.3	1.4	1.6	1.8	2.0	1.4	1.0	3.7%
Total GFA sold												
(million sq.m.)	0.6	1.1	1.2	0.9	0.9	0.8	0.7	0.8	0.7	0.9	0.7	1.1%
Sales revenue												
(RMB billion)	4.7	8.2	12.0	11.2	12.7	9.2	7.5	7.6	8.3	11.4	8.2	5.8%

Source: National Bureau of Statistics, Wuxi Statistics Bureau

Local restrictive measures

For further development of the supply-side structural reform, to be in line with the requirements of control by the State on real estate markets in different regions and cities, and with reference to the conditions of the real estate market in Wuxi, the Wuxi Municipal Government established a leading team for adjustments to the real estate market on October 2, 2016. The heads of the Municipal Government act as the leader and the deputy leader of the team. The team comprises personnel from different regions and departments. Meanwhile, as part of its efforts in promoting the steady and healthy development of the real estate market of Wuxi, the Wuxi Municipal Government has issued the Opinions on Further Promoting the Steady and Healthy Development of the Real Estate, which contains fourteen points.

On October 20, 2016, Wuxi Bureau of Housing and Urban-Rural Development and Wuxi Municipal Finance Bureau jointly issued the Notice on Granting subsidies for purchasing decorated commodity house and commercial house/office accommodation, which provides the rules for criteria, scope and funding of subsidies and the related procedures. The Notice include, among others, a subsidy at an amount equals to 20% of the deed tax on the purchase price shall be granted by the municipal government to the purchasers for decorated new commodity house with the price for decoration incorporated in the purchase price.

On April 28, 2017, Wuxi issued the “Opinions on Further Strengthening the Management of Commodity Housing Price” (《關於進一步加強商品住房價格管理的意見》), and decided to strengthen the management of commodity housing prices in urban areas from now on. The price of commercial property should not be increased within one year after filing.

On May 10, 2017, the Wuxi Municipal Price Bureau and the Housing and Construction Bureau jointly issued the “Notice on Further Strengthening the Price Management of Commodity Housing Filing” (《關於進一步加強商品住房備案價格管理的通知》), and the details of the order to limit the house price was issued.

- If the filing price of commodity property is higher than the average price of commodity property transactions in the region in October 2016, the case will be accepted by the municipal department responsible for housing price.
- When the developer submit the price of a house, it should submit the transaction price of the same property or property within the same area (average price in October 2016) and the cost of project development and construction.
- If the price of the commodity property is confirmed, the re-adjustment within one year will not be accepted.
- Within 10 days after obtaining the pre-sale certificate for commercial property, the real estate developer shall disclose all the permitted salable resources and the price of each house filed by department responsible for housing price.

On May 20, 2017, Wuxi issued the “Notice on Further Strengthening the Regulation and Control of the Urban Real Estate Market” (《關於進一步加強市區房地產市場調控工作的通知》), suspending the sale of second-hand housing to non-local households with one or more houses. At the same time, the purchase of a house is not transferable within two years of obtaining the ownership certificate. At this point, the “limited purchase” of non-locals in Wuxi has been extended to the second-hand housing market.

Suzhou

Overview

Suzhou, a major city in the Shanghai-Nanjing Economic Corridor, is one of the few stops on the Beijing-Shanghai High Speed Railway. Situated in the southern part of Jiangsu Province, Suzhou is located 80 kilometers from downtown Shanghai. It had a total population of approximately 10.7 million at the end of 2018 and covers an area of approximately 8,657 sq.km.

According to the China Institute of City Competitiveness, Suzhou ranked ninth in terms of competitiveness among all cities in 2017 in terms of competitiveness (中國城市綜合實力百強城市). In terms of GDP, Suzhou ranked seventh among all cities in China after Shanghai, Beijing, Guangzhou, Shenzhen, Tianjin and Chongqing.

Suzhou is home to a number of state-level development zones including the China-Singapore Suzhou Industrial Park (中國-新加坡蘇州工業園區), Kunshan Economic Technical Development Zone (昆山經濟技術開發區), Changshu Economic Technical Development Zone (常熟經濟技術開發區), Wujiang Economic Technical Development Zone (吳江經濟技術開發區), and several state-level hi-tech industrial zones including Suzhou Industry Park (蘇州高新區) and Kunshan Industry Park (昆山高新區). Suzhou is also a famous tourism city with a strong reputation for its ancient Chinese gardens.

The table below sets out key economic statistics of Suzhou for the periods indicated.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2008-2018 CAGR
Nominal GDP (RMB billion) . . .	708	774	923	1,072	1,221	1,319	1,399	1,476	1,575	1,732	1,860	10.1%
Real GDP growth rate	13.2%	11.5%	13.3%	12.0%	10.1%	9.6%	8.3%	7.5%	7.5%	7.1%	6.8%	N/A
Nominal GDP per capita (RMB) .	78,875	83,696	94,043	102,129	115,891	124,872	132,131	139,127	148,146	162,388	N/A	N/A
Per capita disposable income for urban households (RMB)	24,680	27,188	30,366	34,617	39,079	42,981	46,677	50,390	54,341	58,806	63,481	9.9%
Real estate investment (RMB billion)	72	72	94	120	126	141	176	186	216	231	256	13.5%

Source: National Bureau of Statistics, Suzhou Statistics Bureau

Property market

The table below sets out key statistics related to the property market in Suzhou for the periods indicated.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2008-2018 CAGR
Commodity properties												
Total GFA completed (million sq.m.)	14.8	14.9	15.9	12.8	18.3	16.9	15.3	16.5	18.8	21.5	15.1	0.2%
Total GFA sold (million sq.m.)	10.1	21.8	14.5	11.6	14.7	18.8	16.0	21.3	24.9	19.4	19.9	7.1%
Sales revenue (RMB billion)	57.3	141.0	118.4	104.9	133.6	180.4	154.7	220.0	332.3	289.4	311.8	18.5%
Average price (RMB per sq.m.)	5,692	6,423	8,243	9,013	N/A	9,596	9,669	10,329	13,322	N/A	N/A	N/A
Residential properties												
Total GFA completed (million sq.m.)	11.3	14.1	11.2	9.2	13.9	12.3	11.3	12.7	14.0	14.7	10.1	-1.2%
Total GFA sold (million sq.m.)	8.3	18.6	11.4	9.4	12.6	16.3	14.5	19.4	22.6	16.9	17.9	8.0%
Sales revenue (RMB billion)	45.9	119.7	93.3	85.3	113.4	154.8	139.4	200.6	307.1	260.2	289.9	20.2%
Average price (RMB per sq.m.)	5,533	6,331	8,213	9,028	N/A	9,499	9,614	10,287	13,587	N/A	N/A	N/A
Commercial properties												
Total GFA completed (million sq.m.)	2.0	2.3	2.5	1.8	2.2	2.1	1.8	1.6	2.0	2.5	2.2	1.2%
Total GFA sold (million sq.m.)	1.4	2.0	2.1	1.6	1.5	1.7	1.0	1.1	1.5	1.2	1.1	-2.3%
Sales revenue (RMB billion)	9.7	15.9	18.8	15.8	16.6	19.9	11.6	12.9	17.6	16.0	12.3	2.4%

Source: National Bureau of Statistics, Suzhou Statistics Bureau

Local restrictive measures

In 2016, a series of measures for control on real estate market had been promulgated in Suzhou. On March 18, 2016, in face of overly high price of houses in Suzhou, the Suzhou government considered and approved the Opinion on Promoting the Steady and Healthy Development of the Real Estate Market (the “**Ten Measures for the Real Estate Market**”). The policy provides that the selling prices shall be made known to the public and increase in prices for March, June and December shall be reported.

On May 18, 2016, the Suzhou government issued a circular which requires for caps for ten land parcels launched for bidding. The circular provides that any bidding with a price exceeding the caps shall be void and the land shall not be transferred.

On August 11, 2016, the Suzhou government announced the new policy, including: (i) households that are not residents in Suzhou shall not be restricted in purchasing first house; households buying the second house shall produce supporting documents in relation to payment of individual income tax or social insurance (urban social insurance) for at least one year within 2 years from the date of purchase; (ii) down payment increased from 40% to 50% of the total purchase price for household with first house and loan unsettled when applying for home loan for second house in Suzhou (excluding Wujiang area); (iii) the deposit before land bidding shall be increased from 20% to 30% of the bidding price, the down payment shall be increased from 50% to 60% of the bidding price or above and the time period for paying the land premium shall be reduced to 3 months.

On October 3, 2016, the Suzhou government issued the Opinions on Further Strengthening the Control on the Real Estate Market in Suzhou, which provides the rules for land bidding, restrictions on purchase and loans, price management and regulation on the market on the Fifteen Measures to further measure the market to health growth.

Changsha

Overview

Changsha is the capital city of Hunan Province in south-central China. Situated on the lower reaches of Xiang River, a branch of the Yangtze River, Changsha covers an area of 11,819 sq.km. As at the end of 2017, the city had a population of approximately 7.6 million.

Changsha is the center of the Changsha-Zhuzhou-Xiangtan Region (長株潭城市群), which comprises the cities of Changsha, Zhuzhou and Xiangtan. The region covers an area of approximately 28,000 sq.km. and had a population of approximately 14.3 million at the end of 2017. The GDP of Changsha-Zhuzhou-Xiangtan Region reached RMB1,517.2 billion for the year ended December 31, 2017, representing 44% of the total GDP of Hunan Province during the same period. The Changsha-Zhuzhou-Xiangtan Region is home to three State-level development zones and two State-level industrial parks.

While Changsha is renowned for its media and cultural industries, it is also an important commercial city in south-central China and has been branded as the “Metropolis of Construction Machinery of the PRC” (中國工程機械之都). With its well-developed economy and competitive investment environment, Changsha was commended and recognized by KPMG in its “Research Report on The Investment Environment of Changsha” (長沙投資環境研究報告2009) issued in April 2009. Changsha was ranked thirteenth by GDP among all cities in China in 2015.

The table below sets out selected economic statistics of Changsha for the periods indicated.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2008-2018 CAGR
Nominal GDP (RMB billion) . . .	330	374	455	562	640	715	782	851	932	1,021	N/A	N/A
Real GDP growth rate	15.5%	14.7%	15.5%	14.5%	13.0%	12.0%	10.5%	9.9%	9.4%	9.0%	8.5%	N/A
Nominal GDP per capita (RMB) .	45,765	56,620	66,443	79,530	89,903	99,570	107,683	115,443	124,122	131,207	N/A	N/A
Per capita disposable income for urban households (RMB) . . .	17,891	20,238	22,814	26,451	30,288	33,662	36,826	36,826	43,294	46,948	50,792	11.0%
Real estate investment (RMB billion)	47	50	68	89	103	116	131	101	127	149	151	11.8%

Source: National Bureau of Statistics, Changsha Statistics Bureau

Property market

The table below sets out key statistics related to the property market in Changsha for the periods indicated.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2008-2018 CAGR
Commodity properties												
Total GFA completed (million sq.m.)	7.5	13.1	13.9	14.4	14.0	14.0	14.1	13.5	16.5	11.6	14.4	6.7%
Total GFA sold (million sq.m.)	8.6	14.1	16.8	15.1	15.3	18.6	15.2	19.1	26.1	22.6	23.9	10.8%
Sales revenue (RMB billion)	28.2	51.3	74.2	88.4	93.2	117.1	92.9	111.7	167.5	173.9	195.9	21.4%
Average price (RMB per sq.m.)	3,288	3,648	4,418	5,862	6,101	6,292	6,116	5,856	6,410	7,691	8,206	9.6%
Residential properties												
Total GFA completed (million sq.m.)	6.4	11.0	11.6	11.6	11.3	10.7	10.4	9.5	11.1	8.1	9.8	4.3%
Total GFA sold (million sq.m.)	8.0	13.6	16.2	13.9	13.9	16.6	13.3	16.9	23.1	18.2	19.7	9.4%
Sales revenue (RMB billion)	25.4	48.0	70.2	76.4	77.6	95.6	72.7	93.5	142.2	132.9	153.8	19.7%
Average price (RMB per sq.m.)	3,165	3,533	4,322	5,481	5,603	5,759	5,458	5,544	6,160	7,287	7,796	9.4%
Commercial properties												
Total GFA completed (million sq.m.)	0.6	0.7	0.7	1.0	1.2	1.1	1.5	1.3	1.8	1.2	1.7	11.5%
Total GFA sold (million sq.m.)	0.4	0.3	0.3	0.5	0.7	0.9	1.2	1.2	1.2	2.1	2.0	17.4%
Sales revenue (RMB billion)	2.2	2.4	3.1	7.1	9.6	11.9	14.2	12.4	13.1	24.4	23.8	26.8%

Source: National Bureau of Statistics, Changsha Statistics Bureau

Local restrictive measures

On November 25, 2016, as directed by Yi Lianhong, the member of the CPC Provincial Committee and the Secretary of CPC Municipal Committee, Chen Zehui, the deputy mayor, convened a special meeting with heads from all regions at county or municipal level and relevant departments on the steady and healthy development of the real estate market of Changsha.

In recent years, the Changsha government has attached great importance to the achievement of steady and healthy development of real estate market as requested by the central government, and have relentlessly implemented multi-pronged measures for remarkable results. In general, these measures are effective and useful in keeping the stable and healthy development of the market. The Changsha government has implemented seven measure, including: stringent examination on home price, stringent control on pre-sale and on-line execution, conduct specific audit, strengthened regulation on funding, curbing speculation in the real estate market, increase effective supply and discover malpractice within the companies.

On March 18, 2017, Changsha Municipal Government issued the “Notice on Further Promoting the Stable and Healthy Development of the Real Estate Market” (《關於進一步促進房地產市場平穩健康發展的通知》), announcing four measures to limit the purchase of regional housing, including implementation of regional purchase limitation, differentiated housing credit policies, strengthening the supervision of the real estate market, and increasing the effective supply of ordinary commodity property etc.

- For house buyers who apply for commercial loans in the purchase of commercial property in the restricted region, the proportion of down payment for the purchase of the first property is not less than 30%;
- If purchasing a second property with one existing property and the corresponding loan has been settled, the down payment ratio should be no less than 35%;
- If purchasing a second property with one existing property and the corresponding loan has not been settled, the down payment ratio should be no less than 45%;
- Suspension of commercial loans for the third and above housing;
- If applying for a provident fund loan, the minimum down payment for the first home purchase is not less than 20%;
- The minimum down payment ratio for the second home purchase of a family with one existing housing and the corresponding loan has been settled is not less than 35%;
- Suspension of housing provident fund loans for families with three or more housing.

Wuhan

Overview

Wuhan is one of the largest cities in China and an important center for economy, trade, finance, transportation and information technology in China. It is the capital of Hubei province, situated in the middle of the province. The city had a total population of approximately 11.1 million at the end of 2018. It covers an area of approximately 8,569 sq.km.

Situated at the heart of central China, Wuhan has been a transportation hub between northern and southern China and the coastal cities and western China. It is connected by Wuhan-Guangzhou High Speed Railway, Hefei-Wuhan Passenger Railway and Zhengzhou-Wuhan High Speed Railway, which allowed quick access to key cities including Hefei, Guangzhou, Nanjing, Wuhan and Chengdu.

Key industries in Wuhan include optic-electronic, automobile manufacturing, steel manufacturing, pharmaceutical industry, biological engineering and new materials industry. Domestic trade and retail industries are also strong in Wuhan.

The table below sets out key economic statistics of Wuhan for the periods indicated.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2008-2018 CAGR
Nominal GDP												
(RMB billion)	396	462	557	676	800	905	1,007	1,091	1,191	1,341	1,485	14.1%
Real GDP growth rate. . . .	15.1%	13.7%	14.7%	12.5%	11.4%	10.0%	9.7%	8.8%	7.80%	8.0%	8.0%	N/A
Nominal GDP per capita												
(RMB)	44,290	51,144	58,961	68,315	79,482	89,000	98,000	104,132	111,469	123,831	135,136	11.8%
Per capita disposable income for urban households (RMB)	16,712	18,385	20,806	23,738	27,061	30,273	33,270	36,436	39,737	43,405	47,359	11.0%
Real estate investment												
(RMB billion)	56	78	102	128	157	191	235	258	269	269	278	17.4%

Source: National Bureau of Statistics of China, Wuhan Statistics Bureau

Property market

The table below sets out key statistics related to the property market in Wuhan for the periods indicated.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2008-2018 CAGR
Commodity properties												
Total GFA completed												
(million sq.m.)	8.7	9.5	9.0	11.7	10.5	6.8	7.7	8.0	8.1	7.8	4.6	-6.2%
Total GFA sold												
(million sq.m.)	7.3	10.9	12.1	13.3	15.8	20.0	22.7	26.3	32.6	35.3	36.5	17.4%
Sales revenue												
(RMB billion)	35.0	57.9	69.6	95.6	115.8	154.0	180.7	224.8	327.1	414.9	478.1	29.9%
Average price												
(RMB per sq.m.)	4,781	5,329	5,746	7,193	7,344	7,717	7,951	8,556	10,048	11,744	13,108	10.6%
Residential properties												
Total GFA completed												
(million sq.m.)	7.7	8.2	7.3	9.7	9.0	5.3	6.5	6.5	6.0	6.0	3.1	-8.8%
Total GFA sold												
(million sq.m.)	6.8	10.4	11.0	11.8	13.9	17.5	19.8	24.1	29.3	30.9	32.3	16.8%
Sales revenue												
(RMB billion)	32.0	54.1	60.8	78.9	95.9	126.7	146.4	202.8	287.8	353.4	409.5	29.0%
Average price												
(RMB per sq.m.)	4,681	5,199	5,550	6,676	6,895	7,238	7,399	8,404	9,819	11,453	12,678	10.5%
Commercial properties												
Total GFA completed												
(million sq.m.)	0.4	0.4	1.0	1.0	0.9	0.6	0.5	0.6	0.9	0.8	0.4	-0.2%
Total GFA sold												
(million sq.m.)	0.2	0.3	0.5	0.8	0.7	1.2	1.6	1.0	1.3	1.9	1.5	22.1%
Sales revenue												
(RMB billion)	1.7	2.9	5.9	11.5	9.7	17.2	23.4	14.7	19.3	28.6	28.4	32.7%

Source: National Bureau of Statistics, Wuhan Statistics Bureau

Local restrictive measures

On 18 July 2014, Wuhan government eased house purchase restrictions:

- The house purchase restrictions will not apply to houses that exceed 140 sq.m.;
- The two years' record of paying tax and social insurance payment has been reduced to payment record covering the past year.

In 2016, a series of measurements for control on real estate market have been promulgated in Wuhan.

- On September 1, 2016, the Wuhan government issued restrictions on housing loan, pursuant to which, Wuhan resident intends to purchase second or more new residential properties in core areas shall make a down payment of 40% instead of 30% of the total purchase price.
- On October 3, 2016, the Wuhan government issued the restriction on lending and purchase in core area of Wuhan, pursuant to which Wuhan residents intends to purchase first residential house and apply for personal commercial housing loan shall make a down payment of no less than 25% of the total purchase price. Those intend to purchase second house shall make a down payment of no less than 50% of the total purchase price. No personal commercial housing loan shall be granted to those intend to purchase third or other houses. Household that is not resident in Wuhan shall make a down payment of no less than 25% of the total purchase price for the first house. No personal commercial housing loan shall be granted to those intend to purchase second house. These purchasers shall not be allowed to purchase third or other house. On October 6, 2016, the minimum down payment was increased to 30% from 25% of the total purchase price.
- On November 15, 2016, the policy of restriction on lending and purchase has been further tightened that residents in Wuhan shall not be allowed to purchase third house. Purchasers who are not residents in Wuhan shall pay social insurance and individual income tax for 2 years and shall not be allowed to purchase second house in Wuhan.
- On December 21, 2016, the Department of Housing Management of Wuhan issued a notice, which announced an extension of restriction on purchase of houses to other regions. It is the fourth one in 2016 for measures of control on real estate market issued by the Wuhan Municipal Government. The extended scope included seven core areas, Scenic Area in Donghu, Wuhan Economic Development Zone (excluding Hannan) and Wuhan-Donghu New Technology Development Zone, which have been included in the scope before the extension, and Dong Xi Hu district, Jiangxia district and part of Huangbe district, which are included in the scope after the extension. Wuhan residents shall make down payment of no less than 50% for second house and shall not be allowed to purchase third house within the core areas. Purchasers who are not residents in Wuhan shall produce supporting documents in relation to payment of social insurance or individual income tax for consecutive 2 year before the date of purchase and shall not be allowed to purchase second house.

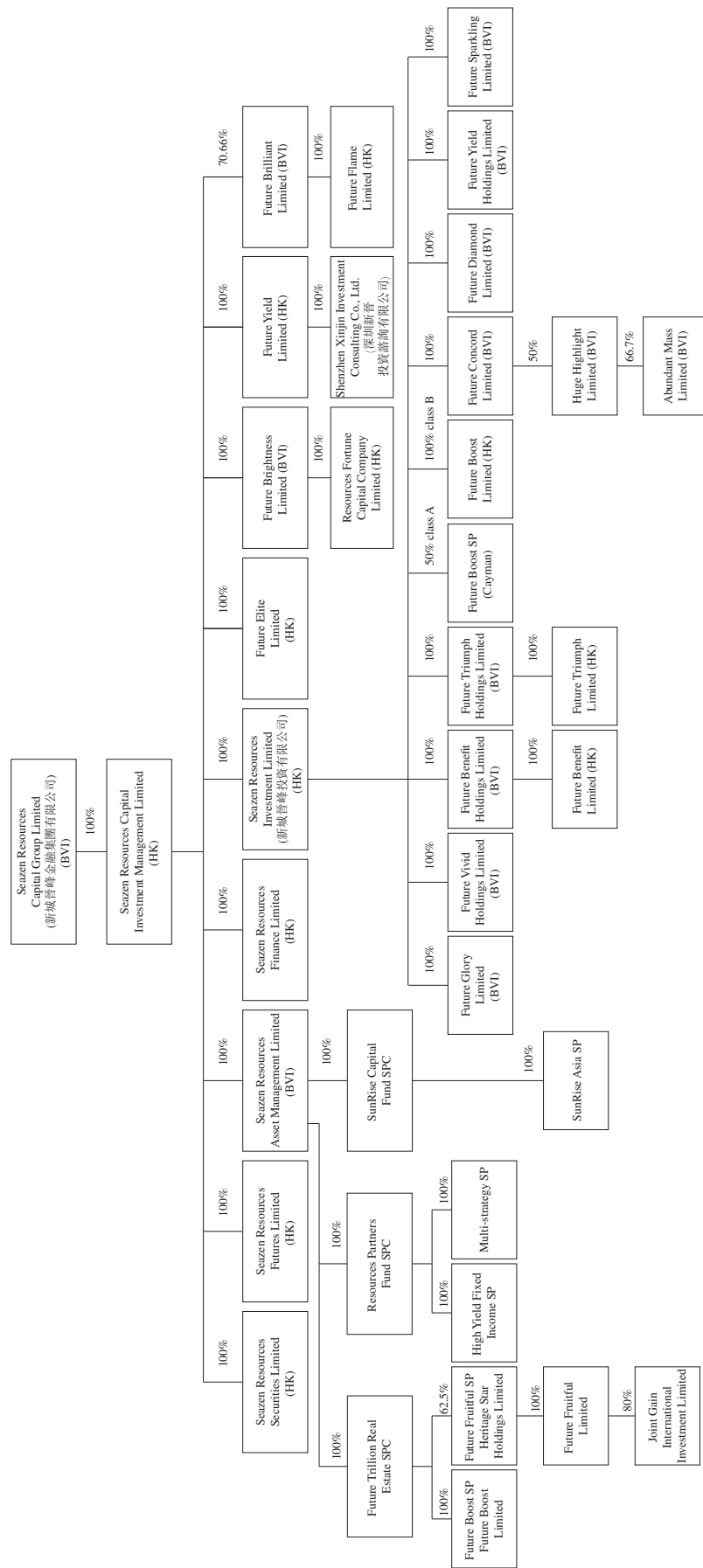
On March 15, 2018, the Wuhan Municipal Housing Security Bureau drafted the “Operation Procedures for the First-time Purchase of Newly-owned Commercial Housing in Wuhan City (Trial)” (《武漢市剛需人群首次購買新建商品住房優先選房操作規程(試行)》). People who fulfills below three criteria can select a new commodity property with priority.

- No house owned in Wuhan;
- Comply with Wuhan housing purchase restriction policy;
- No record of house purchase within the previous 3 years from the date of purchase.

The following chart sets forth our corporate structure as of January 31, 2020:



- (1) Infinity Fortune is beneficially owned by Hua Sheng Trust, a discretionary trust set up by Mr. Wang Zhenhua, the founder of our Group as settlor and Standard Chartered Trust (Singapore) Limited as trustee in favor of his family members.
- (2) Includes (a) 5,000,000 shares beneficially owned by Mr. Lu Zhongming; (b) 12,000,000 shares beneficially owned by Mr. Lv Xiaoping and (c) 6,000,000 shares beneficially owned by Mr. Wang Xiaosong.
- (3) The following chart sets forth the subsidiaries of Seazen Resources Capital Group Limited that have active business operations as of December 31, 2019.



- (4) The PRC subsidiaries of the Company are primarily engaged in property development and property management.

BUSINESS

Business Overview

We are a leading property developer in the Yangtze River Delta, focusing primarily on the development of quality residential properties and mixed-use complex projects. We were ranked among the top 20 real estate developers in the PRC by China Real Estate Industry Federation (中國房地產業協會) and China Real Estate Evaluation Center (中國房地產測評中心) in 2019. We were ranked first in terms of overall strength among property developers in Jiangsu Province for 15 consecutive years from 2005 according to the annual rankings published by the Jiangsu Real Estate Association (江蘇省房地產協會).

As of December 31, 2019, we had 437 real estate projects which were under development and/or held for future development in 105 major cities in the PRC. These projects included approximate 85.0 million sq.m. under development and approximately 24.6 million sq.m. held for future development. As of December 31, 2019, we had land reserves with a total estimated GFA of 123.6 million sq.m., of which 63.1 million sq.m. are attributed to our Group's interests.

Our Property Development Operations

Property development operations comprise, among other things, land acquisition, product development and construction, property sales and pre-sales and property management. For product development and construction, we engage third-party contractors to provide a wide range of services which include, without limitation, architectural and interior design, construction, electromechanical engineering and landscaping. To shorten the period between site acquisition, pre-sale and completion of our properties, we have adopted a “rapid asset turnover” business model for our property development operations. As a result, we have been able to rapidly replicate our projects, shorten development cycles, maximize investment returns, improve cash flows and mitigate liquidity risks.

Our Diversified Product Offerings

We develop and sell a variety of residential property types, through four residential property series, namely, our “FirstHomes” series, “SweetHomes” series, “DreamHomes” series and “PrestigeHomes” series, to target different customers groups, including first time buyers, young families, mid-to-high income households and high net worth individuals. We also develop large-scale, mixed-use complex projects that typically consist of a combination of shopping malls, offices, hotels, serviced apartments, residential properties and other ancillary facilities. We offer three mixed-use complex project series, namely our “International Plaza” series, “City Plaza” series and “Lifestyle Mall” series, to meet the needs and preferences of customers in different locations, including central business districts and emerging business districts.

Our Competitive Strengths

One of the leading property developers in the Yangtze River Delta

We are a leading property developer in the Yangtze River Delta, a fast-growing region in the PRC. We were ranked among the top 20 real estate developers in the PRC by China Real Estate Industry Federation (中國房地產業協會) and China Real Estate Evaluation Center (中國房地產測評中心) in 2019. We were ranked as the No. 1 real estate developer in Jiangsu Province in terms of comprehensive strength for 15 consecutive years from 2005 by Jiangsu Real Estate Industry Federation (江蘇省房地產業協會). We were also ranked first among the “Top 10 Valuable Real Estate Brands in Eastern China” (中國華東房地產公司品牌價值TOP10) from 2007 to 2015 and ranked 13th among the “2019 Top 100 China Real Estate Enterprises” (2019年中國房地產百強企業), according to the Top 10 China Real Estate Research

Group¹ (中國房地產TOP10研究組). Our market-leading position, profitability, and growth potential received further recognition in 2019, as we were named by China Real Estate Industry Federation (中國房地產產業協會) and China Real Estate Evaluation Center (中國房地產測評中心) as one of the “Top 20 Real Estate Development Enterprises in China” (中國房地產開發企業20強) and “Top 20 Valuable Real Estate Development Brands in China” (中國房地產開發企業品牌價值20強). We were ranked among the top ten real estate developers in the PRC in terms of development potential by China Real Estate Industry Federation (中國房地產產業協會) and China Real Estate Evaluation Center (中國房地產測評中心) in 2019. We were ranked among the top ten real estate A-share listed company in the PRC by the China Real Estate Industry Federation (中國房地產產業協會) and China Real Estate Evaluation Center (中國房地產測評中心) in 2019.

We have a proven track record of developing quality residential properties in Jiangsu Province and in the Yangtze River Delta. As of December 31, 2019, we had 437 real estate projects which were under development and/or held for future development in 105 major cities in the PRC. Leveraging on our premium brand, strong execution capabilities, rapid asset turnover model and property development experience, we have successfully expanded into other cities including Shanghai, Nanjing, Hangzhou, Wuxi, Suzhou, Nantong, Zhenjiang, Taizhou, Jiaxing, Ningbo, Shaoxing, Jintan, Quzhou and Jinhua in the Yangtze River Delta, Changsha in Hunan Province, Wuhan in Hubei Province, Nanchang in Jiangxi Province, Changchun in Jilin Province, Anqing in Anhui Province, Haikou in Hainan Province, Qingdao and Jinan in Shandong Province, Chengdu in Sichuan Province, Quanzhou in Fujian Province, Xi'an in Shaanxi Province, Zhengzhou in Henan Province, Kunming in Yunnan Province, Chongqing and Tianjin. We believe our strong track record is attributable to our execution capabilities and our ability to identify cities and regions with high growth potential.

Our rapid asset turnover model and standardized development process enable us to maximize our investment returns and improve our operating cash flows

We believe our rapid asset turnover, which we achieve by applying our standardized process for property development, is one of the key factors to our success. Our rapid asset turnover enables us to maximize our investment returns and improve operating cash flows by shortening our property development cycle. We have established a standardized development process for developing property with the use of standardized procedures, components and units since 2005. We established our own architectural design institute in 2007 and possess in-house architectural expertise. Our standardized development process is designed with our customers' needs and satisfaction in mind and covers the full spectrum of our business operations, including site selection, procurement, property design, construction and quality control, aesthetics, interior design and customer service. As a result, we have been able to efficiently replicate our property projects and consistently deliver high quality properties across various market segments in affluent cities along the Shanghai-Nanjing Economic Corridor. As a result of our standardized development process and operating efficiency, we have the ability to develop projects rapidly, which enhances our profitability and growth potential.

Diversified product portfolio with a strategic focus on middle class customers in the PRC

We offer a wide range of residential properties that target the specific preferences and needs of middle class customers. We believe that there is significant demand in our markets for high quality residential properties, and such demand will continue to increase, as the purchasing power of middle class customers continues to grow in the future.

¹ The Top 10 China Real Estate Research Group (中國房地產TOP10研究組) is a research team jointly established by the Enterprise Research Institute of the Development Research Center of the State Council (國務院發展研究中心企業研究所), Tsinghua University Real Estate Research Institute (清華大學房地產研究所) and China Index Research Institute (中國指數研究院).

Our in-depth knowledge of local markets enables us to offer residential property products to targeted segments within our middle class consumer base. We develop and sell a variety of residential properties, including high-rise apartments, mid-rise apartments, townhouses and luxury stand-alone houses. Our residential properties are divided into four series, namely, our “FirstHomes” series, “SweetHomes” series, “DreamHomes” series and “PrestigeHomes” series, to target different customer groups, including first time buyers, young families, mid-to-high income households and high net worth individuals. These residential property series are designed to meet the evolving needs of middle class customers as their disposable income increases. We believe our focus on middle class customers has enabled us to capitalize on the large population and strong purchasing power of this customer group, and we believe our diversified product offerings have allowed us to penetrate into different segments within our target group of middle class customers.

To further diversify our product portfolio, we started developing commercial properties in 2008. We develop large-scale, mixed-use complex projects that typically consist of a combination of shopping malls, offices, hotels, serviced apartments, high-end residential properties and other ancillary facilities through three mixed-use complex project series, namely, our “International Plaza” series, “City Plaza” series and “Lifestyle Mall” series, to meet the needs and preferences of customers in different types of locations, including central business districts and emerging business districts. For example, we opened 21 new commercial plaza in the year ended December 31, 2019 under the “Wuyue” series and we had opened a total of 63 Wuyue Plazas by December 31, 2019. We hold some of our commercial properties in prime locations for long-term investment and sell the remaining portion. In addition to generating recurring rental income, we are also able to enjoy potential capital appreciation from our commercial properties over the long term.

Strategically located land reserves, which we believe provide strong support for continued growth

Over the years, we have acquired land reserves in selected cities to establish a platform to support our continued growth. The majority of our land reserves are sizeable and concentrated in major cities along the Shanghai-Nanjing Economic Corridor in the Yangtze River Delta. These cities are located close to, and have easy access to, major roads and railway networks, including the Shanghai-Nanjing Expressway, Shanghai-Nanjing Inter-city High Speed Railway and Beijing-Shanghai High Speed Railway, which increase the value and marketability of these properties. As of December 31, 2019, we had land reserves with a total estimated GFA of 123.6 million sq.m., of which around 45.8% is located in the Yangtze River Delta, around 31.8% is located in Central and Western China, around 17.9% is located in the Bohai Rim and around 4.5% is located in the Pearl River Delta.

Our markets are in affluent second and third-tier cities in the Yangtze River Delta, where competition is less intense than first-tier cities in China. This has enabled and will continue to enable us to capitalize on the strong economic development and significant demand in these local real estate markets. Furthermore, some of our markets are not subject to local policy and regulation restrictions.

Highly skilled and experienced management team with a strong commitment to high corporate governance standards

We have a highly experienced and driven senior management team with proven execution capability. The key members of our management team have knowledge and experience that have enabled them to manage and oversee the operation and growth of our business. The members of our management team are highly experienced in the real estate development industry, with an average of over 12 years of relevant experience. We believe our management team’s experience, together with their strong commitment to high corporate governance standards, will help us to achieve sustainable long-term growth and to maximize the value of our business.

Our Business Strategies

Our goal is to become one of the most competitive and profitable property developers in the PRC committed to achieving sustainable growth, adhering to high corporate and managerial standards and maximizing shareholders' returns. We plan to implement the following strategies to achieve our goal.

Continue to strengthen our leadership position in the Yangtze River Delta region

We intend to strengthen our leadership position in the Yangtze River Delta region and benefit from its economic growth. Leveraging our in-depth understanding of the local markets and our experience in property development, we plan to continue to apply our standardized development process to our product offerings to enhance our reputation and brand awareness. Our strong execution capabilities, combined with our scalable business model, provide a solid base from which to expand quickly in the local markets, and to acquire and develop new projects in an efficient manner. In addition to our primary regional focus in cities such as Changzhou, Shanghai, Nanjing, Wuxi and Suzhou, we intend to expand into other cities that have high growth potential in the Yangtze River Delta region, including Zhenjiang, Hangzhou and Nantong. We also intend to expand into major second-tier cities in the Circum-Bohai Bay Region, Midwestern China and Pearl River Delta Region, including Tianjin, Chongqing and Foshan. We will continue to adopt a prudent and disciplined approach when selecting target cities for expansion, taking into account timing and market conditions to ensure our financial performance and liquidity.

Focus on increasing quality land reserves at competitive prices

We plan to continue to increase our land reserves at competitive prices to sustain our continued growth. In the year ended December 31, 2019, we acquired 72 parcels of land with a total GFA excluding underground floor area of approximately 25.1 million sq.m. at an average cost of approximately RMB2,421 per sq.m. We plan to continue to maintain our product positioning and optimize our product offerings, taking into account factors such as project location, access to public transportation and surrounding infrastructure, to enhance the value of the land reserves. We intend to continue to acquire quality land reserves for our residential property development projects through our A-share listed subsidiary, Seazen Holdings. At the same time, we also intend to strategically select high quality sites in the Yangtze River Delta region and other areas with high economic growth potential that are suitable for developing large, mixed-use complexes and integrated residential properties. We believe that our well recognized brand name and experience in developing property projects will continue to allow us to identify opportunities to acquire land reserves in prime locations for both our residential and mixed-use complex projects.

Increase customer satisfaction by improving property management services and enhancing our brand recognition

We believe our provision of property management services will help increase the property value, brand recognition and customer satisfaction of our projects. We intend to continue to expand the scope of services of our property management business and to improve our service quality. To offer an effective communication platform with our customers, we have established the "Future Land Community" (新城會), through which our own project development team and management team can maintain close contact with our customers, understand their needs and spending preferences, as well as encourage them to make purchase recommendations and refer friends and family. In addition, we plan to further improve our property management business by increasing the number of our property management staff and updating our property management service policies and guidelines. We have engaged The Gallup Organization to conduct a customer satisfaction survey and collect customer feedback to guide our efforts to improve our property management services.

Diversify our project portfolio by further expanding our commercial property development operations

Building upon our strength in residential properties, we have developed mixed-use complex projects comprising offices, retail stores, serviced apartments and other ancillary facilities, which we offer primarily for sale or hold for long-term investment. We believe demand for commercial properties will continue to increase as economic activity grows in China. We intend to further increase our presence in the commercial property market. We believe that the commercial properties that we hold will generate sustainable rental income, thereby enhancing the stability of our revenue streams and diversifying the risk we face in the residential property market.

Attract, retain and motivate talented personnel through systematic training programs and competitive remuneration packages

We are committed to building a professional and highly specialized team with strong execution capabilities that shares and approves of our values, vision and corporate culture. We believe our success and future growth strategies depend on our ability to attract and retain talented professionals with experience and growth potential.

We offer systemic and comprehensive training programs to our employees and sponsor many of our senior management personnel to take courses from business schools in China to improve their leadership skills. We plan to continue to offer competitive remuneration packages to attract and retain talented professionals. We will offer our employees a wide range of performance incentives, including bonuses and share-based incentives, to align our employees' interests with ours and to foster a higher level of recognition and approval of our corporate value and culture.

Restructuring

In 2015, we completed a restructuring which involved two principal operating subsidiaries, namely (i) Jiangsu Future Land, our subsidiary established on October 10, 1997 with B-shares listed on the Shanghai Stock Exchange (Stock Code: 900950) since 2001; and (ii) Seazen Holdings, our wholly-owned subsidiary and directly held 58.86% of Jiangsu Future Land prior to the restructuring. Pursuant to the restructuring, Seazen Holdings issued A Shares to all shareholders of Jiangsu Future Land (other than Seazen Holdings) and absorbed and merged Jiangsu Future Land by way of share swap. Upon completion of the absorption and merger through the share swap, Seazen Holdings became the subsisting company and Jiangsu Future Land was delisted and deregistered as a legal person on April 13, 2016. The A shares of Seazen Holdings (Stock Code: 601155) were listed on the SSE on December 4, 2015.

Our Business

Overview of Our Projects

As of December 31, 2019, we had 437 real estate projects which were under development and/or held for future development in 105 major cities in the PRC. These projects included approximately 85.0 million sq.m. under development and approximately 24.6 million sq.m. held for future development. As of December 31, 2019, we had land reserves with a total estimated GFA of 123.6 million sq.m., of which 63.1 million sq.m. are attributed to our Group's interests.

In the year ended December 31, 2019, we acquired 72 parcels of land with a total GFA excluding underground floor area of approximately 25.1 million sq.m. at an average cost of approximately RMB2,421 per sq.m.. We develop and sell a variety of residential properties, including high-rise apartments, mid-rise apartments, townhouses and luxury stand-alone houses. We develop mixed-use complexes for sale and retain a portion for leasing and long-term investment.

We develop both residential and commercial properties. We classify a property development project as:

- a residential project if 70% or more of the project's total GFA is designated for residential use (excluding hotels) and less than 100,000 sq.m. of its total GFA is designated for commercial use (including financial, wholesale and retail use, offices, serviced apartments and hotels); and
- a mixed-use complex project if (i) more than 30% of the project's total GFA is designated for commercial use, (ii) 100,000 sq.m. or more of its total GFA is designated for commercial use, or (iii) the property does not fall within the parameters of our residential projects.

In addition, we categorize our residential properties and mixed-use complexes into different series to delineate the different positioning of each type of property.

We categorize our residential properties into four series to target different customer groups:

	FirstHomes (啟航)	SweetHomes (樂居)	DreamHomes (圓夢)	PrestigeHomes (尊享)
Unit GFA	60-90 sq.m.	80-120 sq.m.	90-180 sq.m.	180-430 sq.m.
Target customers. .	First time buyers/Newlyweds	Young families/ Mid-income households	Mid-to-high income households	High net worth households
Location	Suburban/City periphery	Suburban	City centers	Prime locations

We categorize our mixed-use complexes into three series, details of which are set forth in the table below:

	International Plaza (國際廣場)	City Plaza (城市廣場)	Lifestyle Mall (生活廣場)
Theme/concept	Luxury shopping mall	Convenience shopping centers	Restaurants and leisure goods retail
Location	Central business districts	Emerging business districts	Emerging business districts
Property types addition to retail and residential). . .	Mid- to high-end hotel, mid- to high-end office and high-end serviced apartments	Mid- to high-end hotel and serviced apartments	Mid-tier office pace, hotel and serviced apartments
Total GFA	Approx. 300,000 sq.m.	Approx. 500,000 sq.m.	Approx. 50,000 sq.m.
Commercial GFA . . .	Approx. 80,000 to 100,000 sq.m.	Approx. 100,000 to 120,000 sq.m.	Approx. 30,000 sq.m.

Classifications of Our Property Projects

We generally classify our property projects into three development stages: projects held for future development, projects under development, and completed projects or project phases.

A property is considered to be held for future development when (i) we have obtained the land use rights certificate, but have not obtained the requisite construction permits or (ii) we have signed a land grant contract for the underlying parcel of land with relevant government authorities. Once a project obtains the required project construction commencement permits, it is classified as being under development until a completion certificate is obtained for every phase of the project. As some of our projects comprise multiple-phase developments that are completed on a rolling basis, a project under development may include different phases at various stages of development. A project or project phase is completed when it is issued a completion certificate by the relevant government construction authorities.

A property is considered “sold” when the purchase contract with a customer is executed and the property is delivered to the customer. A property is treated as “pre-sold” when the purchase contract is executed but the property has not yet been delivered to the customer. Delivery is deemed to take place on the date stated on the property delivery document.

Our classification of properties reflects the basis on which we operate our business and may differ from classifications employed by other developers. Each property project or project phase may require multiple land use rights certificates, construction permits, pre-sale permits and other permits and certificates, which may be issued at different times throughout the development process.

Summary of Our Projects

Completed projects, partially completed projects and projects under planning

The following table sets forth summary information about our major properties as of December 31, 2019:

Projects	Property Type	Property Status	GFA Under Development (sq.m.)	GFA Under Planning (sq.m.)	GFA Available for Sale, Lease or Use by the Group (sq.m.)
廊坊新城听樾 Langfang Seazen Xinyue	Residential	Under development	220,956	—	—
唐山新城瀾樾府 Tangshan Seazen Lanyuefu	Residential	Under development	547,913	—	—
北京五里春秋/西府海棠 Beijing Wulichunchou/Xifuhaitang	Residential	Under development	698,051	—	—
北京新城國譽府 Beijing Seazen Guoyufu	Residential	Under development	204,206	—	—
北京新城首創禧悅學府 Beijing Seazen Capital Wisdom Mansion	Residential	Under development	199,739	—	—
唐山熙堂尚院 Tangshan Xitangshangyuan	Residential	Proposed for development	—	44,595	—
新都半島雲著 Xindu Bandao Yunzhe	Residential	Completed	—	—	212,829
簡陽悅隼風華 Jianyang Yuejun Fenghua	Residential	Under development	154,756	—	—
視高悅隼天府 Shigao Yuejun Tianfu	Residential	Completed	—	—	108,024
簡陽悅隼江山 Jianyang Yuejun Jiangshan	Residential	Under development	168,320	—	—

Projects	Property Type	Property Status	GFA Under Development (sq.m.)	GFA Under Planning (sq.m.)	GFA Available for Sale, Lease or Use by the Group (sq.m.)
新城金樾府 Seazen Jinyuefu	Residential	Under development	237,813	80,145	—
龍泉新里桃溪川 Longquan Xinli Taoxichuan	Residential	Under development	149,807	—	—
青白江萬科新城時代之光一期 Chingbaijiang Vanke Seazen Time Glory Phase I	Residential	Under development	49,158	—	2,124
青白江萬科新城時代之光二期 Chingbaijiang Vanke Seazen Time Glory Phase II.	Residential	Under development	160,906	—	—
青白江美的新城公園天下 Chingbaijiang Meidi Seazen Gongyuan Tianxia	Residential	Under development	218,017	—	—
青白江悅隼盛世 Chingbaijiang Yuejun Glorious Century	Residential	Under development	447,229	—	—
視高萬科城市之光 Shigao Vanke City Glory.	Residential	Completed	—	—	48,851
興盛悅隼天驕 Xingsheng Yuejun Tianjiao	Residential	Completed	—	—	77,703
邛崃金樾華府 Qionglai Jinyue Huaifu	Residential	Under development	239,509	—	—
邛崃金樾世家 Qionglai Jinyue Shijia	Residential	Under development	160,819	—	—
簡陽悅隼錦城 Jianyang Yuejun Jincheng	Residential	Under development	51,028	—	—
簡陽悅隼香江 Jianyang Yuejun Xiangjiang	Residential	Under development	56,894	—	—
崇州新城瑞升悅隼西江 Chongzhou Seazen Ruisheng Yuejun Xijiang	Residential	Under development	42,671	—	—
峨眉山金樾雲璽 Emeishan Jinyue Yunxi	Residential	Proposed for development	—	109,595	—
峨眉山金樾天璽 Emeishan Jinyue Tianxi	Residential	Under development	121,113	—	—
雅安新城瑞升金樾瀾岸 Ya'an Seazen Ruisheng Jinyue Lan'an.	Residential	Under development	279,501	—	—
重慶桃李郡 Chongqing Taolijun	Residential	Completed	—	—	64,681
重慶金樾府 Chongqing Jinyuefu	Residential	Under development	177,346	—	—
重慶朗隼大都會 Chongqing Langjun Daduhui	Residential	Under development	245,294	86,238	—
重慶悅隼風華 Chongqing Yuejun Fenghua	Residential	Under development	5,136	—	70,134
重慶西著七里 Chongqing Xizhe Qili.	Residential	Under development	115,841	—	82,075
重慶璽樾九里 Chongqing Xiye Jiuli	Residential	Under development	536,065	—	40,148
重慶琅樾江山 Chongqing Langyue Jiangshan	Residential	Under development	432,906	—	4,096
重慶和昱麟雲 Chongqing Heyu Linyun	Residential	Under development	491,657	—	—

Projects	Property Type	Property Status	GFA Under Development (sq.m.)	GFA Under Planning (sq.m.)	GFA Available for Sale, Lease or Use by the Group (sq.m.)
重慶黛山道8號 Chongqing Daishandao No. 8	Residential	Under development	388,921	—	—
重慶琅翠 Chongqing Langcui	Residential	Under development	168,924	—	—
常州新城公館 Changzhou Seazen Legend Mansion	Residential	Under development	131,842	—	17,302
常州新城郡未來 Changzhou Seazen Future County . . .	Residential	Completed	—	—	37,164
金壇新城金郡花園一期 Jintan Seazen Golden County Garden Phase I	Residential	Completed	—	—	33,249
金壇新城金郡花園二期、三期 Jintan Seazen Golden County Garden Phases II & III	Residential	Under development	475,603	—	—
無錫柏翠春居 Wuxi Baicui Chunju	Residential	Under development	362,711	—	—
常州泰和之春苑 Changzhou Taihe Zhichunyuan	Residential	Under development	291,925	—	70,628
常州璞樾和山花苑 Changzhou Puyue Heshan Huayuan . .	Residential	Under development	128,160	—	36,385
常州桃李花園 Changzhou Taoli Garden	Residential	Under development	267,547	—	46,714
常州環太湖藝術城項目 Changzhou Huantaihu Arts City Project	Residential	Completed	—	—	24,506
江陰上品璟苑 Jiangyin Shangpin Jingyuan	Residential	Under development	450,202	—	—
溧陽明昱灣 Liyang Mingyu Bay	Residential	Under development	73,076	—	—
常州明昱玖園 Changzhou Mingyu Jiuyuan	Residential	Completed	—	—	8,695
常州翰都花園 Changzhou Handu Garden	Residential	Completed	—	—	45,103
常州門第境院 Changzhou Mendi Jingyuan	Residential	Under development	227,070	—	—
常州和昱雲景苑、林蔭苑、文萃苑 Changzhou Heyu Yunjingyuan, Linyinyuan and Wencuiyuan	Residential	Under development	2,271	—	44,629
常州樾華名苑 Changzhou Yuehua Mingyuan	Residential	Under development	195,121	—	—
常州九熙台苑 Changzhou Jiuxi Taiyuan	Complex	Under development	305,874	—	—
常州綠都萬和城 Changzhou Green City Wanhecheng	Residential	Under development	224,446	485,743	193,689
常州樾隼花園 Changzhou Yuejun Garden	Residential	Under development	156,614	—	—
常州湖悅朗隼花園 Changzhou Huyue Langjun Garden . .	Residential	Under development	109,103	—	—
常州譽隼花園 Changzhou Yujun Garden	Residential	Under development	70,579	—	—
常州悅翠九隼花園 Changzhou Yuecui Jiujun Garden . . .	Residential	Under development	323,448	—	—

Projects	Property Type	Property Status	GFA Under Development (sq.m.)	GFA Under Planning (sq.m.)	GFA Available for Sale, Lease or Use by the Group (sq.m.)
常州金色新城西三期 Changzhou Golden Seazen West Phase III	Residential	Proposed for development	–	45,270	–
金壇萬建城 Jintan Wanjian City	Residential	Proposed for development	–	31,841	–
常州新城域 Changzhou Seazen Town	Residential	Under development	–	99,284	62,910
常州新城長島東區 Changzhou Eastern Area of Seazen Long Island	Residential	Proposed for development	–	315,481	–
武進吾悅廣場 Wujin Wuyue Plaza	Residential	Under development	46,693	–	273,692
湘潭環隲 Xiangtan Jingjun	Residential	Under development	312,514	405,496	2,511
長沙和樾 Changsha Heyue	Residential	Under development	173,783	–	295
長沙縣璽樾 Changsha County Xiyue	Residential	Under development	165,930	–	–
長沙梅溪湖金茂灣 Changsha Meixi Lake Jinmaowan	Residential	Under development	395,929	–	6,435
株洲樾府 Zhuzhou Yuefu	Residential	Under development	250,694	–	34,994
長沙縣悅隲 Changsha County Yuejun	Residential	Under development	237,545	–	–
長沙梅溪湖璽悅 Changsha Meixi Lake Xiyue	Residential	Under development	194,317	–	–
長沙梅溪華府 Changsha Meixi Huafu	Residential	Under development	288,641	–	–
長沙縣悅隲公園 Changsha County Yuejun Gongyuan	Residential	Under development	135,849	138,172	–
長沙國際花都 Changsha International Metropolis	Residential	Under development	299,410	–	99,846
杭州香悅公館 Hangzhou Future Legend Mansion	Residential	Under development	90,657	–	28,697
杭州新城紅郡 Hangzhou Seazen Hongjun	Residential	Completed	–	–	16,642
杭州東方名府 Hangzhou Dongfang Mingfu	Residential	Completed	–	–	4,892
杭州龍湖天璞 Hangzhou Longhu Tianpu	Residential	Completed	–	–	11,375
杭州環隲名邸 Hangzhou Jingyue Mingdi	Residential	Under development	164,018	–	–
杭州世宸名府 Hangzhou Shichen Mingfu	Residential	Under development	135,453	–	–
杭州海名雅園 Hangzhou Haiming Yayuan	Residential	Under development	285,100	–	–
建德2019 – 14 新安江地塊 Jiande 2019 – 14 Xin'an River Land Parcel	Residential	Proposed for development	–	95,097	–
海鹽環郡瀾庭 Haiyan Jingjun Lanting	Residential	Under development	77,551	–	–

Projects	Property Type	Property Status	GFA Under Development (sq.m.)	GFA Under Planning (sq.m.)	GFA Available for Sale, Lease or Use by the Group (sq.m.)
湖州南潯海上風華一二期 Huzhou Nanxun Haishangfenghua Phase I & II	Residential	Under development	228,688	—	—
湖州南潯海上風華三期 Huzhou Nanxun Haishangfenghua Phase III	Residential	Under development	115,095	—	—
湖州碧桂園翡翠灣 Huzhou Country Garden Jadeite Bay	Residential	Completed	—	—	41,833
湖州碧桂園嘉譽 Huzhou Country Garden Jiayu	Residential	Completed	—	—	23,113
德清大都會 Deqing Daduhui	Residential	Under development	187,726	—	—
湖州中央公園 Huzhou Central Park	Residential	Under development	147,193	—	—
德清新都會 Deqing Xinduhui	Residential	Under development	139,480	—	—
德清都會瀾庭 Deqing Duhui Lanting	Residential	Under development	50,809	—	—
金華雲昱 Jinhua Yunyu	Residential	Completed	—	—	109,787
東陽樾府 Dongyang Yue Palace	Residential	Under development	228,304	—	—
浦江盛昱 Pujiang Shengyu	Residential	Under development	183,014	—	—
東陽盛昱之光 Dongyang Shengyu Zhiguang	Residential	Under development	131,774	—	—
惠州金樾江南 Huizhou Jinyue Jiangnan	Residential	Under development	131,281	806,814	—
惠州雲昱花園 Huizhou Yunyu Garden	Residential	Under development	449,517	169,956	—
惠州明昱花園 Huizhou Mingyu Garden	Residential	Under development	244,830	—	—
佛山壹鳴花園 Foshan Yiming Garden	Residential	Under development	349,970	—	80,603
三水環蒼豪園 Sanshui Jinghui Haoyuan	Residential	Under development	172,747	—	41,538
肇慶新城和昱建設項目 Zhaoqing Seazen Heyu Construction Project	Residential	Under development	274,438	—	—
肇慶樾山公館 Zhaoqing Yueshan Mansion	Residential	Under development	121,591	—	—
中山嵐彩名苑 Zhongshan Lanci Mingyuan	Residential	Under development	254,042	—	—
恩平香悅公館 Enping Future Legend Mansion	Residential	Under development	137,776	—	—
蚌埠悅隼天著 Bengbu Yuejun Tianzhe	Residential	Under development	159,423	—	—
阜陽京師國府 Fuyang Jingshi Guofu	Residential	Under development	675,407	—	—
阜陽大都會 Fuyang Daduhui	Residential	Under development	158,851	—	—
阜陽雲昱東方 Fuyang Yunyu Dongfang	Residential	Proposed for development	—	183,055	—

Projects	Property Type	Property Status	GFA Under Development (sq.m.)	GFA Under Planning (sq.m.)	GFA Available for Sale, Lease or Use by the Group (sq.m.)
蕪湖大都會 Wuhu Daduhui	Residential	Under development	166,368	—	—
合肥北宸紫郡 Hefei Beichen France	Residential	Completed	—	—	35,842
合肥桃李郡 Hefei Taolijun	Residential	Completed	—	—	22,159
濱湖時光印象 Binhu Shiguang Yinxiang	Residential	Under development	196,465	—	30,165
濱湖大都會 Binhu Daduhui	Residential	Under development	143,927	—	—
高新西子曼城 High-Tech Xizi Mancheng	Residential	Under development	11,952	—	65,346
肥東十里春風 Feidong Shili Chunfeng	Residential	Under development	176,554	—	—
長豐悅隼九里 Changfeng Yuejun Jiuli	Residential	Under development	198,696	—	—
肥東雲樾觀棠 Feidong Yunyue Guantang	Residential	Under development	143,915	—	—
合肥濱湖雲境 Hefei Binhu Yunjing	Residential	Under development	178,306	—	—
淄博新城悅隼江山 Zibo Seazen Yuejun Jiangshan	Residential	Under development	308,087	103,849	—
齊河新城悅隼 Qihe Seazen Yuejun	Residential	Under development	168,375	—	—
高唐金樾府 Gaotang Jinyuefu	Residential	Under development	145,977	—	—
陽谷金樾府 Yanggu Jinyuefu	Residential	Under development	243,872	—	—
萊蕪新城悅隼 Laiwu Seazen Yuejun	Residential	Under development	108,695	—	—
濟南香溢瀾庭 Jinan Fragrant Legend	Residential	Under development	67,193	—	22,869
濟南香溢華庭 Jinan Fragrant Xiangyi Huating	Residential	Under development	404,491	—	—
濟南新城和昌湖畔樾山 Jinan Seazen Hechang Lakeview Yueshan	Residential	Completed	—	—	69,758
濟南新城領寓 Jinan Seazen Ling Yu	Commercial	Under development	134,635	—	—
齊河新城璽樾資產包一 Qihe Seazen Xiyue Asset Package I	Residential	Under development	110,662	378,003	60,284
濟南新城悅隼風華 Jinan Seazen Yuejun Fenghua	Residential	Under development	137,105	22,056	—
泰安五岳風華 Tai'an Wuyue Fenghua	Residential	Under development	77,060	528,342	—
齊河新城璽樾資產包二 Qihe Seazen Xiyue Asset Package II	Residential	Proposed for development	—	280,428	—
濟南小鴨項目 Jinan Xiaoya Project	Residential	Under development	282,892	—	—
貴陽璽樾台 Guiyang Xiyuetai	Residential	Under development	226,336	—	—
遵義悅隼風華 Zunyi Yuejun Fenghua	Residential	Under development	160,368	—	—

Projects	Property Type	Property Status	GFA Under Development (sq.m.)	GFA Under Planning (sq.m.)	GFA Available for Sale, Lease or Use by the Group (sq.m.)
遵義金樾和山 Zunyi Jinyue Heshan	Residential	Under development	260,122	—	—
新城·鳳凰臺 Seazen • Fenghuangtai	Residential	Proposed for development	—	788,138	—
昆明新城雅樾 Kunming Seazen Yayue	Residential	Under development	297,444	—	—
昆明新城琅樾 Kunming Seazen Langyue	Residential	Under development	558,601	—	—
昆明藍光新城碧桂園古滇水雲城 Kunming Languang Seazen Country Garden Gudian Shuiyuncheng	Residential	Under development	301,566	322,546	—
紹興迪蕩湖壹號 Shaoxing Didanghu No. 1	Residential	Under development	292,983	—	—
紹興悅隼公館 Shaoxing Yuejun Mansion	Residential	Under development	301,876	—	—
紹興西江月 Shaoxing Xijiangyue	Residential	Under development	102,269	—	—
紹興棠樾 Shaoxing Tangyue	Residential	Under development	252,207	—	—
紹興寶龍世家 Shaoxing Baolong Shijia	Residential	Under development	271,178	—	—
寧波湖畔樾山 Ningbo Lakeview Yueshan	Residential	Under development	105,292	—	—
寧海悅隼明湖府 Ninghai Yuejun Minghufu	Residential	Under development	148,570	—	—
舟山東海府 Zhoushan Donghaifu	Residential	Under development	56,442	—	—
淮安悅隼 Huai'an Yuejun	Residential	Under development	403,966	111,473	33,960
淮安尚隼花園 Huai'an Shangjun Garden	Residential	Under development	196,770	—	—
淮安九龍源著 Huai'an Jiulong Yuanzhe	Residential	Under development	203,603	—	—
金湖悅隼風華 Jinhu Yuejun Fenghua	Residential	Under development	243,895	—	—
漣水悅隼學府 Lianshui Yuejun Xuefu	Residential	Under development	212,412	—	—
揚州水漾花苑 Yangzhou Shuiyang Huayuan	Residential	Completed	—	—	31,740
句容源山 Jurong Yuanshan	Residential	Under development	2,616	—	75,824
句容樾府 Jurong Yuefu	Residential	Under development	237,304	—	—
鎮江悅隼吾悅坊 Zhenjiang Yuejun Wuyuefang	Residential	Under development	86,879	—	—
鎮江瓏悅府 Zhenjiang Longyuefu	Residential	Under development	141,652	—	74,301
鎮江江山樾 Zhenjiang Jiangshanyue	Residential	Under development	206,989	—	—
句容合悅府 Jurong Heyuefu	Residential	Under development	145,462	—	—
揚中九里香畔 Yangzhong Jiuli Xiangpan	Residential	Under development	320,246	—	—

Projects	Property Type	Property Status	GFA Under Development (sq.m.)	GFA Under Planning (sq.m.)	GFA Available for Sale, Lease or Use by the Group (sq.m.)
揚州運河上宸 Yangzhou Yunhe Shangchen	Residential	Under development	173,930	–	–
鎮江雍和府 Zhenjiang Yonghefu	Residential	Under development	88,901	–	–
滁州藝境花園 Chuzhou Yijing Garden	Residential	Completed	–	–	92,968
馬鞍山環玥 Ma'anshan Jingyue	Residential	Under development	206,536	–	–
南京璞樾鐘山 Nanjing Puyue Zhongshan	Residential	Completed	–	–	56,862
南京保利天地 Nanjing Poly Tiandi	Residential	Completed	–	–	48,111
南京璞樾和山 Nanjing Puyue Heshan	Residential	Under development	1,438	–	51,175
南京新保弘天宸 Nanjing Xinbaohong Tianchen	Residential	Under development	229,057	–	19,537
南京悅峯 Nanjing Yuefeng	Residential	Under development	232,599	–	–
南京星悅天地廣場 Nanjing Xingyue Tiandi Plaza	Commercial	Under development	25,689	–	2,222
六合時光山湖 Liuhe Shiguang Shanhu	Residential	Under development	8,792	–	1,869
南京星悅天地廣場G01 Nanjing Xingyue Tiandi Plaza G01	Residential	Under development	31,879	–	–
南京金樾府 Nanjing Jinyuefu	Residential	Under development	159,099	–	–
南京新城香悅瀾山 Nanjing Seazen Xiangyue Lanshan	Residential	Completed	–	–	38,445
南京新城花漾紫郡 Nanjing Seazen Flourish France	Residential	Completed	–	–	102,168
煙台璞樾園著 Yantai Puyue Yuanzhe	Residential	Under development	149,290	–	–
煙台新城明昱錦園 Yantai Seazen Mingyu Jinyuan	Residential	Under development	81,857	–	–
安丘新城悅隼青雲府 Anqiu Seazen Yuejun Qingyunfu	Residential	Under development	250,288	–	–
諸城新城榮樾大都會 Zhucheng Seazen Rongyue Daduhui	Residential	Under development	174,670	768,936	–
安丘湖畔樾山 Lakeview Yueshan, Anqiu	Residential	Under development	292,804	–	–
東營悅隼時代 Dongying Yuejun Shidai	Residential	Under development	96,798	–	–
臨沂金樾門第 Linyi Jinyue Mendi	Residential	Under development	91,370	–	–
莒縣悅隼一品 Yuejun Yipin, Ju County	Residential	Under development	159,803	–	–
莒縣金樾府 Jinyuefu, Ju County	Residential	Under development	214,297	–	–
榮成新城悅隼公館 Rongcheng Seazen Yuejun Mansion	Residential	Under development	234,999	–	–
青島卓越皇后道 Qingdao Excellent Queen's Road	Residential	Under development	78,157	–	72,433

Projects	Property Type	Property Status	GFA Under Development (sq.m.)	GFA Under Planning (sq.m.)	GFA Available for Sale, Lease or Use by the Group (sq.m.)
青島新城璽樾 Qingdao Seazen Xiyue	Residential	Under development	173,118	540,033	7,161
青島新城紅島灣盛昱 Qingdao Seazen Hongdaowan Shengyu	Residential	Under development	257,896	–	–
青島紅島羊毛灘1號地塊項目 Land Parcel No. 1 at Wool Beach, Hongdao, Qingdao	Commercial	Proposed for development	–	107,225	–
青島新城紅島灣•朗隲 Qingdao Seazen Hongdaowan • Langjun	Residential	Under development	237,449	–	–
青島樾府 Qingdao Yuefu	Residential	Under development	189,116	261,883	92,140
青島新城雲樾曉院 Qingdao Seazen Yunyue Xiaoyuan . .	Residential	Under development	394,073	–	–
青島紅島羊毛灘5號地塊項目 Land Parcel No. 5 at Wool Beach, Hongdao, Qingdao	Commercial	Proposed for development	–	142,148	–
青島融創紅島灣 Qingdao Rongchuang Hongdaowan . .	Commercial	Under development	246,123	–	–
青島保利紅島灣 Qingdao Baoli Hongdaowan	Commercial	Under development	290,938	–	–
青島紅島羊毛灘2號地塊項目 Land Parcel No. 2 at Wool Beach, Hongdao, Qingdao	Commercial	Proposed for development	–	187,905	–
青島海信花伴里 Qingdao Haixin Huabanli	Residential	Completed	–	–	6,931
膠州樾郡 Jiaozhou Yuejun	Residential	Under development	45,862	–	–
平度新城悅隲大都會 Pingdu Seazen Yuejun Daduhui	Residential	Under development	125,845	–	–
青島融創紅島灣盛昱 Qingdao Rongchuang Hongdaowan Shengyu	Residential	Under development	246,668	–	–
萊西新城悅隲公園里 Laixi Seazen Yuejun Gongyuanli . . .	Residential	Under development	156,233	–	–
南通上悅城 Nantong Shangyuecheng	Residential	Under development	265,504	–	–
南通新都會 Nantong Xinduhui	Residential	Under development	201,516	–	1,656
南通海門江海都會 Nantong Haimen Jianghaiduhui	Residential	Under development	252,608	–	–
南通如皋悅隲時代 Nantong Rugao Yuejun Shidai	Residential	Under development	312,222	–	–
南通通州雍景灣 Nantong Tongzhou Yongjingwan	Residential	Under development	372,917	–	–
南通香溢紫郡 Nantong Future France	Residential	Under development	2,425	147,656	65,990
上海新城樾山 Shanghai Seazen Yueshan	Residential	Under development	–	162,332	42,151
上海上坤樾山 Shanghai Shangkun Yueshan	Residential	Under development	1,237	12,830	153,584
上海新城璞樾門第 Shanghai Seazen Puyue Mendi	Residential	Completed	–	–	41,450

Projects	Property Type	Property Status	GFA Under Development (sq.m.)	GFA Under Planning (sq.m.)	GFA Available for Sale, Lease or Use by the Group (sq.m.)
上海盛譽世家 Shanghai Shengyu Shijia	Residential	Completed	–	–	18,220
上海新城盛世 Shanghai Seazen Glorious Century . .	Residential	Completed	–	–	22,875
上海新城西岸公園 Shanghai Seazen Xian Park	Residential	Under development	199,669	–	–
上海新城虹口金茂府 Shanghai Seazen Hongkou Jinmaofu	Residential	Under development	89,458	–	–
上海雲麓之城 Shanghai Yunluzhicheng	Residential	Under development	197,651	–	7,546
平湖新城金樾 Pinghu Seazen Jinyue	Residential	Completed	–	–	70,947
太倉天琴雅苑 Taicang Tianqin Yayuan	Residential	Completed	–	–	14,096
上海雍和府 Shanghai Yonghefu	Residential	Completed	–	–	172,843
嘉善魏武宸章 Jiashan Weiwu Chenzhang	Residential	Under development	132,240	–	–
嘉善璽樾西塘 Jiashan Xiyue Xitang	Residential	Completed	–	–	8,546
啟東蝶湖世界灣 Qidong Diehu Shijiewan	Residential	Under development	388,361	–	–
太倉龍悅天境 Taicang Longyue Tianjing	Residential	Under development	49,160	–	–
嘉善悅隼半島 Jiashan Yuejun Bandao	Residential	Under development	186,869	–	–
平湖新城悅隼 Pinghu Seazen Yuejun	Residential	Under development	43,865	–	–
嘉善翡麗風華 Jiashan Feili Fenghua	Residential	Under development	102,164	–	–
上海靜安映 Shanghai Jinganying	Residential	Under development	103,952	–	–
平湖海樾風華 Pinghu Haiyue Fenghua	Residential	Under development	101,190	–	–
南昌新城公館 Nanchang Seazen Legend Mansion . .	Residential	Under development	70,643	–	–
九江悅隼中央公園 Jiujiang Yuejun Central Park	Residential	Under development	145,267	109,913	–
萍鄉國樾府 Pingxiang Guoyuefu	Residential	Proposed for development	–	103,211	–
南寧悅隼江山 Nanning Yuejun Jiangshan	Residential	Under development	131,625	–	–
桂林靈川大都會 Guilin Lingchuan Daduhui	Residential	Under development	99,082	113,409	–
南寧悅隼風華 Nanning Yuejun Fenghua	Residential	Under development	269,201	–	–
武漢新城閱璟台 Wuhan Seazen Yuejingtai	Residential	Under development	291,785	–	95,138
武漢璟棠 Wuhan Jingtang	Residential	Under development	22,948	–	61,650
孝感新城•璟悅府 Xiaogan Seazen • Jingyuefu	Residential	Under development	216,449	–	15,843

Projects	Property Type	Property Status	GFA Under Development (sq.m.)	GFA Under Planning (sq.m.)	GFA Available for Sale, Lease or Use by the Group (sq.m.)
葛店新城•新環匯 Gedian Seazen • Xinjinghui	Residential	Under development	112,692	—	—
孝感新城璽樾 Xiaogan Seazen Xiyue	Residential	Under development	184,836	202,853	—
孝感碧桂園新城華府 Xiaogan Country Garden Seazen Huafu	Residential	Under development	211,910	—	17,768
荊州碧桂園新城楚天府 Jingzhou Country Garden Seazen Chutianfu	Residential	Under development	223,739	—	—
武漢新城•金郡 Wuhan Seazen • Jinjun	Residential	Under development	74,271	—	—
黃岡碧桂園新城陽光城•城品 Huanggang Country Garden Seazen Yangguangcheng • Chengpin	Residential	Under development	219,190	—	—
黃石新城朗隲 Huangshi Seazen Langjun	Residential	Under development	149,228	100,402	—
南漳新城悅隲 Nanzhang Seazen Yuejun	Residential	Under development	142,713	—	—
武漢庭瑞君悅觀瀾 Wuhan Tingrui Junyue Guanlan	Residential	Under development	422,750	—	—
黃石悅隲大都會 Huangshi Yuejun Daduhui	Residential	Under development	314,987	—	—
武漢新城•璞樾門第 Wuhan Seazen • Puyue Mendi	Residential	Under development	553,104	—	—
武漢新城桃李郡 Wuhan Seazen Taolijun	Residential	Under development	120,589	557,015	—
蘇州MOC芯城匯項目一部 Suzhou MOC Xinchenghui Project Part I	Residential	Under development	206,317	—	—
蘇州MOC芯城匯項目二部 Suzhou MOC Xinchenghui Project Part II	Residential	Completed	—	—	27,950
蘇州MOC芯城匯項目三部 Suzhou MOC Xinchenghui Project Part III	Residential	Under development	64,849	204,348	—
蘇州MOC芯城匯項目四部 Suzhou MOC Xinchenghui Project Part IV	Residential	Under development	286,249	—	—
蘇州MOC芯城匯項目五部 Suzhou MOC Xinchenghui Project Part V	Residential	Under development	158,932	—	—
蘇州MOC芯城匯項目六部 Suzhou MOC Xinchenghui Project Part VI	Residential	Proposed for development	—	116,428	—
蘇州MOC芯城匯項目七部 Suzhou MOC Xinchenghui Project Part VII	Residential	Proposed for development	—	169,304	—
蘇州MOC芯城匯項目八部 Suzhou MOC Xinchenghui Project Part VIII	Residential	Proposed for development	—	223,831	—
蘇州MOC芯城匯項目九部 Suzhou MOC Xinchenghui Project Part IX	Residential	Proposed for development	—	82,382	—

Projects	Property Type	Property Status	GFA Under Development (sq.m.)	GFA Under Planning (sq.m.)	GFA Available for Sale, Lease or Use by the Group (sq.m.)
蘇州MOC芯城匯項目十部 Suzhou MOC Xinchenghui Project Part X	Residential	Proposed for development	–	31,302	–
蘇州灣上風華 Suzhou Wanshangfenghua	Residential	Completed	–	–	22,136
蘇州香溪源 Suzhou Xiangxiyuan	Residential	Completed	–	–	110,126
蘇州東方星座大廈 Suzhou Dongfang Xingzhuo Tower . .	Residential	Under development	95,371	–	–
蘇州三千邑 Suzhou Sanqianyi	Residential	Under development	147,218	–	144,582
蘇州金雙湖花園 Suzhou Jinshuang Lake Garden	Residential	Under development	65,015	–	94,008
昆山新城郡尚海 Kunshan Seazen Future County	Residential	Completed	–	–	33,346
蘇州拾鯉花園 Suzhou Shili Garden	Residential	Under development	151,076	–	57,959
蘇州十里錦繡 Suzhou Shili Jinxiu	Residential	Under development	275,531	383,531	37,011
蘇州太湖天璽 Suzhou Taihu Tianxi	Residential	Completed	–	–	13,143
外果圩項目 Waiguoyu Project	Residential	Proposed for development	–	128,769	–
九里湖公館項目 Jiulihu Mansion Project	Residential	Under development	24,900	–	–
蘇州悅隼平瀾府 Suzhou Yuejun Pinglanfu	Residential	Under development	201,866	–	–
蘇州玖譽灣 Suzhou Jiuyuwan	Residential	Under development	69,938	–	–
柏麗灣 Beautiful Harbour	Residential	Under development	–	49,200	17,773
紅樹灣 Mangrove Bay	Residential	Under development	20,260	–	40,837
張家港翡翠公館 Zhangjiagang Feicui Mansion	Residential	Under development	365,897	–	57,555
常熟紫雲名邸 Changshu Ziyun Mingdi	Residential	Completed	–	–	24,909
張家港十里錦繡 Zhangjiagang Shili Jinxiu	Residential	Completed	–	–	172,015
張家港榮樾 Zhangjiagang Rongyue	Residential	Completed	–	–	3,426
張家港公館1790 Zhangjiagang Mansion 1790	Residential	Under development	171,914	–	–
張家港江城原著 Zhangjiagang Jiangcheng Yuanzhe . .	Residential	Under development	122,187	–	–
常熟雍瀾苑 Changshu Yonglanyuan	Residential	Under development	98,255	–	–
常熟尚隼華庭 Changshu Shangjun Huating	Residential	Under development	96,286	–	–
常熟悅隼華庭 Changshu Yuejun Huating	Residential	Under development	178,244	–	–
常熟源江築 Changshu Yuanjiangzhu	Residential	Under development	197,832	–	–

Projects	Property Type	Property Status	GFA Under Development (sq.m.)	GFA Under Planning (sq.m.)	GFA Available for Sale, Lease or Use by the Group (sq.m.)
常熟萬科公望 Changshu Vanke Gongwang	Residential	Completed	–	–	10,000
常熟河濱花園 Changshu Ridderside Garden	Residential	Under development	137,067	–	–
泰興丹霞花園 Taixing Danxia Garden	Residential	Under development	255,549	209,038	–
泰州榮樾 Taizhou Rongyue	Residential	Under development	195,460	–	–
泰興皇家水岸8號地塊 Land Parcel No. 8 at Royal Riverbank, Taixing.	Residential	Under development	170,589	136,625	–
鹽城大豐悅隼 Yancheng Dafeng Yuejun.	Residential	Under development	222,053	142,508	–
鹽城悅隼時代 Yancheng Yuejun Shidai	Residential	Under development	242,316	–	–
鹽城建湖悅隼首府 Yancheng Jianhu Yuejun Capital . . .	Residential	Under development	102,265	102,140	–
鹽城東台天樾府 Yancheng Dongtai Tianyuefu	Residential	Under development	136,099	–	–
鹽城東台御景華庭 Yancheng Dongtai Yujing Huating. . .	Residential	Under development	–	30,771	12,639
天津寶坻大境 Tianjin Baodi Dajing	Residential	Under development	599,491	–	15,791
天津生態城樾府 Tianjin Eco-City Yuefu	Residential	Under development	156,000	–	–
天津北辰樾風華 Tianjin Beichen Yuefenghua.	Residential	Under development	587,209	–	–
天津大港港東府 Tianjin Dagang Gangdongfu	Residential	Under development	120,313	–	–
天津武清梧桐公館 Tianjin Wuqing Wutong Mansion . . .	Residential	Under development	160,619	–	–
滄州悅隼風華 Cangzhou Yuejun Fenghua.	Residential	Under development	313,503	–	–
滄州悅隼時代 Cangzhou Yuejun Shidai	Residential	Under development	137,576	–	–
天津津南和興府 Tianjin Jinnan Hexingfu	Residential	Under development	189,186	–	–
天津寶坻悅隼首府 Tianjin Baodi Yuejun Capital	Residential	Under development	207,809	–	–
天津寧河悅隼公館 Tianjin Ninghe Yuejun Mansion . . .	Residential	Under development	391,166	–	–
天津北辰悅隼風華 Tianjin Beichen Yuejun Fenghua. . . .	Residential	Under development	145,600	–	–
天津濱海悅隼都會 Tianjin Binhai Yuejun Duhui	Residential	Under development	111,301	–	–
天津東麗悅隼公元 Tianjin Dongli Yuejun Gongyuan . . .	Residential	Under development	127,690	–	–
天津寧河光明路8號 No. 8, Guangming Road, Ninghe, Tianjin	Residential	Under development	80,310	–	–
天津武清悅隼央著 Tianjin Wuqing Yuejun Yangzhe	Residential	Under development	259,766	–	–
天津武清悅隼年華 Tianjin Wuqing Yuejun Nianhua	Residential	Proposed for development	–	217,236	–

Projects	Property Type	Property Status	GFA Under Development (sq.m.)	GFA Under Planning (sq.m.)	GFA Available for Sale, Lease or Use by the Group (sq.m.)
唐山新城瑞府 Tangshan Seazen Ruifu	Residential	Under development	149,014	—	—
鄭州榮陽郡望府 Zhengzhou Xingyang Junwangfu.	Residential	Under development	359,551	789,416	35,256
許昌金玉堂 Xuchang Jinyutang.	Residential	Under development	228,917	249,392	—
長葛金樾府 Changge Jinyuefu	Residential	Under development	235,796	—	—
鞏義璽樾門第 Gongyi Xiyue Mendi	Residential	Under development	192,326	—	—
鞏義西岸公園 Gongyi Xi'an Park.	Residential	Under development	135,516	—	—
台州黃岩江山壹品苑 Taizhou Huangyan Jiangshan Yipinyuan	Residential	Under development	299,805	—	15,268
台州仙居尚隼公館 Taizhou Xianju Shangjun Mansion	Residential	Under development	98,996	—	—
台州溫嶺雲樾觀嶺 Taizhou Wenling Yunyueguanling	Residential	Under development	217,961	164,192	—
溫州瑞安翡翠悅府 Wehzhou Rui'an Feicuiyuefu	Residential	Under development	204,990	—	—
溫州瑞安國瑞府 Wehzhou Rui'an Guorui	Residential	Under development	168,673	—	—
溫州樂清觀瀾苑 Wenzhou Yueqing Guanlanyuan	Residential	Under development	169,695	—	—
溫州平陽悅府01 Wenzhou Pingyang Yuefu 01	Residential	Under development	156,822	—	—
溫州平陽悅府02 Wenzhou Pingyang Yuefu 02	Residential	Under development	151,923	—	—
溫州樂清東潮雲築 Wenzhou Yueqing Dongchao Yunzhu	Residential	Under development	113,618	—	—
宿遷璽樾府 Suqian Xiyuefu	Residential	Under development	398,409	22,566	—
泗陽時光印象 Siyang Shiguang Yinxiang	Residential	Under development	160,482	—	—
宿遷水木清華 Suqian Shuimuqinghua	Residential	Under development	244,967	—	44,206
宿遷太湖花園 Suqian Lakeview Garden.	Residential	Under development	471,560	—	47,376
沭陽碧桂園新城 Shuyang Country Garden Seazen	Residential	Under development	299,486	—	—
新城•十里金樾 Seazen • Shili Jinyue	Residential	Proposed for development	—	302,210	—
邳州碧桂園 Pizhou Country Garden.	Residential	Under development	496,755	218,729	—
邳州熙悅府 Pizhou Xiyuefu	Residential	Under development	102,596	106,378	—
徐州玖龍湖 Xuzhou Jiulonghu	Residential	Under development	219,610	—	—
亳州璽樾府 Bozhou Xiyuefu	Residential	Under development	226,069	—	—
邳州熙悅府 Pizhou Xiyuefu	Residential	Under development	212,632	—	—

Projects	Property Type	Property Status	GFA Under Development (sq.m.)	GFA Under Planning (sq.m.)	GFA Available for Sale, Lease or Use by the Group (sq.m.)
東莞石碣項目 Dongguan Shijie Project	Residential	Proposed for development	–	91,256	–
惠州悅隼 Huizhou Yuejun.	Residential	Under development	121,246	–	16,637
海豐和樾 Haifeng Heyue	Residential	Under development	254,308	785,504	–
東莞璽樾門第 Dongguan Xiyue Mendi	Residential	Under development	109,494	–	–
惠州嘉鴻博雅府 Huizhou Jiahong Boyafu	Residential	Under development	230,962	–	–
西安璽樾驪府 Xi'an Xiyuelifu	Residential	Under development	215,688	–	–
西安悅隼公園里 Xi'an Yuejun Gongyuanli	Residential	Under development	198,769	–	4
臨潼118畝項目 118 Mu Project in Lintong	Residential	Proposed for development	–	125,581	–
新城盛昱瀾灣 Seazen Shengyu Lanwan	Residential	Proposed for development	–	217,287	–
昆明五華吾悅廣場 Kunming Wuhua Wuyue Plaza	Complex	Completed	–	–	203,701
臨沂吾悅廣場 Linyi Wuyue Plaza.	Complex	Completed	–	–	189,257
溫州瑞安吾悅廣場 Wenzhou Rui'an Wuyue Plaza	Complex	Completed	–	–	144,541
天津津南吾悅廣場 Tianjin Jinnan Wuyue Plaza	Complex	Under development	42,706	–	297,561
台州黃岩吾悅廣場 Taizhou Huangyan Wuyue Plaza	Complex	Completed	–	–	242,253
襄陽吾悅廣場 Xiangyang Wuyue Plaza	Complex	Under development	596,076	93,948	–
揚州邗江吾悅廣場 Yangzhou Hanjiang Wuyue Plaza	Complex	Completed	–	–	185,368
蚌埠吾悅廣場 Bengbu Wuyue Plaza	Complex	Under development	257,274	–	–
包頭昆區吾悅廣場 Baotou Kunqu Wuyue Plaza.	Complex	Under development	581,033	–	–
包頭東河吾悅廣場 Baotou Donghe Wuyue Plaza	Complex	Under development	534,861	–	–
揚州寶應吾悅廣場 Yangzhou Baoying Wuyue Plaza	Complex	Under development	446,675	–	98,627
長沙雨花吾悅廣場 Changsha Yuhua Wuyue Plaza	Complex	Under development	217,863	–	125,240
阜陽潁州吾悅廣場 Fuyang Yingzhou Wuyue Plaza.	Complex	Under development	585,430	–	–
揚州高郵吾悅廣場 Yangzhou Gaoyou Wuyue Plaza	Complex	Under development	450,457	242,424	135,445
湖州吳興吾悅廣場 Huzhou Wuxing Wuyue Plaza	Complex	Under development	326,873	200,481	–
荊州沙市吾悅廣場 Jingzhou Shashi Wuyue Plaza	Complex	Under development	569,594	–	–
南京雨花吾悅廣場 Nanjing Yuhua Wuyue Plaza	Complex	Under development	260,796	–	–
肇慶四會吾悅廣場 Zhaoqing Sihui Wuyue Plaza	Complex	Under development	359,797	238,457	–

Projects	Property Type	Property Status	GFA Under Development (sq.m.)	GFA Under Planning (sq.m.)	GFA Available for Sale, Lease or Use by the Group (sq.m.)
宿州吾悦廣場 Suzhou Wuyue Plaza	Complex	Under development	244,133	121,988	–
唐山吾悦廣場 Tangshan Wuyue Plaza	Complex	Under development	446,649	–	–
西寧城東吾悦廣場 Xining Chengdong Wuyue Plaza	Complex	Under development	351,092	–	–
徐州賈汪吾悦廣場 Xuzhou Jiawang Wuyue Plaza	Complex	Under development	559,586	–	–
鹽城鹽都吾悦廣場 Yancheng Yandu Wuyue Plaza	Complex	Under development	232,879	–	155,724
昭通吾悦廣場 Zhaotong Wuyue Plaza	Complex	Under development	816,202	–	–
天津濱海吾悦廣場 Tianjin Binhai Wuyue Plaza	Complex	Under development	352,396	138,210	–
寶雞高新吾悦廣場 Baoji Hi-Tech Wuyue Plaza	Complex	Under development	456,717	–	142,342
重慶渝北吾悦廣場 Chongqing Yubei Wuyue Plaza	Complex	Under development	442,646	–	–
長沙寧鄉吾悦廣場 Changsha Ningxiang Wuyue Plaza . . .	Complex	Under development	67,938	538,717	–
長沙松雅湖吾悦廣場 Changsha Songya Lake Wuyue Plaza	Complex	Completed	–	–	150,451
寧波慈溪吾悦廣場 Ningbo Cixi Wuyue Plaza	Complex	Under development	238,168	–	153,544
寧波慈溪項目 Ningbo Cixi Project	Residential	Under development	158,761	–	–
常州天寧吾悦廣場 Changzhou Tianning Wuyue Plaza . . .	Complex	Under development	267,377	–	122,865
滁州南谿吾悦廣場 Chuzhou Nanqiao Wuyue Plaza	Complex	Under development	238,500	379,165	–
滁州天長吾悦廣場 Chuzhou Tianchang Wuyue Plaza	Complex	Under development	613,252	–	–
大同雲岡吾悦廣場 Datong Yungang Wuyue Plaza	Complex	Under development	11,295	836,483	–
德陽吾悦廣場 Deyang Wuyue Plaza	Complex	Under development	525,366	–	–
西安灃西吾悦廣場 Xi'an Fengxi Wuyue Plaza	Complex	Under development	331,913	213,155	–
淮安吾悦廣場 Huai'an Wuyue Plaza	Complex	Under development	440,132	–	142,916
淮安漣水吾悦廣場 Huai'an Lianshui Wuyue Plaza	Complex	Under development	162,956	513,284	–
滄州吾悦廣場 Cangzhou Wuyue Plaza	Complex	Under development	180,558	308,825	–
漢中吾悦廣場 Hanzhong Wuyue Plaza	Complex	Under development	455,102	–	104,211
嘉興海鹽吾悦廣場 Jiaxing Haiyan Wuyue Plaza	Complex	Under development	445,058	–	–
昆明安寧吾悦廣場 Kunming Anning Wuyue Plaza	Complex	Under development	333,673	613,565	–
昆明晉寧吾悦廣場 Kunming Jinning Wuyue Plaza	Complex	Under development	211,953	538,339	–

Projects	Property Type	Property Status	GFA Under Development (sq.m.)	GFA Under Planning (sq.m.)	GFA Available for Sale, Lease or Use by the Group (sq.m.)
六安吾悦廣場 Lu'an Wuyue Plaza	Complex	Under development	668,519	—	—
連雲港贛榆吾悦廣場 Lianyungang Ganyu Wuyue Plaza . . .	Complex	Under development	443,262	—	169,239
天津寧河吾悦廣場 Tianjin Ninghe Wuyue Plaza	Complex	Under development	168,546	—	—
南昌新建吾悦廣場 Nanchang New District Wuyue Plaza	Complex	Completed	—	—	149,489
內江吾悦廣場 Neijiang Wuyue Plaza	Complex	Under development	114,902	436,405	—
南京建邺吾悦廣場 Nanjing Jianye Wuyue Plaza	Complex	Under development	363,249	—	—
嘉興平湖吾悦廣場 Jiaxing Pinghu Wuyue Plaza	Complex	Completed	—	—	192,963
欽州欽南吾悦廣場 Qinzhou Qinnan Wuyue Plaza	Complex	Under development	395,359	—	93,568
上饒吾悦廣場 Shangrao Wuyue Plaza	Complex	Under development	2,000	—	308,572
瀋陽沈北吾悦廣場 Shenyang Shenbei Wuyue Plaza	Complex	Under development	882,995	202,880	—
隨州吾悦廣場 Suizhou Wuyue Plaza	Complex	Under development	305,186	386,251	—
泰安泰山吾悦廣場 Taian Taishan Wuyue Plaza	Complex	Under development	325,356	—	—
濟寧吾悦廣場 Jining Wuyue Plaza	Complex	Under development	471,050	125,483	—
銅陵吾悦廣場 Tongling Wuyue Plaza	Complex	Under development	250,846	306,110	—
泰州泰興吾悦廣場 Taizhou Taixing Wuyue Plaza	Complex	Completed	—	—	204,298
泰州興化吾悦廣場 Taizhou Xinghua Wuyue Plaza	Complex	Under development	699,513	—	—
太原吾悦廣場 Taiyuan Wuyue Plaza	Complex	Under development	951,314	—	—
台州玉環吾悦廣場 Taizhou Yuhuan Wuyue Plaza	Complex	Under development	224,938	—	159,571
貴陽清鎮吾悦廣場 Guiyang Qingzhen Wuyue Plaza	Complex	Under development	541,709	—	—
溫州龍灣吾悦廣場 Wenzhou Longwan Wuyue Plaza	Complex	Under development	239,560	—	—
溫州龍灣項目 Wenzhou Longwan Project	Residential	Under development	640,433	—	—
西安灃東吾悦廣場 Xi'an Fengdong Wuyue Plaza	Complex	Under development	4,787	—	202,073
台州仙居吾悦廣場 Taizhou Xianju Wuyue Plaza	Complex	Under development	350,707	—	136,576
鹽城大豐吾悦廣場 Yancheng Dafeng Wuyue Plaza	Complex	Under development	406,980	426,705	—
鹽城東台吾悦廣場 Yancheng Dongtai Wuyue Plaza	Complex	Under development	434,959	259,037	—
鹽城射陽吾悦廣場 Yancheng Sheyang Wuyue Plaza	Complex	Under development	379,487	265,786	—
銀川吾悦廣場 Yinchuan Wuyue Plaza	Complex	Under development	56,073	556,755	—

Projects	Property Type	Property Status	GFA Under Development (sq.m.)	GFA Under Planning (sq.m.)	GFA Available for Sale, Lease or Use by the Group (sq.m.)
鎮江揚中吾悅廣場 Zhenjiang Yangzhong Wuyue Plaza . .	Complex	Under development	294,301	371,617	–
遵義吾悅廣場 Zunyi Wuyue Plaza	Complex	Under development	609,764	–	–
鄭州榮陽吾悅廣場 Zhengzhou Xingyang Wuyue Plaza . .	Complex	Under development	3,959	273,260	–
合肥吾悅廣場 Hefei Wuyue Plaza	Complex	Under development	317,293	–	175,456
北海吾悅廣場 Beihai Wuyue Plaza	Complex	Under development	531,897	–	–
貴港吾悅廣場 Guigang Wuyue Plaza	Complex	Under development	642,966	–	–
成都龍泉驛吾悅廣場 Chengdu Longquanyi Wuyue Plaza . .	Complex	Completed	–	–	203,717
寧波鎮海吾悅廣場 Ningbo Zhenhai Wuyue Plaza	Complex	Completed	–	–	198,853
紹興嵊州吾悅廣場 Shaoxing Shengzhou Wuyue Plaza . .	Complex	Under development	154,412	–	249,751
金華義烏吾悅廣場 Jinhua Yiwu Wuyue Plaza	Complex	Completed	–	–	174,850
長春吾悅廣場 Changchun Wuyue Plaza	Complex	Under development	546,615	–	1,632
桂林臨桂吾悅廣場 Guilin Lingui Wuyue Plaza	Complex	Under development	568,952	60,877	141,952
淮南吾悅廣場 Huainan Wuyue Plaza	Complex	Under development	243,090	–	150,536
鎮江句容吾悅廣場 Zhenjiang Jurong Wuyue Plaza	Complex	Completed	–	–	169,542
常州溧陽吾悅廣場 Changzhou Liyang Wuyue Plaza	Complex	Under development	503,637	–	173,410
南寧興寧吾悅廣場 Nanning Xingning Wuyue Plaza	Complex	Completed	–	–	151,660
南通啟東吾悅廣場 Nantong Qidong Wuyue Plaza	Complex	Completed	–	–	137,890
延安吾悅廣場 Yan'an Wuyue Plaza	Complex	Under development	372,284	–	118,951
淮北吾悅廣場 Huaibei Wuyue Plaza	Complex	Under development	691,900	–	–
昆明呈貢吾悅廣場 Kunming Chenggong Wuyue Plaza . .	Complex	Under development	862,668	–	–
連雲港海州吾悅廣場 Lianyungang Haizhou Wuyue Plaza . .	Complex	Under development	574,913	–	115,365
湖州南潯吾悅廣場 Huzhou Nanxun Wuyue Plaza	Complex	Proposed for development	–	670,739	–
徐州新沂吾悅廣場 Xuzhou Xinyi Wuyue Plaza	Complex	Proposed for development	–	855,726	–
Other completed projects			–	–	2,524,477
Total			84,977,821	24,623,961	13,984,853
Attributable to the Group			41,534,101	13,937,021	7,612,714

Contracted sales

Set forth below is a summary of our total contracted sales for the year ended December 31, 2019:

City/Region	Contracted GFA sold (sq.m.)	Contracted sales (RMB million)
Yangtze River Delta Area		
Changzhou	1,270,610	19,740
Suzhou	911,348	13,580
Shanghai	216,360	11,753
Nantong	674,411	9,117
Shaoxing	626,100	8,676
Wenzhou	350,007	7,479
Yancheng	667,692	6,282
Nanjing	213,085	6,156
Jiaxing	368,162	5,511
Hefei	354,836	5,041
Suqian	579,220	4,568
Huai'an	556,467	4,403
Hangzhou	183,476	4,229
Lianyungang	399,562	3,685
Taizhou	250,756	3,510
Ningbo	239,422	3,242
Huzhou	224,853	3,121
Taizhou	292,644	3,032
Wuxi	246,633	3,021
Jinhua	275,882	2,890
Xuzhou	306,719	2,609
Zhenjiang	245,803	2,447
Fuyang	243,660	2,379
Chuzhou	221,216	2,109
Yangzhou	227,508	2,078
Lu'an	165,505	1,366
Huaibei	197,843	1,226
Huzhou	67,612	1,082
Bengbu	145,596	1,063
Suzhou	108,145	1,056
Ma'anshan	66,810	597
Bozhou	39,571	289
Huainan	35,645	249
Tongling	21,816	124
Zhoushan	4,662	68

City/Region	Contracted GFA sold (sq.m.)	Contracted sales (RMB million)
Central and Western China Area		
Changsha	663,195	6,902
Kunming	664,317	6,549
Chengdu	680,065	6,059
Chongqing	616,914	5,936
Wuhan	335,788	4,018
Nanning	198,119	2,208
Zhaotong	248,760	2,204
Jingzhou	227,042	2,129
Xi'an	156,727	1,714
Xiangyang	181,245	1,655
Zhengzhou	183,429	1,511
Xining	148,512	1,460
Hanzhong	186,011	1,439
Guiyang	139,090	1,325
Zunyi	171,452	1,142
Xiaogan	162,826	1,098
Qinzhou	170,487	1,082
Guilin	145,968	1,023
Baoji	144,185	1,020
Shangrao	161,047	1,010
Xuchang	152,236	1,009
Huangshi	140,808	1,007
Taiyuan	77,905	974
Guigang	98,041	969
Yan'an	129,059	938
Suizhou	114,440	907
Nanchang	53,774	875
Beihai	70,420	763
Deyang	106,595	736
Huanggang	110,690	725
Meishan	103,493	715
Xiangtan	88,675	457
Zhuzhou	47,471	339
Ezhou	36,424	331
Yinchuan	37,631	313
Leshan	55,007	273
Jiujiang	27,107	228
Neijiang	16,716	189
Ya'an	24,193	159
Datong	2,276	36

City/Region	Contracted GFA sold (sq.m.)	Contracted sales (RMB million)
Bohai Rim Area		
Tianjin	774,277	10,586
Beijing	132,015	6,645
Tangshan	403,845	5,248
Jinan	370,311	4,177
Qingdao	273,690	3,626
Shenyang	243,551	2,123
Baotou	266,642	2,117
Cangzhou	190,831	1,968
Tai'an	160,123	1,870
Changchun	113,033	1,150
Jining	94,121	1,095
Liaocheng	143,054	932
Langfang	60,561	886
Dezhou	84,148	708
Zibo	80,766	682
Rizhao	62,829	504
Weifang	86,453	436
Yantai	13,651	259
Linyi	37,682	251
Weihai	27,321	240
Greater Bay Area		
Huizhou	279,955	2,236
Foshan	162,993	2,214
Zhaoqing	277,931	2,134
Jiangmen	90,378	575
Dongguan	25,324	551
Shanwei	72,846	462
Zhongshan	60,289	383
Carparks	1,653,645	5,539
Total	24,320,048	270,801

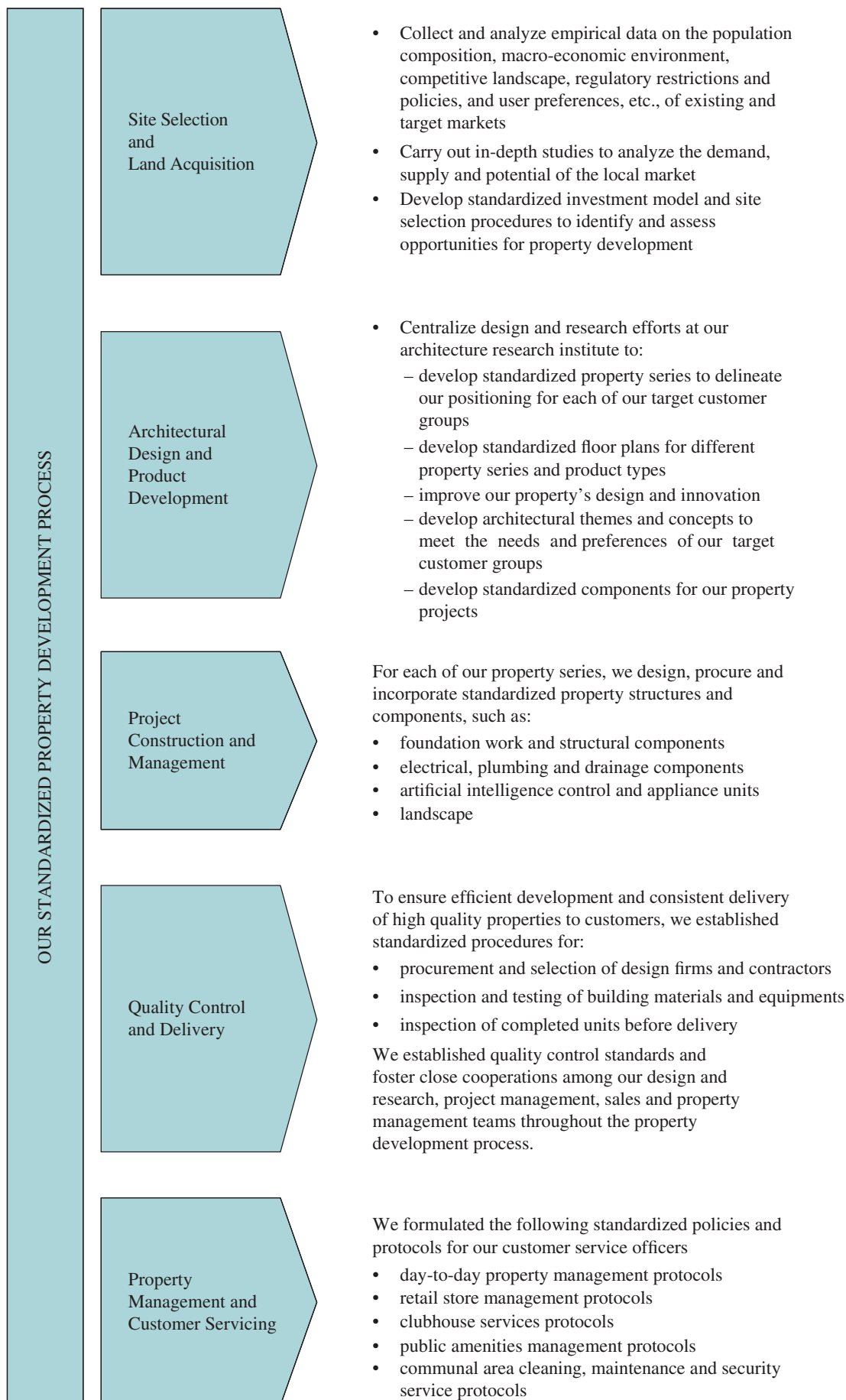
* Including joint ventures and associates' projects

The real estate market experienced a tremendous growth in recent years. The average selling price of the properties delivered increased from RMB10,107 per sq.m. in 2017 to RMB11,414 per sq.m. in 2018 and further to RMB11,677 per sq.m. in 2019.

Property Development Management

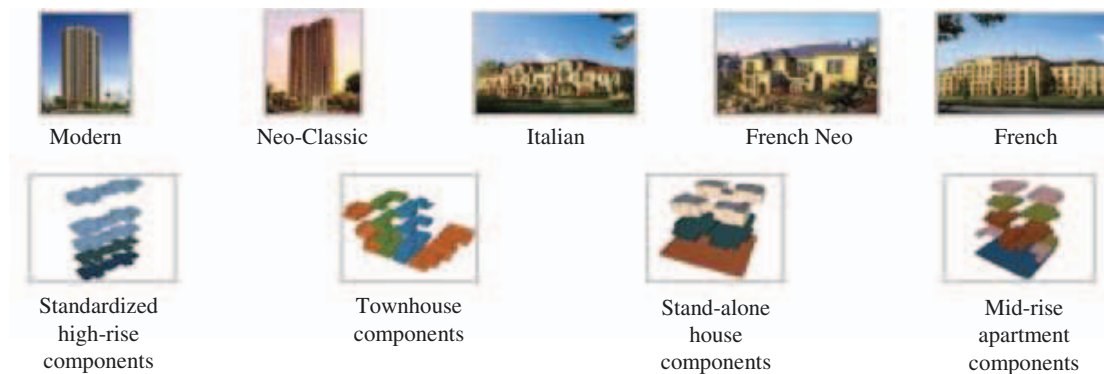
“Rapid asset turnover” Model and Standardized Development Process

We adopted a “rapid asset turnover” model in managing our property development projects, with the objective of shortening the period between site acquisition and pre-sale of our properties. As an integral part of our rapid asset turnover model, we have implemented a standardized development process, through which we develop our property using standardized procedures, components and units.



The use of standardized designs and modular components helps us efficiently develop a wide range of products (including high-rise apartments, mid-rise apartments, townhouses and luxury stand-alone houses) to meet the needs and preferences of our target customers. We have developed the following standardized designs and modular components for our properties:

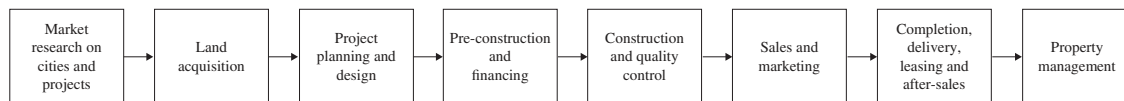
Product Designs and Components



Our research and implementation of a standardized property development process has enhanced our execution capability as we are better able to closely monitor our property development processes and rapidly replicate our property projects.

Property Development Process

The following diagram outlines the key work flows of our property development process.



Market research

The sales and marketing department at our headquarters is responsible for market research, identifying target cities and potential projects. We assess and evaluate the potential of target cities, and potential development sites and position the products to be developed accordingly.

The primary criteria in our project site evaluation include the following:

- location, size, dimensions;
- local population, purchasing power, target customer demand and expected growth of the area/district in which the land is located;
- transportation access and infrastructure support;
- estimated development costs and time, including demolition and resettlement costs and schedule;
- expected financial return;
- development prospects, taking into account social, economic and environmental factors;

- local competitive environment;
- applicable zoning regulations and preferential government policies;
- government development plans for the relevant site and the neighboring area; and
- product positioning.

If we decide to proceed with a particular development, we will prepare an in-depth feasibility study which includes project design, product positioning, financial projection, and return analysis. The feasibility study report will be submitted to our Investment Committee, consisting of senior management members, which will consider and assess the costs, return, capital requirements and resource requirements of the proposed project against the availability of our resources and its compatibility with our strategic direction.

We regularly monitor announcements made by respective local governments in relation to public tenders, auctions or listing-for-sale of land parcels, and maintain good relationships with real estate agents and brokers to obtain information on suitable projects in the secondary market.

Land acquisition

There are two common ways by which we may acquire land for property development in the PRC: (i) bidding in public tenders, auctions or listings-for-sale for land use rights in accordance with the Provisions on the Assignment of State-owned Construction Land Use Right through Bid Invitation, Auction and Quotation (招標拍賣掛牌出讓國有建設用地使用權規定) (國土資源部令第39號), promulgated on September 21, 2007 and effective since November 1, 2007; or (ii) acquire land use rights in the secondary market through the purchase of projects which have not been completed or acquire project companies directly from other developers.

In recent years, we have obtained a substantial majority of our land use rights through listing-for-sale in accordance with the Provisions on Bidding, Auction and Sale of Land Use Rights. The Provisions on Bidding, Auction and Sale of Land Use Rights require all land planned for commercial development (such as retail, residential, and commercial property) to be transferred in one of the following ways: public tenders, auctions or listings-for-sale on the land exchanges. In the case of public tender, the relevant authorities will assess either solely on tender prices or, alternatively, by reference to a matrix of parameters, including tender prices, credit record of the bidders and quality of the development proposals, in determining to whom to grant such rights. On the other hand, where land use rights are granted through auction or listing-for-sale, the highest bidder normally wins.

We have, in the past, voluntarily returned land use rights granted to us through listing-for-sale to ensure we have sufficient working capital. For example, we entered into a rescission agreement with the Jiangning office of the Nanjing Municipal Bureau of State Land and Resources (“**Jiangning Land Bureau**”) in 2008 to rescind a land grant contract. Pursuant to the rescission contract, we returned to the Jiangning Land Bureau the land use rights of certain land parcels (the “**Jiangning Land Parcels**”) located in Jiangning with an aggregate GFA of 133,827 sq.m..

The land use rights of the Jiangning Land Parcels were granted to us as a result of our successful bid at the public tender held by the Jiangning local government in December 2007. We paid a total of RMB129.8 million in 2007 as deposit for the Jiangning Land Parcels, of which RMB94.4 million has been returned to us.

Project planning and design

We have strong in-house design capabilities and maintain a dedicated in-house design team who is responsible for the overall planning and design of our projects.

Once the conceptual design of a property development project is established, we contract out the detailed project design work to reputable architectural, interior and landscape design firms, which we select through a tender process. Various of our departments work closely with these selected architectural and interior design firms to transform the conceptual design into a detailed development proposal (the “**Project Design Proposal**”) for approval by the relevant PRC government authorities.

Pre-construction

Before construction is commenced on a project, we must obtain the development rights to the relevant parcel(s) of land and the necessary permits and certificates, including a land use rights certificate, construction land planning permit, construction work planning permit and construction work commencement permit.

In recent years, we have not experienced significant delays in obtaining the foregoing certificates and permits.

Compliance with idle land related regulations

Under PRC laws, we may be subject to administrative actions or penalties if we fail to develop a property project according to the terms of the land grant contract. To ensure compliance with these idle land related regulations, we have adopted internal control procedures pursuant to which our project companies are required to closely monitor the progress of development projects, including obtaining the permits and certificates for each project.

Each of our project companies must report to our Board if we fail to complete any Project Design Proposal or obtain any of the necessary permits and certificates for a project at least three months before the expected commencement of construction specified in the project’s land grant contract. Our Board would then consider deferring the construction commencement date of the project and approving a deferred construction schedule as appropriate. After obtaining approval from the Board, the project company would then apply to the relevant local governmental authority to delay construction and execute a supplemental land grant contract to amend the land commencement and completion dates as necessary.

If the failure to obtain any necessary permits or certificates of a project is attributed to the local government’s failure to complete the demolition of existing buildings, resettlement of existing residents or construction of basic infrastructure as required under the land grant contracts, such incidents are expected to also be reported to the Board for assessment. After obtaining approval from the Board, our strategic investments department and our legal and compliance department are expected to jointly negotiate with the relevant governmental authorities for remedial actions, including but not limited to amending or rescinding the land grant contracts (as appropriate) or entering into new land grant contracts for the acquisition of other equivalent land parcels.

We have not received any notices from any PRC authorities identifying any idle land held by us, nor have we been charged any idle land fees.

Project financing

We financed our projects primarily through cash flows from operating activities, including proceeds from pre-sales and sales of our properties and borrowings from banks.

We use the pre-sale and sale proceeds of our properties to fund the remaining construction of the same project and to settle bank loans. According to PRC law, we may pre-sell properties under construction after certain criteria are met and proceeds from pre-sales must be used for the construction of properties in the same project. Our policy is to finance our property developments with internal resources to the extent practicable so as to reduce the level of external funding required.

To the extent necessary and subject to the guidelines issued by CBRC, we finance our projects partially through borrowings from banks. The terms of our bank borrowings generally restrict the application of the borrowing proceeds to specific projects or project phases. As of December 31, 2019, our outstanding current and non-current borrowings from banks amounted to RMB31,199.2 million (US\$4,481.5 million). Our bank loans are primarily provided by major commercial banks in the PRC.

Our ability to finance our projects also depends on the economic conditions and regulatory measures introduced by the central and local governments. In particular, any decisions to raise the reserve ratio by the PBOC will limit the amount available to commercial banks for lending and our ability to obtain financing from commercial banks.

We have not defaulted on any material provisions (including any cross-default provisions) of any of our bank loans.

Construction and our contractors

Tendering process

We outsource the construction work for our property developments including, among other things, foundation digging, general construction, equipment installation, interior decoration and engineering work to qualified independent contractors, which are selected through a tender process in accordance with relevant laws and regulations. The tender process is managed by our tender committee, which comprise our construction and quality management department, our supply and procurement department and our finance and audit department. As part of the tender process, our tender committee conducts the following due diligence:

- retrieves information from our contract management system and raise queries internally based on our prior experience with a particular bidder;
- conducts interviews with bidders and request confirmations and undertakings with respect to their cash flows, experience and credentials; and
- conducts independent research and investigation to verify the credentials and track record of the bidders.

Our tender committee screens bidders that do not meet our requirements. A winning bidder will be selected based on a pre-determined formula that takes into account both the quality of workmanship and price quoted by the bidder. The selected bidder will be required to enter into a construction contract with us. Based on our records, our PRC legal advisers are of the opinion that we are not in violation with any applicable PRC tender laws and regulations.

Major contractors and design firms

We have access to a wide range of construction contractors and engineering/architectural design firms, and have longstanding relationship with more than 70 construction contractors and 20 design firms. Three of such construction contractors were among our top five materials suppliers and contractors in recent years. All of our major contractors or design firms are sizable and properly qualified in respect of the construction and design work contracted to them. Some of such contractors have worked with us for more than 10 years.

Key terms of agreements

Our contractors must perform their work in accordance with the quality standards and construction schedule set forth in their construction contracts. Under our standard construction contract, contractors are required to pay fines for delays and bear the costs of rectifying any construction defects. We pay contractors in stages in accordance with the terms and conditions as stipulated in the contractor's construction contract. The stage payments varies from case to case. Upon completion of the project, the contractors will have received approximately 75% to 80% of the total payment. At closing and settlement, we will settle 90% to 95% of the total payment, and retain the remaining 5% to 10% as retention money for a period of 6 to 12 months.

Procurement

Our supply and procurement department coordinates the procurement of building materials and is in charge of price negotiations. Our supply and procurement department purchases major construction materials used in our projects, including standardized components of our properties in bulk. All our construction materials are held and used in connection with the construction of our projects. For major construction materials, we select suppliers through a tender process. In addition, we maintain strict quality control procedures for selecting, inspecting and testing materials. Our project management teams inspect all equipment and materials to ensure compliance with the contractual specifications before accepting the materials on site and approving payment. We reject and return to the suppliers any substandard materials or materials that do not comply with our specifications.

Project management

We have a “rapid asset turnover” model for developing property projects. We aim at commencing pre-sale of our properties within a relatively short period following site acquisition in order to reduce our development cycle, maximize investment returns, improve cash flows and mitigate the liquidity risks. To implement this strategy, the project management team of each of our project companies, comprising both project managers and in-house qualified engineers, conducts daily on-site supervision of our projects to monitor the progress of construction and quality of construction workmanship.

Quality control and construction supervision

We emphasize quality control to ensure that our properties comply with relevant regulations and are of high quality. Our quality control policies can be categorized into the following aspects:

- selection of design firms and contractors;
- selection, inspection and testing of building materials and equipment;
- establishment of quality control standards; and
- on-site inspection of construction processes by our local project management team and our construction and quality management team.

We have implemented standardized technical guidelines to ensure the construction of all our projects complies with relevant laws, regulations, and standards promulgated by the relevant PRC governmental authorities and other industry associations. These guidelines form part of the construction contracts we enter into with the construction companies and form a comprehensive reference for our project management and construction and quality management teams in monitoring the construction of our projects.

We closely monitor the entire construction process. In addition to monitoring by our local project management team, our construction and quality management team, comprising qualified engineers and qualified construction technicians, conducts regular inspections of all our construction sites. We also engage independent quality supervisory companies to conduct on-site quality and safety control checks on all workmanship before accepting the completion of major construction phases.

Our sales and property management department, together with the engineers from our construction and quality management team, inspect every unit of our completed property developments to ensure they are in satisfactory condition prior to delivery of such properties to our customers.

Our strict quality control measures are designed to ensure our contractors comply with the relevant rules and regulations including environmental, labor, social and safety regulations. In recent years, we have not been involved in any dispute with our contractors that has had a material and adverse effect on our business nor have there been any serious personal injuries or death involving our contractors.

Contract management system

We established a contract management system to record, among other things, the payment schedule of each construction or procurement contract we entered into and feedback given by our construction and quality management team or any of our project companies in respect of each of the construction contractors and suppliers we engaged. The contract management system helps us manage our payments and cash flows and evaluate suppliers and service providers for future projects.

Sales and marketing

Marketing

We have a dedicated in-house sales and marketing department responsible for the advertising and sales of our products. We also retain external agents including advertising companies and real estate sales agencies to help implement our sales and marketing plans and strategies. Our sales and marketing department is involved throughout the property development process and in the positioning and pricing of our property developments.

Prior to land acquisition and construction of our projects: our sales and marketing department works closely with our strategic development department to collect relevant market data and conduct the feasibility study of each proposed land acquisition. It also participates in developing the optimal positioning and the conceptual design of all of our projects post land acquisition. This helps ensure that the designs of our projects are in line with the preferences of our target customer bases.

During the construction process: our sales and marketing department regularly conducts on-site inspections to ensure the landscaping, floor plans and interior decoration accurately reflect the sales and marketing materials we presented to customers and potential customers.

Prior to launching property pre-sale: our sales and marketing department formulates strategies and plans for marketing our properties, prepares promotional materials, conducts promotional campaigns, recommends unit prices and pricing related policies for our projects and coordinates and monitors our relationship with the media. In addition to our sales and marketing department's recommendation, the selling prices of all of our projects are determined, approved and controlled in accordance with established internal control procedures. For further information, please refer to the paragraph headed "– Marketing expenses and pricing control" in this section.

Throughout and subsequent to the pre-sale period: our sales and marketing department provides comprehensive assistance to our customers and collects feedback from customers and potential customers to modify our marketing plans as appropriate.

Promotional initiatives: our sales and marketing department, together with local project companies and sales team, conducts detailed analyzes of market conditions to keep abreast of market developments and changes in macro and social economic conditions. We monitor the marketing and pricing campaigns launched by our competitors, the changes in transaction volumes and contracted ASP, and introduce appropriate sales promotional initiatives to maintain the competitiveness of our projects.

We have in limited circumstances pre-sold less desirable units in a particular project phase below its development costs. Impairment testing is conducted at each financial reporting date to determine whether the carrying value of each project or project phase is below the recoverable amount.

Marketing expenses and pricing control

We have formulated comprehensive and centralized marketing expenses and pricing control policies to strategically determine, flexibly adjust and strictly control marketing expenses and selling prices for all of our projects.

Prior to the commencement of development, our strategic investments department determines and approves the marketing budget for each of our projects and the target ASP for each property type under a project. Such budgets and target ASP are determined based on the recommendation by our sales and marketing department and our finance department, which takes into account a wide range of factors, including but not limited to prevailing market conditions and estimated development costs.

In light of the volatility in the PRC property market, our project companies closely study the changing market conditions and the promotional campaigns launched by our competitors during the property development and pre-sale stages of our projects. Where necessary, a project company may request additional promotional initiatives to be launched or the selling prices of selected units of a project or project phase be reduced or discounted for promotional purposes. Similarly, a project company may also request to revise selling prices upwards in response to thriving market conditions or positive market reception of a particular project. Any unbudgeted marketing expenses and any deviation of the target ASP of our properties must be approved by a committee that comprises senior management members from the relevant regional management team, the sales and marketing department, the finance department and the strategic investment department. Approval for higher budgets or price deviations will only be granted if the committee is satisfied that the relevant initiative is suitable and necessary in view of prevailing market conditions and does not materially affect the overall profitability of the project or the project phase or the financial condition of the our operations as a whole.

Pre-sales

We generally commence pre-sales of our properties prior to completion of construction. We normally launch pre-sales after a fully-furnished replica of each major floor plan in a development project is completed and a majority of the landscaping and ancillary facilities are completed. We generally use pre-sale proceeds to finance the remaining construction of the project.

Various PRC laws and regulations governing pre-sale of properties impose conditions to be fulfilled before the pre-sale of a particular property can commence. These conditions include obtaining the relevant land use rights certificate, construction land planning permit, construction work planning permit, construction work commencement permit and commodity housing pre-sale permit. In the past, we have not experienced any significant delays in obtaining the foregoing certificates and permits. Property developers are also required to use standard pre-sale contracts prescribed by the local authorities.

Completion, delivery, leasing and after-sales services

Customers payment arrangements

Our customers may purchase our properties with cash or by mortgage financing. Customer who choose cash payments must fully settle the purchase price shortly after the execution of sales contract. Customers who choose to use mortgage financing must pay a down payment upon signing the sales contract. The remainder of the purchase price will normally be paid by the mortgagee bank within two to three months, depending on approval process of the relevant mortgagee bank.

In line with market practice, we have arrangements with various banks to provide mortgage financing to our customers. We do not conduct independent credit checks on the purchasers but rely on the credit checks conducted by the relevant banks. As with other property developers in the PRC, we are usually required by the banks to guarantee the obligations to repay the mortgage loans on the property. The guarantee periods normally last until the release or satisfaction of the mortgage loan after the relevant property ownership certificate (房屋所有權證) is delivered. If a purchaser defaults under a mortgage loan, we are obligated to repay all debt owed by the purchaser to the mortgagee bank under the loan. The mortgagee bank will assign their rights under the loan and the mortgage to us and, after registration of change of mortgagee, we will have full recourse to the property. We have suffered immaterial losses as a result of defaults by purchasers in the past. When purchasers default on mortgage payments, our general policy is to keep the down payment unless we manage to resell the property at a price sufficient to cover the original sales price and our enforcement costs.

Delivery of properties for sale

We aim to deliver properties to our customers within the time frame prescribed in the sale and purchase contracts (including the pre-sale contracts). Under PRC law, we are required to obtain a “Record of Acceptance Examination Upon Project Completion” (竣工驗收備案證明) before delivering properties to our customers. We have not experienced any significant delays in the completion of our projects or delivery of relevant title documents after sale.

We also aim to deliver quality properties and satisfactory purchasing experiences to our customers. Prior to delivery of properties to our customers, our construction and quality management department conducts on-site inspections to ensure such properties are in satisfactory condition. Our sales team then arranges for our customers to inspect their purchased property prior to the expected delivery date to ensure the properties meet our prescribed standards as well as our customers’ expectations. Our customer service officers also assist customers in applying for property ownership certificate (房屋所有權證).

After-sales services

Our sales and marketing department is responsible for our after-sales customer services and the formulation of customer service processes and standards. Our dedicated customer service officers provide comprehensive after-sales services, which include assisting customers in obtaining property title certificates and handling customer complaints. In addition, our customer service officers are responsible for collecting and analyzing customer data to identify the latest trends in customer preferences and conducting customer satisfaction surveys to help improve our projects’ market positioning, design, marketing strategies and quality of service.

Property management

We place great emphasis on property management as we believe it enhances the value of our properties and improves our brand and reputation. Our property management teams normally get involved in the early stage of property development and participate throughout the overall design planning stage to minimize future maintenance costs. We charge our customers management fees on a monthly or quarterly basis.

We provide property management services to owners of all properties developed by us through two subsidiaries that hold valid level one property management permits.

We typically enter into property management contracts with property owners which specify the services to be offered, service standards and fees. In accordance with PRC laws, we cannot assign overall management obligations to a third party but we can outsource certain responsibilities (such as cleaning and security services). According to relevant laws and regulations, the rate standards set out in the property management contracts cannot be raised without the approval of the majority of property owners.

Under PRC law, property owners have the right to engage or dismiss a property management company with the consent of more than half of the owners who hold more than 50% of the interest in the non-communal areas of the building in aggregate. As of this offering memorandum, none of our property management companies has ever been dismissed from any property management engagements.

Investment Properties and Commercial Leasing

We retain a portion of the properties we developed for rental use investment. We decide whether our commercial properties will be sold or retained, for investment purposes in the early stage of each project based on various factors such as location, land use plans, regional market conditions and supporting commercial facilities. As of the date of this offering memorandum, we have 63 completed investment properties.

Development of Hotels

As the date of this offering memorandum, the Hilton Changzhou which was developed by us as a part of our Future Land Emporium (新城帝景) has been in operation.

Commercial Property Leasing and Management

We established a commercial property and leasing department to develop and expand our commercial property development, leasing and management business. With the aim to enhance our brand image as a commercial property developer and operator, our commercial property and leasing department formulates strategic plans, undertakes project management and supervision, carries out in-depth feasibility studies, devises business and marketing plans, and provides operation management services to our commercial property development and operations. To increase recurring income through a diversified portfolio of commercial properties and carparks, we intend to select tenants based on factors such as the positioning of the project, market demand in surrounding areas, level of market rent and needs of the tenants. We intend to attract large-scale anchor tenants such as well-known brands, chain cinema operators, major game centers and top catering operators and enter into long-term lease with them. We believe that our investment strategy will generate steady recurring income and significantly enhance the sales and appreciation of our investment properties.

Corporate Governance and Legal Compliance

Corporate governance and legal compliance management is carried out across our integrated organizational structure through the work of (1) our legal and compliance department that sets out and monitors our corporate governance and compliance standards and (2) all operation departments that implement such standards.

We have a team of in-house lawyers to carry out legal and compliance review of all aspects of our operations. Our legal and compliance department was formally established in September 2011 with the approval of the Jiangsu Judicial Department. Its formal establishment institutionalizes our legal and compliance management, promotes legal training and compliance awareness among our employees, enhances communication with the relevant government authorities and raises our corporate governance standards.

Properties for Own Use

On July 13, 2015, we entered into a commodity housing pre-sale contract with Shanghai Xinhaolong Property Development Co., Ltd., an independent third party, to acquire an office building located at Guoco Changfeng City No. 5, Lane 388, Zhongjiang Road, Shanghai at a consideration of RMB832,508,300. The GFA of the building is 33,300.33 sq.m. In addition, we occupy a number of premises through lease or licensing arrangements.

Suppliers and Customers

Our major suppliers are construction material suppliers and construction contractors, and the five largest suppliers accounted for approximately 21.6%, 13.7% and 13.4% of our total purchases for the years ended December 31, 2017, 2018 and 2019, respectively. Our single largest supplier for the years ended December 31, 2017, 2018 and 2019 accounted for approximately 10.1%, 5.5% and 4.7% of our purchases, respectively. Our five largest customers accounted for approximately 0.5%, 0.4% and 0.2% of our total revenue for the years ended December 31, 2017, 2018 and 2019, and our largest customer accounted for approximately 0.3%, 0.1% and 0.1%, respectively, of our total revenue during those periods.

Awards and Recognitions

Over the past years, we have received widespread recognition from authoritative industry associations. The table below sets out some of the awards we received in respect of our property development operations:

Date	Recipient/project	Award/recognition	Awarding body
<i>Corporate level awards</i>			
June 2019	Seazen Holdings	Ranked as one of China's top 100 commercial real estate enterprises in 2019	National Federation of Real Estate Chambers of Commerce (全國房地產商會聯盟) China Commercial Real Estate Top 100 Research Group (中國商業地產TOP100研究組)
May 2019	Seazen Holdings	Ranked as one of China's top five innovative listed real estate companies in 2019	China Real Estate Industry Federation (中國房地產協會) Shanghai E-House Real Estate Research Institute (上海易居房地產研究院)
March 2019	Seazen Holdings	Ranked 1st real estate listed company in PRC in terms of creativity	China Real Estate Industry Federation (中國房地產協會) Shanghai E-House Real Estate Research Institute (上海易居房地產研究院)
February 2019	Seazen Holdings	Ranked 3rd real estate A-share listed company	China Real Estate Industry Federation (中國房地產協會) China Real Estate Evaluation Center (中國房地產測評中心)
January 2019	Seazen Holdings	Ranked 2nd property developer in the PRC in terms of commercial property operation	China Real Estate Industry Federation (中國房地產協會) Shanghai E-House Real Estate Research Institute (上海易居房地產研究院)
January 2019	Seazen Holdings	Ranked 3rd of China's top 10 property developer in terms of operational efficiency	China Institute of Index Studies – China Top10 real estate research group (中國指數研究院 – 中國房地產TOP10研究組)

Date	Recipient/project	Award/recognition	Awarding body
January 2019	Seazen Holdings	Ranked as one of China's top 10 real estate enterprises in terms of poverty alleviation in 2018	Sina Leju Fine Life Research Institute (新浪樂居美好生活研究院)
May 2018	Seazen Holdings	Ranked as one of China's top 10 real estate A-share listed companies in 2018	China Real Estate Industry Federation (中國房地產業協會) China Real Estate Evaluation Center (中國房地產測評中心)
March 2018	Seazen Holdings	Ranked as one of China's top 20 real estate developers in 2018	China Real Estate Industry Federation (中國房地產業協會) China Real Estate Evaluation Center (中國房地產測評中心)
December 2017	Seazen Holdings	Ranked the 13th and the 11th property developer in the PRC in terms of contracted sales and contracted GFA	CRIC (克而瑞研究中心)
March 2017	Seazen Holdings	Ranked as one of China's top 20 real estate developers in 2017	China Real Estate Industry Federation (中國房地產業協會) China Real Estate Evaluation Center (中國房地產測評中心)

Competition

The property market in China is highly fragmented. Our existing and potential competitors include major domestic developers and, to a lesser extent, foreign developers primarily from Asia, including leading developers from Hong Kong. We compete with them in relation to a number of factors, including the acquisition of land, brand recognition, financial resources, price, product quality, service quality and other factors. Some of these competitors may have better track records, greater financial, human and other resources, larger sales networks and greater brand recognition.

In particular, the residential property and mixed-use complex markets in the Yangtze River Delta have been highly competitive in recent years. Property developers from the PRC and overseas have entered the property development markets in Changzhou, Nanjing, Suzhou, Kunshan, Wuxi, Shanghai and other cities in the Yangtze River Delta. The rapid development of major cities in Jiangsu Province and Shanghai in recent years has led to a diminishing supply of undeveloped land in desirable locations in the Yangtze River Delta. Moreover, the PRC government has implemented policies tightly controlling the amount of new land available for development. These factors have increased competition and land grant premiums in relation to land made available for development.

We believe that, with our rapid asset turnover model, diversified product portfolio and strategic focus on middle class customers, we have demonstrated resiliency to market changes and competition.

Intellectual Property

We conduct our business under various trademarks which we have registered in the PRC and Hong Kong. We are also the registered owner of the domain names “futureholdings.com.cn”, “xincheng.com.cn”, “injoyplaza.com.cn”, “xcde.com.cn” and “www.900950.com”.

We are not aware of any infringement (i) by us of any intellectual property rights owned by third parties, or (ii) by any third parties of any intellectual property rights owned by us.

Insurance

We maintain insurance policies for our properties and assets and carry employer’s liability insurance as required by the relevant local authorities, such as those for medical and related expenses that our employees may incur as a result of personal injuries at their workplaces or on the construction sites of our property developments. We also maintain insurance policies including property all-risk insurance and public liability insurance, with respect to our investment properties, including insurance coverage for damages arising from or in connection with the occurrence of an earthquake.

According to applicable PRC laws and regulations, property developers are not required to maintain insurance coverage in respect of their property development operations. As such, we generally do not maintain and do not require our construction contractors to maintain insurance coverage on our properties developed for sale other than for properties for which we are required to maintain insurance coverage under loan agreements. We do not maintain insurance policies for properties that have been delivered to our customers. Instead, the respective property management companies of each of our projects maintain all property risk insurance and public liability insurance for the common areas and amenities of these properties.

Under PRC laws, construction companies as employers are required to purchase insurance for their construction workers. As we engage third-party contractors to carry out construction for our projects, we currently do not maintain such insurance ourselves.

We believe that our insurance coverage is adequate and is in line with customary industry practices of property developers. However, there are risks for which we do not have sufficient or any insurance coverage for losses, damages and liabilities that may arise in our business operations.

Environmental Matters

Property developers in China are subject to a number of environmental laws and regulations. We expect our environmental compliance costs will remain similar to our historical costs. We have not been imposed any fines or penalties for non-compliance of PRC environmental laws and regulations. As of the date of this offering memorandum, we have not encountered any material issues in passing inspections conducted by the relevant environmental authorities upon completion of our properties.

Labor and Safety

Property developers in China are subject to various PRC laws and regulations with respect to labor, health, safety, insurance, and accidents issued by the relevant governmental authorities from time to time, for our operations in the PRC. We have not been charged any fines or penalties for non-compliance of PRC labor and safety laws and regulations.

Legal Proceedings

As a property developer in the PRC, we are subject to legal or arbitration proceedings, disputes or claims in the ordinary course of business from time to time. We are not, as of the date of this offering memorandum, involved in any litigation, arbitration or claim of material importance pending or threatened by us or against us that would have a material adverse effect on our results of operations or financial condition.

REGULATION

Overview

All land in the PRC is either state-owned or collectively-owned, depending on the location of the land. All land in urban areas of a city or town is state-owned, and all land in the rural areas and suburban areas and all farm land are, unless otherwise specified by law, collectively-owned. The State has the right to resume its ownership of land or the land use rights in accordance with law if required for the public interest (and compensation must be paid by the state).

Although all land in the PRC is owned by the State or by collectives, individuals and entities may obtain land use rights and hold such land use rights for development purposes. Individuals and entities may acquire land use rights in different ways, the two most important being land grants from local land authorities and land transfers from land users who have already obtained land use rights.

Land Grants

National and local legislation

In April 1988, the National People's Congress (the "NPC") passed an amendment to the Constitution of the PRC. The amendment, which allowed the transfer of land use rights for value, paved the way for reforms of the legal regime governing the use of land and transfer of land use rights. In December 1988, the Standing Committee of the NPC also amended the Land Administration Law of the PRC (《中華人民共和國土地管理法》)(主席令第12號)) to permit the transfer of land use rights for value.

In May 1990, the State Council (國務院) enacted the Provisional Regulations of the PRC Concerning the Grant and Assignment of the Right to Use State-owned Land in Urban Areas (《中華人民共和國城鎮國有土地使用權出讓和轉讓暫行條例》)(國務院令第55號). These regulations, generally referred to as the Urban Land Regulations, formalized the process of the grant and transfer of land use rights for consideration. Under this system, the State retains the ultimate ownership of the land. However, the right to use the land, referred to as land use rights, can be granted by the state and local governments at or above the county level for a maximum period of 70 years for specific purposes pursuant to a land grant contract and upon payment to the State of a premium for the grant of land use rights.

The Urban Land Regulations prescribe different maximum periods of grant for the different uses of land as follows:

Use of land	Maximum period (Years)
Commercial, tourism, entertainment	40
Residential	70
Industrial	50
Educational, scientific, cultural, public health and sports	50
Comprehensive utilization or others	50

Under the Urban Land Regulations, domestic and foreign enterprises are permitted to acquire land use rights unless the law provides otherwise. The state may not resume possession of lawfully-granted land use rights prior to expiration of the term of grant. Should the public interest require the resumption of possession by the State under special circumstances during the term of grant, compensation shall be paid by the State, on the basis of the period of which the land user has used the land and the status with respect to the development and utilization of the land. Subject to compliance with the terms of the land grant contract, a holder of land use rights may exercise substantially the same rights as a land owner during the grant term, including holding, leasing, transferring, mortgaging and developing the land for sale or lease.

Upon paying in full the land premium pursuant to the terms of the contract, a land-grantee may apply to the relevant land bureau for the land use rights certificate. In accordance with the Property Rights Law (《中華人民共和國物權法》) (主席令第62號), which was effective as of October 1, 2007, the term of land use rights for land of residential use will automatically be renewed upon expiry. The renewal of the term of land use rights for other use shall be dealt with according to the then-current relevant laws. In addition, if public interest requires the resumption of possession of land by the State during the term of the relevant land use rights, owners of residential properties and other real estate on the land shall be compensated and the relevant land premium shall be refunded to them.

On March 26, 2005, the General Office of the State Council promulgated the Notice on Effectively Stabilizing House Prices (《關於切實穩定住房價格的通知》) (國辦發明電[2005]8號) to restrain the excessive increase of housing prices and to promote the sound development of the real estate market. The notice provided that housing prices should be stabilized, and the system governing housing supply should be vigorously adjusted and improved. In accordance with the notice, seven departments of the State Council including the Ministry of Construction (建設部) issued the Opinion on the Work of Stabilizing Housing Prices (《關於做好穩定住房價格工作意見的通知》) (國辦發[2005]26號) on May 9, 2005. The Opinion stated, among other things, that: (i) the local government should focus on ensuring the supply of low-to medium-end ordinary residential houses while controlling the construction of high-end residential houses; (ii) the real estate registration department will no longer register the transfer of apartment units which are pre-sold where such units have not obtained the relevant property ownership certificates; and (iii) the government should rigorously enforce the administration on land transfer, prohibit any transfer of land for those real estate development projects that fail to satisfy the requirements as prescribed by law and stop any act of “Quick Buying and Quick Selling”, and reinforce the straightening-out of unused lands, effectively prevent the act of hoarding any land for speculation, strictly implement the provisions of laws and collect the expense of unused lands from any project that hasn’t been started for 1 full year as of the date when the construction thereof is stipulated to be initiated in the land transfer contract; where the breach has lasted for 2 full years, the right of land use shall be revoked for free.

Pursuant to these measures, local governments were required to adopt plans, by September 2006, to focus on developing low-to-mid-priced and small-to-medium-size properties to meet demand from owner-occupiers. These measures stipulate that commencing from June 1, 2006, the minimum down payment was 30% of the total purchase price for residential units with floor area exceeding 90 square meters on all existing units and those yet to be completed, or a down payment of 20% on residential units for occupation by the owner with floor areas under 90 square meters. The measures require that at least 70% of the residential units in residential housing projects approved or commenced after June 1, 2006 must be no larger than 90 square meters. The measures continue to prohibit land provision for houses and restrict land provision for development of low density and large residential property.

On May 24, 2006, the General Office of the State Council further issued the Notice on Adjusting the Housing Structure and Stabilizing Housing Prices (《關於調整住房供應結構穩定住房價格意見的通知》) (國辦發[2006]37號). The Notice provided for the following broad directives to, among other things: (i) encourage mass-market residential developments and curb the development of high-end residential properties; (ii) restrict housing mortgage loans to not more than 70% of the total property price (for houses purchased for self-residential purposes and with an area of less than 90 sq.m., the owners are still able to apply for a housing mortgage up to an amount representing 80% of the total property price); (iii) halt land supply for villa projects and restrict land supply for high-end, low-density residential projects; (iv) moderate the progress and scale of demolition of old properties for re-development; (v) require local governments to ensure that at least 70% of the total development and construction area must consist of units of less than 90 sq.m. in size (with any exceptions requiring the approval of the Ministry of Construction); and (vi) prevent banks from providing loans to a property developer whose total capital fund is less than 35% of the total investment amount in an intended development project.

On July 6, 2006, the Ministry of Construction promulgated Certain Opinions regarding the Implementation of the Ratio Requirements for the Structure of Newly Constructed Residential Units (《關於落實新建住房結構比例要求的若干意見》(建住房[2006]165號)), or the New Opinions. The New Opinions stipulate that, the residential units with a floor area of less than 90 square meters shall account for over 70% of the total area of residential units, which are newly approved and constructed in each city or county after June 1, 2006. The relevant local government will have authority to determine the configuration of newly constructed property.

On July 13, 2006, the General Office of the State Council issued the Notice about Relevant Matters on Establishing the State Land Supervision System (《國務院辦公廳關於建立國家土地督察制度有關問題的通知》(國辦發[2006]50號)). In accordance with this notice, the Ministry of Land and Resources established the State Land Supervision General Office (國家土地總督察辦公室) and send its local counterparts State Land Supervision Bureau (國家土地督察局) in order to strengthen supervision and management on land and practice the strictest possible land management system.

On August 31, 2006, the State Council issued a Notice about Relevant Matters on Strengthening Control on Land (《關於加強土地調控有關問題的通知》(國發[2006]31號)) in order to hold back the problems of excessive increases in the aggregate amount of construction land, the excessive expansion of low-cost industrial land, the illegal use of land and abusive occupation of cultivated land. The notice implements the following major measures: (i) adjusting land approval measures for urban construction in accordance with the principle of sharing both rights and responsibilities; (ii) only after guaranteeing the social security fee for the land expropriated from farmers can the approval of land expropriation be granted; (iii) the total amount of money from the sale of state-owned land use rights shall be fully accounted for in the local budget and collected into the local government treasury, and the “line of income and expenditure” shall be administrated separately; (iv) raising the standard for the land use rights fee of newly added construction land as well as the urban land use tax and rural cultivated land use tax; (v) the State formulating and promulgating the unified minimum standard for granting industrial land across the country, and industrial land being granted by tender, auction or putting up for bidding; and (vi) prohibiting conversion of agricultural land into construction land “in the name of leasing while actually expropriating” or other illegal ways.

On November 7, 2006, Ministry of Finance, Ministry of Land and Resources and the PBOC issued a Notice about Relevant Matters on Policy Adjusting Concerning the Land Use Fee for Newly Created Construction Land (《關於調整新增建設用地土地有償使用費政策等問題的通知》(財綜[2006]48號)). The notice requires the land use fee on newly created construction land be doubled from January 1, 2007. On April 22, 2009, Ministry of Finance, Ministry of Land and Resources issued a Notice about Adjusting the Rating and Category of Collecting the Land Use Fee for Newly Created Construction Land in Certain Areas (《關於調整部分地區新增建設用地土地有償使用費徵收等別的通知》(財綜[2009]24號)), which abolishes the rating and category of collecting the land use fee for newly created construction land in certain areas in the Notice issued on November 7, 2006 and stipulates a new standard.

Pursuant to the Opinions on Resolving Difficulties of Housing for Urban Low-income Family (《關於解決城市低收入家庭住房困難的若干意見》(國發[2007]24號)) promulgated by the State Council on August 7, 2007, the authorities of each region will adjust the housing supply structure in order to: (i) implement the Circular on Forwarding Opinions of Ministry of Construction and Other Departments on Adjusting Housing Supply Structure and Stabilizing Housing Prices issued by the General Office of the State Council (《國務院辦公廳轉發建設部等部門關於調整住房供應結構穩定住房價格意見的通知》(國辦發[2006]37號)); (ii) focus on the development of low to medium priced, and small to medium sized commodity housing; and (iii) to increase the supply of housing. The approval percentage of new housing construction (with a GFA of less than 90 sq.m.) will be more than 70% of the total housing developed area. The annual supply of low rental housing construction land, economy-sized housing and low to medium price and small to medium sized commodity housings shall not be less than 70% of the total residential housing land.

Pursuant to the Notice on Implementation of the Several Opinions of the State Council on Solving Housing Shortage with respect to Urban Low-income Households (《關於認真貫徹〈國務院關於解決城市低收入家庭住房困難的若干意見〉進一步加強土地供應調控的通知》(國土資發[2007]236號)) promulgated by Ministry of Land and Resources on September 30, 2007, the administration department of the Ministry of Land and Resources (the “Administration Department”) at both municipality and county levels will give priority in arranging land supply for low rental housing, economy-sized housing and low to medium priced and small to medium sized commodity housing. Its annual supply volume shall not be less than 70% of total residential land supply. It will integrate and implement the Notice on the Implementation of Specific Clearing of the Grant of the State-owned Land Use Rights (《關於開展國有土地使用權出讓情況專項清理工作的通知》(監發[2007]6號)) jointly published by the Ministry of Supervision, Ministry of Land and Resources, Ministry of Finance, National Audit Office of the PRC and the Ministry of

Construction on August 8, 2007. Further, it will investigate, on a case by case basis, the development of residential land with an emphasis on the observation of land-use contract by real estate development enterprises. Pursuant to the Urban Real Estate Administration Law of the PRC (《中華人民共和國城市房地產管理法》) (主席令第32號), for any developer that neither commences nor completes the construction work in accordance to the land-use contract, the Administration Department will provide comments to ensure that such enterprises complete the development on schedule. Enterprises that do not carry out any measure to resolve the situation will be prohibited from participating in any tenders, auction and putting up for bidding for acquiring new land sites. The Administration Department will strictly enforce the regulations governing idle land and for land where the construction still has not commenced after exceeding one full year from the date of commencement stipulated in the contract, the idle land fee shall be imposed and the respective enterprises will be instructed to commence the construction works and fulfill the completion schedule. The idle land fee, in principle, shall be computed and imposed based on up to 20% of land premium price of the granted or allocated land. Any land that has not been developed for over two years shall be reclaimed with no compensation. For land where construction works have been commenced on the date stipulated in the contract but the developed area is less than the one-third of the area to be developed or the invested capital is less than one-fourth of the total investment as stipulated in the contract and the development is suspended over a year without any approval, it shall be treated as idle land strictly following the laws.

On December 30, 2007, the General Office of the State Council issued the Notice on the Strict Implementation of the Laws and Policies Regarding Rural Collective Construction Land (《關於嚴格執行有關農村集體建設用地法律和政策的通知》(國辦發[2007]71號)). This notice states that residential land in rural areas shall only be allocated to residents of the relevant village residing in the area and that no urban inhabitants shall be allowed to purchase any homesteads, peasants' dwellings or "houses with limited property rights" in rural areas. No organization or individual shall be allowed to illegally rent or occupy any land collectively owned by peasants for the development of real estate.

According to the Land Investigation Regulations (《土地調查條例》(國務院令第518號)) (implemented on February 7, 2008, and revised on February 6, 2016 and March 19, 2018 by the State Council), a nationwide land investigation shall be carried out once every 10 years and a land status alteration investigation shall be filed for record with the competent department of land and resources of the people's government at the next higher level. The regulation also specifies the qualification requirements that a government department must meet in order to undertake the investigation tasks. The regulation specifies that the purpose of land investigations is to ascertain the land resources that are available and their utilization status.

On January 7, 2010, the General Office of the State Council issued the Notice on Promoting the Steady and Healthy Development of the Real Estate Market (《關於促進房地產市場平穩健康發展的通知》(國辦發[2010]4號)), which, among other things, provides that land resource authorities shall deepen the supervision on the compliance of the contracts and strictly collect the land premiums according to the land grant contracts, and shall:

- effectively increase the supply of social welfare housing and ordinary commodity residential properties, in particular, low and medium-cost and small and medium-sized ordinary commodity residential properties;
- direct consumers to make reasonable purchases of residential properties and discourage investment and speculation in the housing market;
- strengthen credit risk management for real estate projects and market supervision;
- speed up the construction of social welfare housing projects; and
- set or clarify the responsibilities of provincial and local governments.

On March 8, 2010, the Ministry of Land and Resources issued the Notice on Strengthening the Supply and Supervision of Land Use for Real Estate Property (《國土資源部關於加強房地產用地供應和監管有關問題的通知》(國土資發[2010]34號)). The Notice, among other things, provides that:

- the land and resources bureau at the city and county levels shall ensure that the land supply for government-subsidized housing, slum-dwellers reconstruction and small commercial housing units for self-housing shall not be less than 70% of the total residential land supply and strictly control the land supply for large-sized apartments and restrict the land supply for villas;
- land resource authorities shall prohibit property developers who owe land grant premium payments, possess idle land, engage in land speculation and price manipulation, conduct project development exceeding approved scope or fail to conform with the land use rights grant contract from land bidding transactions within a set period of time; and
- the land use rights grant contract must be executed within ten days after a grant of land has been mutually agreed and a down payment of 50% of the land grant premium shall be paid within one month from the execution of the land use rights grant contract with the remaining amount paid no later than one year after the execution of the land use rights grant contract.

On September 21, 2010, the Ministry of Land and Resources and MOHURD jointly promulgated the Notice on Further Strengthening Control and Regulation of Land and Construction of Property Development (《關於進一步加強房地產用地和建設管理調控的通知》(國土資發[2010]151號)), which stipulates, among other things, that: (i) at least 70% of land designated for construction of urban housing must be used for affordable housing, housing for resettlement of shanty towns and small to medium-sized ordinary commercial housing; in areas with high housing prices, the supply of land designated for small to medium-sized, price-capped housing must be increased; (ii) developers and their controlling shareholders are prohibited from participating in land biddings before the rectification of certain misconduct, including (1) illegal transfer of land use rights; (2) failure to commence required construction within one year from the delivery of land under land grant contracts due to such developers' own reasons; (3) noncompliance with the land development requirements specified in land grant contracts; and (4) crimes such as obtaining land by forging official documents and illegal land speculation; (iii) developers are required to commence construction within one year from the date of delivery of land under the relevant land grant contract and complete construction within three years of commencement; (iv) development and construction of projects of low-density and large-sized housing must be strictly limited and the plot ratio of the planned GFA to the total site area of residential projects must be more than 1:1; and (v) the grant of two or more bundled parcels of lands and undeveloped land is prohibited.

On December 19, 2010, the Ministry of Land and Resources promulgated the Notice on Strict Implementation of Policies Regarding Regulation and Control of Real Property Land and Promotion of the Healthy Development of Land Markets (《關於嚴格落實房地產用地調控政策促進土地市場健康發展有關問題的通知》(國土資發[2010]204號)), which, among other things, provides that (i) cities and counties that have less than 70% of their land supply designated for affordable housing, redevelopment housing for shanty towns or small/medium-sized residential units shall not provide land for large-sized and high-end housing before the end of 2010; (ii) local land and resources authorities shall file a transaction report with the Ministry of Land and Resources and provincial land and resources authorities, respectively, in relation to land sold via competitive bidding, auction and listing-for-sale with a 50% or more premium; and (iii) for land designated for affordable housing but used for the development of commodity houses, any illegal income derived therefrom will be confiscated and the relevant land use rights terminated. In addition, unapproved changes to the plot ratio are strictly prohibited.

On January 26, 2011, the General Office of the State Council issued the Notice on Relevant Issues of Further Improvement of the Control in Real Estate Market (《進一步做好房地產市場調控工作有關問題的通知》(國辦發[2011]1號)). This Notice, among other things, provides that:

- the minimum down payment for second home purchases increases from 50% to 60%;

- the developer will forfeit the land use rights and the PRC government will impose an idle land fee of up to 20% of the land premium if a developer fails to obtain the construction permit and commence development for more than two years from the commencement date stipulated in the land grant contract; and
- municipalities directly under the central government, municipalities with independent planning status, provincial capitals and cities with high housing prices shall limit the number of homes local residents can buy in a specific period. In principle, local resident families that own one house and non-local resident families who can provide local tax clearance certificates or local social insurance payment certificates for a required period are permitted to purchase only one additional house (including newly built houses and second-hand houses). Sales of properties to (i) local resident families who own two houses or more, (ii) non-local resident families who own one house or more, and (iii) non-local resident families who cannot provide local tax clearance certificates or local social insurance payment certificates for a required period shall be suspended in local administrative regions.

On February 26, 2013, the General Office of the State Council announced the Notice on Continuing Adjustment and Control of Property Markets (《國務院辦公廳關於繼續做好房地產市場調控工作的通知》(國辦發[2013]17號)). This notice further clarified the requirements of the State Council:

- Improving the stabilization mechanism for housing prices. The provincial and municipal governments shall strengthen their administration on the property market, including increasing the supply of properties and setting annual pricing targets at cities where the property prices rise too fast. The relevant departments of the State Council will strengthen the supervision on the provincial governments with respect to the price stabilization work.
- Restraining speculative investment. The policies require a strict implementation of purchase limits and credit restrictions and set to expand the scope of property tax pilots. The notice requires local governments to strictly implement purchase limits. If the property prices in any cities rise too fast and there is yet any purchase limit policy in place, the relevant provincial governments should require such cities to adopt purchase limit policies promptly. Financial institutions are required to strictly implement credit policies with respect to down-payment ratios and interest rates for mortgages and to review the backgrounds of mortgage applicants more rigorously. The local offices of the People's Bank of China may also increase the interest rates and down-payment ratios for mortgages on second properties if the property prices in any cities rise too fast. The tax authority together with the building and construction authority are required to work closely to impose a 20% individual income tax on the gain from the sale of second-hand properties.
- Increasing the supply of land and ordinary commodity housing units. The notice also encourages the supply of land for residential purposes. The relevant authorities are required to speed up the approval processes for property developments with small-to-medium sized units. Financial institutions are required to give priority to projects where small-to-medium sized units account for more than 70% of the total units.
- Speeding up the planning and construction of affordable housing.
- Strengthening market regulations and managing market expectation.
- Speeding up to establish and perfect a long-term mechanism to guide the healthy development of the real estate market.

In addition to the general framework for transactions relating to land use rights set out in the Urban Land Regulations, local legislation may provide for additional requirements, including those applicable to specific transactions within specific areas relating to the grant and transfer of land use rights. These local regulations are numerous and some of them are deemed to be inconsistent with national legislation. Under PRC laws, national laws and regulations prevail to the extent of such inconsistencies.

On November 24, 2014, the General Office of the State Council issued an order on Interim Regulation on Real Estate Registration (《不動產登記暫行條例》(國務院令第七10號)) effective on March 1, 2015, specifying that the local government shall appoint a local registration institution to be responsible for the registration of all real estate in the area and shall establish a real estate registration book, which can be shared and searched in the national wide. In addition, the right to use land for construction purposes is required to be registered under the Interim Regulation on Real Estate Registration.

Under “the 13th Five-year Plan” (《國土資源“十三五”規劃綱要》國土資發[2016]38號) promulgated by the Ministry of Land and Resources on Apr 12, 2016, the total amount of construction land will be effectively controlled, and reduce or even suspend the supply of residential land in high inventory city.

Under the Notice on Strengthening the Management and Regulation of Housing and Land Supply (《關於加強近期住房及用地供應管理和調控有關工作的通知》(建房[2017]80號)) promulgated and implemented on April 1, 2017, the Ministry of Housing and Urban-Rural Construction and the Ministry of Land and Resources pointed out that the contradiction between housing supply and demand is prominent, cities which have heavy housing prices stress shall increase the scale of residential land supply, and cities which have heavy inventory stress shall reduce and even stop the supply of residential land.

On May 19, 2018, the MOHURD issued the Notice on Relevant Issues of Further Improvement of the Control in Real Estate Market (《關於進一步做好房地產市場調控工作有關問題的通知》(建房[2018]49號)). This notice set up some non-binding goals such as the percentage of the residential land in the constructive land of the Key Cities should be no less than 25% and the percentage of the area of residential land which is used for the public rental houses; rental houses and joint ownership houses in the total newly increased residential land should be higher than 50% in the next 3 to 5 years.

Environmental Protection

The laws and regulations governing the environmental requirements for real estate development in the PRC include the Environmental Protection Law (《中華人民共和國環境保護法》(主席令第9號)) (implemented on December 26, 1989, and revised on April 24, 2014 by the Standing Committee of the NPC), the Prevention and Control of Noise Pollution Law (《中華人民共和國環境噪聲污染防治法》(主席令第24號)) (implemented on March 1, 1997, and revised on December 29, 2018 by the Standing Committee of the NPC), the Environmental Impact Assessment Law (《中華人民共和國環境影響評價法》(主席令第24號)) (implemented on September 1, 2003, and revised on July 2, 2016 and December 29, 2018 by the Standing Committee of the NPC), the Administrative Regulations on Environmental Protection for Development Projects (《建設項目環境保護管理條例》(國務院令第六82號)) (implemented on November 29, 1998, and revised on July 16, 2017 by the State Council) and the Interim Measures of Environmental Protection for Acceptance Examination Upon Completion of Buildings (《建設項目竣工環境保護驗收暫行辦法》(國環規環評[2017]4號)). Pursuant to these laws and regulations, depending on the impact of the project on the environment, for which the environmental impact report or the environmental impact statement is required to be prepared in accordance with the law, the project owner shall, before the commencement of construction, submit the environmental impact report or the environmental impact statement to the environmental protection administrative department with the approval authority for approval. If the environmental impact assessment documents of the construction project have not been examined or approved upon examination by the approval authority in accordance with the law, the project owner shall not commence the construction. For which the environmental impact registration form shall be completed and reported in accordance with the law, the project owner shall, according to the provisions of the environmental protection administrative department of the State Council, submit the environmental impact registration form to the environmental protection administrative department at the county level at the place where the construction project is located for recordation. It is emphasized by the latest revised the Environmental Protection Law, effective on January 1, 2015, that an environmental impact assessment shall be conducted as legally required in the preparation of a relevant development and utilization plan or the construction of a project impacting the environment. A development and utilization plan that has not undergone environmental impact assessment as legally required may not be implemented. The construction project that has not undergone environmental impact assessment as legally required may not be commenced. In addition, upon

completion of the property development, the relevant environmental authorities will also inspect the property to ensure compliance with the applicable environmental standards and regulations before the property can be delivered to the purchasers.

According to Energy Conservation Law of the People's Republic of China (《中華人民共和國節約能源法》(主席令第16號)) (implemented on January 1, 1998, and revised three times on October 28, 2007, July 2, 2016 and October 26, 2018), in house sales, housing development companies shall expressly disclose to buyers such information as energy conservation measures in the house or warranty period for thermal insulation, record such information in the property purchase contracts, quality guarantees and instruction manuals, and shall be responsible for the truthfulness and accuracy of the information.

According to Renewable Energy Law of the People's Republic of China (《中華人民共和國可再生能源法》(主席令第23號)) (implemented on January 1, 2006, and revised on December 26, 2009), real estate development enterprises shall provide necessary conditions for the utilization of solar energy in the design and construction of buildings.

The Ministry of Environmental Protection issued the Implementation Opinions of the Ministry of Environmental Protection on Tightening Interim and Ex-Post Regulation of Environmental Impact Assessment of Construction Projects on January 25, 2018 (《環境保護部關於強化建設項目環境影響評價事中事後監管的實施意見》環評[2018]11號), requiring various governmental authorities to tighten the interim and ex-post regulation of the environmental impact assessment.

Modes of Land Grant

Pursuant to PRC laws and the stipulations of the State Council, except for land use rights which may be obtained through allocation (劃撥), land use rights for property development are obtained through governmental grant. There are two methods by which land use rights may be granted, namely by private agreement or competitive processes (i.e., tender, auction or listing at a land exchange administered by the local government).

As of July 1, 2002, the grant of land use rights by way of competitive processes is governed by the Regulations on the Grant of Use Right of State-owned Land by Invitation of Tender, Auction or Listing-for-bidding (《招標拍賣掛牌出讓國有土地使用權規定》(國土資源部令第11號)), issued by the Ministry of Land and Resources of the PRC on May 9, 2002 (the "2002 Regulations") and revised as of September 28, 2007 with the name of Regulations on Granting State-owned Construction Land Use Rights through Tenders, Auction and Putting up for Bidding (《招標拍賣掛牌出讓國有建設用地使用權規定》(國土資源部令第39號)) (the "2007 Regulations"). Following the 2002 Regulations, the Ministry of Land and Resources issued the Notice on Continuing the Review of the Implementation of the Grant of Land use Rights for Commercial Use by Invitation of Bids Auction or Listing (國土資發[2004]71號) on a Land Exchange on March 31, 2004, requiring all local land administration authorities to strictly enforce the 2002 Regulations. In addition, the Ministry of Land and Resources required that with effect from August 31, 2004, the grant of land use rights must be made pursuant to auctions or listing at a land exchange and that no land use rights for commercial use may be granted by way of agreement. In the Urgent Notice of the General Office of the State Council on Intense Regulation and Rectification of the Land Market and Strict Administration of Land (《關於深入開展土地市場治理整頓嚴格土地管理的緊急通知》(國辦發明電[2004]20號)) issued by the State Council on April 29, 2004, the development of agricultural land was suspended for a period of six months for rectification by the PRC government of irregularities in land development in China. The 2007 Regulations specifically provide that land to be used for industrial, commercial, tourism, entertainment or commodity residential purposes, or where there are two or more intended users for the certain piece of land, must be granted by way of competitive processes. A number of measures are provided by the 2007 Regulations to ensure such grant of land use rights for commercial purposes is conducted openly and fairly. For instance, the local land bureau must take into account various social, economic and planning considerations when deciding on the use of a certain piece of land, and its decision regarding land use designation is subject to approval of the city or provincial government. The grantee shall apply for land registration and obtain the state-owned land use rights certificate upon full payment of the land premium of the granted land according to the state-owned land grant contract. In the event that the land premium of the granted land is not paid in full,

the grantee will not receive the land use rights certificate. In addition, the announcement of tender, auction or listing-for bidding must be made 20 days prior to the date on which such competitive process begins. Further, it also stipulated that for listing at a land exchange, the time period for accepting bids must be no less than 10 days. On May 11, 2011, the Ministry of Land and Resources promulgated the Opinions on Upholding and Improving the System for the Transfer of Land by Tender, Auction and Listing (《關於堅持和完善土地招標拍賣掛牌出讓制度的意見》(國土資發[2011]63號)), which provides, among other things, that (i) correct utilization of the regulating and controlling effects of the land transfer policy through tender, auction and listing; (ii) improvement in the transparency of the system of tender, auction and listing for housing land; (iii) adjustment and improvement in the land transfer policy through tender, auction and listing, including (a) limitation on house price or land price, and transfer of policy-related housing land by listing or auction; (b) limitation on the GFA of allocated security housing, and transfer of commodity housing land by listing or auction; (c) carrying out of comprehensive assessment on conditions of land development and utilization and land transfer prices, and determination of the person who is entitled to land use rights by tender; (iv) promotion of online operation of the transfer of land use rights; and (v) improvement in the contracts for land transfer through tender, auction and listing.

In the case of tender, the local land bureau granting the land use rights should examine the qualifications of the intended bidders and inform those qualified to participate in the bidding processes by sending out invitations to tender. Bidders are asked to submit sealed bids together with the payment of a security deposit. When land use rights are granted by way of tender, a tender evaluation committee consisting of not less than five members (including a representative of the grantor and other expert), formed by the land bureau is responsible for opening the tenders and deciding on the successful bidder. The successful bidder will then sign the land grant contract with the land bureau and pay the balance of the land premium before obtaining the State land use rights certificate.

Where land use rights are granted by way of auction, a public auction will be held by the relevant local land bureau. The land use rights are granted to the highest bidder. The successful bidder will then be asked to sign the land grant contract with the local land bureau and pay the relevant land premium within a prescribed period.

Where land use rights are granted by way of listing-for-sale administered by the local government, a public notice will be issued by the local land bureau to specify the location, area and purpose of use of land and the initial bidding price, period for receiving bids and terms and conditions upon which the land use rights are proposed to be granted. The land use rights are granted to the bidder with the highest bid who satisfies the terms and conditions. The successful bidder will enter into a land grant contract with the local land bureau and pay the relevant land premium within a prescribed period.

In January 4, 1991, the Implementation Regulations for PRC Law of Land Administration (《中華人民共和國土地管理法實施條例》(國務院令第73號)) was issued by the State Council and revised on July 29, 2014 (國務院令第653號) (“2014 Revision”). According to 2014 Revision, for provision of use right of state-owned land for construction in the form of tender or auction, the competent departments of municipal or county people’s governments shall, in conjunction with the departments concerned, draw up a plan and submit it to the municipal or county people’s government, the competent department of land administration of municipal or county people’s government shall organize its implementation upon approval, and conclude a contract on the paid-for use of the land with the land user. The land user should file an application for land registration according to law.

In June 11, 2003, the Ministry of Land and Resources promulgated the Regulations on Grant of State-owned Land Use Rights by Agreement (《協議出讓國有土地使用權規定》(國土資源部令第21號)), or the 2003 Regulations, to regulate granting of land use rights by agreement when there is only one party interested in the land, the designated use of which is other than for commercial purposes as described above. According to the 2003 Regulations, the local land bureau, together with other relevant government departments, including the city planning authority, will formulate the plan concerning the grant, including the specific location, boundary, purpose of use, area, term of grant, conditions of use, conditions for planning and design as well as the proposed land premium, which shall not be lower than the minimum price regulated by the State, and submit such plan to the relevant government for approval. Afterwards, the local land bureau and the relevant party will negotiate and enter into the land grant contract based on the above-mentioned plan. If two or more parties are interested in the land use rights

proposed to be granted, such land use rights shall be granted by way of tender, auction or listing at a land exchange in accordance with the 2007 Regulations.

The grantee is required to pay the land premium pursuant to the terms of the contract and the contract is then submitted to the relevant local bureau for the issue of the land use rights certificate. Upon expiration of the term of grant, the grantee may apply for its renewal. Upon approval by the relevant local land bureau, a new contract is entered into to renew the grant, and a land premium shall be paid.

Under the Circular of the General Office of the State Council on Forwarding the Notice of the Ministry of Construction, the NDRC and the Ministry of Supervision on Adjusting the Housing Supply Structure and Stabilizing the Housing Price (國辦發[2006]37號) implemented on May 24, 2006, among other things, that: (a) land used for real estate development must be granted through tender, auction or bidding-for-sale and the area of land shall be ascertained reasonably; (b) land supply priority shall be given to ordinary commodity houses at middle to low prices and in medium to small sizes (including affordable housing) and renting affordable housing. The land supply plan shall be known to the public; and (c) the land supply for low-density and large-sized housing shall be strictly controlled, and the rules on ceasing land supply for villa real estate development shall be resolutely implemented.

The “Notice of the State Council on Promoting the Land Saving and Intensive Use” (《國務院關於促進節約集約用地的通知》(國發[2008]3號)) issued by the State Council On January 03, 2008 states that the people’s governments of all provinces, autonomous regions and municipalities directly under the Central Government; all ministries and commissions of the State Council, and all institutions directly under the State Council shall:

- Examine and adjust various types of relevant planning and land use standards on the principle of land saving and intensive use;
- Make full use of existing construction land, and vigorously enhance the construction land use efficiency;
- Give full play the fundamental role of the market in the allocation of land resources, and improve the long-term mechanism of land saving and intensive use;
- Strengthen supervision and inspection and fulfill the responsibility of land saving and intensive use in an all-round way.

The National Development and Reform Commission issued the Catalogue for Guiding Industrial Restructuring (《產業結構調整指導目錄》(中華人民共和國國家發展和改革委員會令第29號)) (the “Catalogue”) on October 30, 2019. On October 24, 2019, the National Development and Reform Commission revised several items of the Catalogue for the second time in the Negative List for Market Access (2019 Version) (《市場准入負面清單(2019)》(發改經體[2019]1685號)) (the “List”). According to the Catalogue and the List, the real estate projects related to the villa, the golf course and the racecourse is confined.

On May 23, 2012, the Ministry of Land and Resources and NDRC promulgated the Catalog of Restrictive Land Supply Items (2012 Version) and Catalog of Forbidden Land Supply Items (2012 Version) (《限制用地項目目錄》(2012本)和《禁止用地項目目錄》(2012本)(國土資發[2012]98號)). This catalog provides that, the new office buildings of the Chinese Communist Party and government agencies, large-scale commercial or entertainment establishments, racing fields, motor vehicle training fields, burial grounds, low-density and large-sized housing projects (referring to residential projects with a plot ratio of less than 1.0 and where the gross floor area for a single house exceeds 144 sq.m.) are listed in the restrictive land supply items, and villas, golf courses, racing courses, and new training centers of the Party and government agencies, State-owned enterprises and institutional agencies are classified as forbidden land supply items.

The Urban and Rural Planning Law of the People's Republic of China (《中華人民共和國城鄉規劃法》(主席令第29號)) was implemented on April 23, 2019. This law provides, among other things, that if land use rights were obtained by way of allocation, the developer shall apply to the relevant urban and rural planning authorities for a site selection opinion before applying to other relevant authorities for approval or consent. This law also specifies that if the land use rights were obtained by way of allocation within the planning zones of cities or towns, the developer shall, before applying to the land administration authorities at or above the county level for land use rights, apply for the construction land planning permit from the relevant urban and rural planning authorities of that city or town after obtaining the approval or consent of other relevant authorities. Further, if land use rights were obtained by way of grant within the planning zones of cities or towns, relevant urban and rural planning authorities shall, prior to the granting of land use rights, specify the planning conditions such as the location, nature of use and permitted density of the development and integrate the planning conditions into the grant contract of the land use rights. Land without planning conditions cannot be granted. After a grant contract of land use rights is executed, the developer needs to apply to urban and rural planning authorities of the city or county for the construction land planning permit along with the required documents. If a development is within the planning zones of a city or town, the developer needs to apply to urban and rural planning authorities of the particular city or county, or to the township government specified by the provincial level government for a planning permit for construction in a rural area. The development of projects must comply with the planning conditions and an application must be filed with the urban and rural planning authorities of the relevant city or county if any amendments to the planning conditions are necessary. Within six months of the completion of projects, a developer needs to file documents in respect of the inspection and assessment by government authorities of completed project with the urban and rural planning authorities.

Recover State-owned Land Use Rights

In accordance with the Land Administrative Law of the People's Republic of China (《中華人民共和國土地管理法》(主席令第32號)) promulgated by the Standing Committee of the NPC on August 26, 2019, the land administrative authorities may recover state-owned land use rights with the approval of the governments that originally approved the land use rights, under any of the following cases:

- to use the land for public interests (subject to proper compensation);
- to use the land in re-building old city districts in order to implement urban construction plans (subject to proper compensation);
- when the term of the land use rights expires, the holder has failed to apply for extension or failed to obtain approval for extension;
- the use of the land originally allocated has been stopped due to cancellation or removal of units;
- roads, railways, airports and mining sites that have been approved to be abandoned.

Under the Provisional Regulations on Grant and Transfer, the maximize term of the land use rights shall not exceed: (i) 70 years for residential purposes; (ii) 40 years for commercial, tourism and entertainment purposes; or (iii) 50 years for education, science, culture, public health, physical education, industrial, mixed-use or other purposes.

Pursuant to the Implementation Regulations for PRC Law of Land Administration (《中華人民共和國土地管理法實施條例》(國務院令第653號)), the original land registration organ shall nullify the land registration for withdrawal of the land use right of a land use unit.

Land Transfers from Current Land Users

In addition to a direct grant from the government, an investor may also acquire land use rights from land users that have already obtained the land use rights by entering into an assignment contract or a joint-develop agreement with the land user.

The assignment contract or joint-develop agreement must be registered with the relevant local land bureau at the municipal or county level for land use rights title change purposes. Upon a transfer of land use rights, all rights and obligations contained in the land grant contract are deemed to be incorporated as part of the terms and conditions of such transfer.

The assignment contract or the joint-develop agreement is subject to terms and conditions specified in the land grant contract. For residential construction projects, the Law of the PRC on the Administration of Urban Real Estate (《中華人民共和國城市房地產管理法》(主席令第32號)) (or the Urban Real Estate Law) requires that at least 25% of total construction costs, excluding land premiums, be expended and the construction schedule and date of completion and delivery of the project have been determined before assignment can take place. All rights and obligations of the current holder under a land grant contract will be transferred contemporaneously to the assignee of the land use rights. The relevant local government has the right to acquire the land use rights to be assigned if the assignment price is significantly lower than the market price. Relevant local governments may also acquire the land use rights from a land user in the event of a change in town planning. The land user will then be compensated for the loss of his land use rights.

Land Reserve and Primary Development

The Ministry of Finance, Land and Resources and the PBOC jointly promulgated the Measures for Land Reserve Administration (《土地儲備管理辦法》(國土資規[2017]17號)), which became effective on January 3, 2018. Pursuant to the Measure, the land reserve institution refers to the independent legal entity which is affiliated to the local land administration bureau. The scope of the land reserve includes but is not limited to the land use rights resumed by the state, the land obtained subject to the pre-emptive right, the rural land which had been completed the reversion procedures and the land purchased by the land reserve institution. The land reserve institutions are permitted to carry out primary development of the reserved lands before supplying them to the market. Land reserve funds are allocated from government budgets and shall be used for designated purpose only.

Mortgage and Guarantee

The mortgage of real estate in the PRC is governed by the Property Rights Law (《中華人民共和國物權法》(主席令第62號)), the Guarantee Law of the PRC (《中華人民共和國擔保法》(主席令第50號)), the Law of the PRC on the Administration of Urban Real Estate (《中華人民共和國城市房地產管理法》(主席令第32號)), the Regulation on Administration of Mortgages of Urban Real Estate (《城市房地產抵押管理辦法》(建設部令第98號)), or the Real Estate Mortgage Regulation, and other relevant real estate related laws and regulations. When a mortgage is created over the ownership of a completed building, the same will be simultaneously created over the land use rights of the land where the building is erected. The mortgagee and the mortgagor shall enter into a mortgage contract in writing which becomes effective on the date of the registration of such mortgage by the relevant real estate authority. Pursuant to the Guarantee Law, a real estate mortgage agreement shall contain specific provisions including (i) the type and amount of the indebtedness secured, (ii) the period of the obligation by the debtor, (iii) the repayment of the indebtedness, and (iv) the name, quantity, conditions, location, valuation and ownership of the mortgaged property. Pursuant to the Real Estate Law, buildings newly-erected on a piece of urban land after a mortgage contract has been entered into shall not be a mortgaged property. If the mortgaged property is auctioned off, the new buildings added on the land may be auctioned together with the mortgaged property, but the mortgagee shall not be entitled to priority compensation from the proceeds of the auction of the new buildings.

Pursuant to the Property Rights Law, a real estate mortgage becomes effective on the date of registration with the local real estate department. When carrying out mortgaged property registration, the loan contract and the mortgage contract as well as the land use rights certificate or the property ownership certificate in respect of the mortgaged property must be submitted to the registration authority. If the mortgagor cannot repay the loan that is secured by the mortgaged property, the mortgagee may agree with the mortgagor to receive payment by appraising the mortgaged property or through the proceeds of an auction or sale of the property. If no such agreement is reached, the mortgagee may institute proceedings in a People's Court. After the mortgaged property has been appraised or been auctioned or sold, any portion of the proceeds that exceeds the amount of the indebtedness shall belong to the mortgagor and any shortfall shall be paid by the mortgagor.

The Guarantee Law also contains comprehensive provisions dealing with guarantees. Under the Guarantee Law, guarantees may be in two forms: (i) general guarantees whereby the guarantor bears the liability when the debtor fails to perform the payment obligation; and (ii) guarantees with joint and several liabilities whereby the guarantor and debtor are jointly and severally liable for the payment obligation. A guarantee contract must be in writing and, unless agreed otherwise, the guarantee shall remain valid for six months after the expiration of the term for performance of the principal obligation of the debtor.

Idle Land

According to the Measures on Disposing Idle Land (《閒置土地處置辦法》(國土資源部令第5號)) enacted and enforced by the Ministry of Land and Resources on April 28, 1999, the land can be defined as idle land under any of the following circumstances: (i) development and construction of the land is not commenced within the prescribed time limit after obtaining the land use rights without consent from the people's government who approved the use of the land; (ii) where the "Contract on Paid Use of the Right to Use State-Owned Land" or the "Approval Letter on Land Used for Construction" has not prescribed the date of commencing the development and construction, the development and construction of the land is not commenced at the expiry of one year from the date when the "Contract on Paid Use of the Right to Use State-Owned Land" became effective or when the Ministry of Land and Resources issued the "Approval Letter on Land Used for Construction"; (iii) the development and construction of the land has been commenced but the area of the development and construction that has been commenced is less than one-third of the total area to be developed and constructed or the invested amount is less than 25% of the total amount of investment, and the development and construction have been continuously suspended for one year or more without an approval; or (iv) other circumstances prescribed by the laws and the administrative regulations.

On June 1, 2012, the Ministry of Land and Resources promulgated further Measures on the Disposal of Idle Land (《閒置土地處置辦法》(國土資源部令第53號)) ("further measures"), which became effective on July 1, 2012. The Ministry of Land and Resources extended and clarified that the definition of idle land includes any land that became idle as a result of government related or non-government related acts. Government actions may cause land to become idle if (i) the government fails to deliver the land parcels to the grantee in accordance with the time limit specified under the relevant land grant contract or related documents, (ii) the grantee of the land use rights cannot develop the land in accordance with the contracted purposes due to recent land or urban planning adjustments, (iii) there are changes in the land or urban planning conditions due to modification of relevant national policies, and (iv) there are mass petitions, military control, protection of cultural relics, natural disaster and other related issues, which delay the development schedule of the land parcels.

The further measures require land use rights to be granted by the Ministry of Land and Resources to fulfill the following requirements: (i) the land use rights shall be free of encumbrances; (ii) original residents to be resettled (if any) must be compensated; (iii) there must be no legal or economic disputes in connection with the land use rights; and (iv) the relevant land parcels must have a clearly defined premise, nature of use, floor-area ratio and other land planning conditions.

The further measures provide clear procedures for investigation of idle land. Where the municipality or county-level land administrative department suspects the land to constitute idle land, it shall, within 30 days, commence investigation to confirm the status of the land, and issue an "Idle Land Investigation Notification Memorandum" ("notification memorandum") to the grantee of the land use rights. The grantee of the land use rights shall, within 30 days of receiving the notification memorandum, provide materials outlining the state of affairs of the land development, reasons for the land being idle and other related explanatory materials to the abovementioned administrative department. The municipality or county-level land administrative department shall, after a piece of land which has been ascertained as idle land, notify the concerned land user and draft a proposal on methods of disposal of the idle land including but not limited to extending the time period for development and construction (provided that the extension shall be no longer than one year), changing the use of the land, arranging for temporary use, ascertaining a new land user by competitive bidding, public auction. The administrative department of land under the people's government of city or county level shall, after the proposal on disposal has been approved by the original people's government who approved the use of the land, arrange for implementation of the proposal.

With respect to any land parcel obtained under a land grant contract within the scope of city planning and becoming idle due to non-government related acts, if the work has not been commenced after one year from the prescribed date of commencement, a surcharge on idle land equivalent to no more than 20% of the land grant premium may be levied (such land grant premium cannot be listed as manufacturing cost for accounting purposes); if the work has not been commenced after two years from the prescribed date of commencement, the land can be confiscated without any compensation. However, the preceding stipulations shall not apply if the delay is caused by force majeure; acts of government or acts of other relevant departments under the government; or by the indispensable preliminary work. The further measures provide that, with respect to any land parcel becoming “idle” as a result of government-related acts, the grantee of the relevant land use rights shall explain to the municipality or county-level land administrative department the reasons for the land becoming idle, and consult the relevant government authority and rectify the situation accordingly (“rectification procedures”). The means of rectification include but are not limited to the extension of the period permitted for commencing development, the adjustment of the land use and planning requirements or the substitution of the relevant land parcels with other land parcels. To enhance control over land hoarding and land speculating activities, the further measures also require the Ministry of Land and Resources not to accept or process any application for title transfer transaction, lease transaction, mortgage transaction or land registration application in respect of the land use rights over any idle land parcel before the completion of the required rectification procedures. To strengthen the regulation of idle land, the further measures require that the Ministry of Land and Resources to copy the relevant finance authorities in all its communications about idling of government-owned land with the grantee of land use rights.

Property Development

Property development projects in the PRC are generally divided into single projects and large tract development projects. A single project refers to the construction of buildings on a plot of land and the subsequent sale of units. Large tract development projects consist of the comprehensive development of large area and the construction of necessary infrastructure such as water, electricity, road and communications facilities. The developer may either assign the land use rights of the developed area or construct buildings on the land itself and sell or lease the buildings erected on it.

Under the “Regulations on Administration of Development of Urban Real Estate” (《城市房地產開發經營管理條例》) (the “Development Regulations”) promulgated by the State Council on July 20, 1998, and revised on January 8, 2011, March 19, 2018, March 24, 2019 and March 27, 2020, an enterprise which is to engage in development of real estate shall satisfy certain requirements including (i) its registered capital shall be more than RMB1 million; and (ii) it shall have four or more full-time professional real estate/construction technicians and two or more full-time accounting officers, each of whom shall hold the relevant qualification certificate. People’s governments of the provinces, autonomous regions and municipalities directly under the Central Government may, in the light of the actual conditions prevailing in their respective localities, work out provisions for the conditions of registered capital and specialized technical personnel for the establishment of a real estate development enterprise higher than those in the preceding paragraph.

Where a foreign-invested enterprise is to be established to engage in development and sale of real estate, the relevant requirements of the laws and regulations regarding foreign-invested enterprises must also be observed and relevant approvals be obtained. Pursuant to the Catalogue of Industries for Guiding Foreign Investment (“the Catalogue”) (2007 Revision) (《外商投資產業指導目錄》中華人民共和國國家發展和改革委員會、中華人民共和國商務部令第57號) and the Catalogue (2011 Revision), large tract development projects, construction and operation of upscale hotel, villa, upscale office building and international convention and exhibition center, secondary real estate market transactions, and real estate agencies or brokerage companies were listed in the restricted category. Since the implement of the Catalogue (2015 Revision), Real estate industry were removed from the restricted category, which meant there were no longer any restrictions on the scope of business of foreign-invested real estate enterprise.

Pursuant to the Urban Land Regulations, foreign entities may acquire land use rights in the PRC unless the law provides otherwise. However, pursuant to the “Opinions of the Ministry of Construction, the Ministry of Commerce, National Development and Reform Commission, the People’s Bank of China, the State Administration for Industry of Commerce and the State Administration of Foreign Exchange on Regulating the Access to and Administration of Foreign Investment in the Real Estate Market” (《建設部、商務部、國家發展和改革委員會等關於規範房地產市場外資准入和管理的意見》(建住房[2006]171號)) and the “Notice of the Ministry of Housing and Urban-Rural Development, the Ministry of Commerce, the National Development and Reform Commission and Other Departments on Adjusting the Policies on the Market Access and Administration of Foreign Investment in the Real Estate Market” (“Notice on the Market Access and Administration of Foreign Investment in the Real Estate Market”) (《住房城鄉建設部、商務部、國家發展改革委等部門關於調整房地產市場外資准入和管理有關政策的通知》(建房[2015]122號)), in order to develop the acquired land, the foreign entities need to establish foreign investment enterprises in the PRC as the project companies.

On March 15, 2019, Foreign Investment Law of the PRC (《外商投資法》(主席令第26號)) was promulgated and it took effect on January 1, 2020. Law of the PRC on Chinese-Foreign Equity Joint Ventures (《中外合資經營企業法》主席令第51號), Law of the PRC on Wholly Foreign-Owned Enterprises (《外資企業法》主席令第51號) and Law of the PRC on Chinese-Foreign Contractual Joint Ventures (《中外合作經營企業法》主席令第81號) are simultaneously abolished. Pursuant to the Foreign Investment Law, industries outside the negative list for foreign investment access are to be managed according to the principle of consistency between domestic and foreign investment. It seems to illustrate that the establishment of the foreign investment enterprises is no longer a requirement to the foreign real estate enterprises.

In addition, the project companies may be in the form of Sino-foreign equity or cooperative joint ventures or wholly foreign-owned enterprises. The typical scope of business of such project companies includes development, construction, property management, and sales and leasing commodity properties and ancillary facilities on the specific land as approved by the government. The term of the property development company is usually the same as the term of grant of the land use rights in question.

Pursuant to the Measures for Reporting of Information on Foreign Investment (《外商投資信息報告辦法》) (implemented on December 30, 2019 and took effect on January 1, 2020). To establish a foreign-invested enterprise within the territory of China, a foreign investor shall submit the initial report through the enterprise registration system when it applies for the registration of the establishment of the foreign-invested enterprise.

Once a foreign entity developer has established a project company and secured the land use rights to a piece of land for development, it has to apply for and obtain the requisite planning permits from the planning departments and have its design plan approved by and apply for and obtain a construction work commencement permit from, the relevant construction commission for commencement of construction work on the land. When the construction work on the land is completed, the completed buildings and structures must be examined and approved by the government departments before they can be delivered to purchasers or lessors for occupancy.

Under the “Provisions on Administration of Qualification Certificates of Real Estate Developers” (《房地產開發企業資質管理規定》(建設部令[第77號])) (the “Qualification Certificate Regulation”) issued by the Ministry of Construction on November 16, 1993 and revised twice on March 29, 2000 and May 4, 2015, a real estate developer shall apply for its qualifications according to such Regulation. An enterprise may not engage in the development and sale of real estate without the qualification registration certificate. The construction authority under the State Council takes charge of supervising the qualifications of real estate developers throughout China, and the real estate development authority under a local government on or above the county-level shall supervise the qualifications of local real estate developers.

Under the Decision on Amending the Provisions on the Administration of the Qualifications of Real Estate Development Enterprises and Other Departmental Rules (關於修改《房地產開發企業資質管理規定》等部門規章的決定(住房和城鄉建設部令第24號)) promulgated by the Ministry of Housing and Urban-Rural Construction on May 4, 2015, the requirements of registered capital in different levels and capital verification report are cancelled.

In accordance with the Qualification Certificate Regulation, real estate developers are classified into four classes. The approval system is tiered, so that confirmation of class 1 qualification shall be subject to preliminary examination by the construction authority under the people's government of the relevant province, autonomous region or municipality directly under the central government and then final approval of the construction authority under the State Council. Procedures for approval of developers of class 2, 3 or 4 shall be formulated by the construction authority under the people's government of the relevant province, autonomous region or municipality directly under the central government. A developer that passes the qualification examination will be issued a qualification certificate of the relevant class by the authority.

Under the Qualification Certificate Regulation, the real estate development authorities shall examine applications for registration of qualifications of a real estate developer when it reports its establishment, by considering its assets, professional personnel and business results. A real estate developer shall only undertake real estate development projects in compliance with the approved qualification registration.

After a newly established real estate developer reports its establishment to the property development authority, the latter shall issue a provisional qualification certificate to the eligible developer within 30 days of its receipt of the above report. The real estate developer shall apply for a formal qualification certificate from the real estate development authority within one month before expiry of the provisional one. The provisional qualification certificate shall be effective for one year from the date of its issuance. The real estate development authority can extend the validity period for not more than two years after considering the actual business situation of the enterprise. Failure to obtain the required provisional or formal qualification certificate may result in a fine ranging from RMB50,000 to RMB100,000 and revocation of the developer's business license if such failure to obtain the certificate is not rectified.

A developer of any qualification classification may only engage in the development and sale of real estate within its approved scope of business and may not engage in business exceeding the scope permitted by its classification. A class 1 real estate developer is not restricted as to the scale of real estate project to be developed and may undertake a real estate development project anywhere in the country. A real estate developer of class 2, 3 or 4 may undertake a project with a gross area of less than 250,000 sq.m. and the specific scope of business shall be as confirmed by the construction authority under the people's government of the relevant province, autonomous region or municipality.

The real estate development authorities perform annual inspections of qualified developers. Developers who fail to meet the qualification requirements or violate the relevant rules may have their qualification classification certificates degraded or revoked.

For the purpose of carrying out the construction and development of a real estate project, the real estate developers shall, after signing the land grant contract in accordance with the Regulations on Land Granting and Transfer and the Tender, Auction and Listing Regulations, attend certain procedures and obtain relevant approval documents in relation to the design, planning, construction and development of the land.

Planning and Construction Permits

Under the “Regulations on Planning Administration regarding Granting and Transfer of State-owned Land Use Rights in Urban Area” (《城市國有土地使用權出讓轉讓規劃管理辦法》(建設部令第22號)) promulgated by the Ministry of Construction in December 1992 and revised on January 26, 2011, a real estate developer shall apply for a construction land planning permit (建設用地規劃許可證) from the municipal planning authority. After obtaining the construction land planning permit, the real estate developer shall then organize the necessary planning and design work in accordance with relevant planning and design requirements. A planning and design proposal in respect of the real estate project shall be submitted to the municipal planning authority following the requirements and procedures under the Urban and Rural Planning Law of the People’s Republic of China (《中華人民共和國城鄉規劃法》(主席令第29號)), which was issued on October 28, 2007 and revised on April 24, 2015 and April 23, 2019, and a construction work planning permit (建設工程規劃許可證) must be obtained from the municipal planning authority.

On January 21, 2011, the State Council promulgated the Regulation on Expropriation and Compensation Related to Buildings on State-owned Land (《國有土地上房屋徵收與補償條例》(國務院令第590號)), which replaces the Regulations for the Administration of Demolition and Removal of Urban Housing (《城市房屋拆遷管理條例》(國務院令第305號)). The new regulation provides, among other things, that:

- buildings can be expropriated under certain circumstances for public interests but only governmental authorities are permitted to conduct resettlement activities. Real estate developers are prohibited from involvement in the demolition and relocation procedures;
- compensation shall be paid before the resettlement;
- compensation to owners of properties to be demolished cannot be less than the market value of similar properties at the time of an expropriation. The market value of properties shall be determined by qualified real estate appraisal institutions in accordance with appraisal rules related to property expropriation. If any owner does not agree with the appraised market value of the property, he can apply to the real estate appraisal institution for re-appraisal; and
- neither violence nor coercion may be used to force homeowners to leave. In addition, certain measures such as illegally cutting water and power supplies cannot be used in relocation work.

Under the Opinion on Further Strengthen the Management of Urban Planning and Construction (《中共中央國務院關於進一步加強城市規劃建設管理工作的若干意見》) promulgated by the State Council on February 6, 2016, new residential project should promote block system in principle, and completed residential community should open gradually for the Intensive Utilization of urban land.

Sales/Pre-sales of Commodity Buildings

Commodity buildings can be sold before or after their completion. These sales are regulated and conducted in accordance with the provisions of the “Regulations for the Administration of Sale of Commodity Buildings (《商品房銷售管理辦法》(建設部令第88號)), or the Sales Regulations promulgated by the Ministry of Construction in April 2001, the Measures for the Administration of Pre-sale of Commodity Buildings (《城市商品房預售管理辦法》(建設部令第131號)), or the Pre-sales Measures amended by the Ministry of Construction in July 2004 and in accordance with the Development Regulations.

For units of a commodity building sold before completion to occur under the Pre-sale Regulations, a developer must make the necessary pre-sale registration with the real estate development authority of the relevant city or county and obtain a pre-sale permit. A Pre-sale will take place if:

- The premium in respect of the land use rights has been paid in full and the land use rights certificate has been obtained;

- The construction work planning permit and the construction work commencement permit have been obtained;
- At least 25% of the total amount of the project investment fund has been injected into the development of the project and the progress of construction and the expected completion date of the project has been ascertained; and
- The pre-sale permit has been obtained.

Under the “Regulations for the Administration of Sale of Commodity Buildings” (《商品房銷售管理辦法》(建設部令第88號)), commodity buildings may be put to post-completion sale only when the following preconditions have been satisfied: (a) the real estate development enterprise offering to sell the post-completion buildings shall have an enterprise legal person business license and a qualification certificate of a real estate developer; (b) the enterprise has obtained a land use rights certificate or other approval documents of land use; (c) the enterprise has the permit for construction project planning and the permit for construction; (d) the commodity buildings have been completed and been inspected and accepted as qualified; (e) the relocation of the original residents has been completed; (f) the supplementary essential facilities for supplying water, electricity, heating, gas, communication, etc. have been made ready for use, and other supplementary essential facilities and public facilities have been made ready for use, or the schedule of construction and delivery date of have been specified; (g) the property management plan has been completed. Before the post-completion sale of a commodity building, a real estate developer shall submit the real estate development project manual and other documents showing that the preconditions for post-completion sale have been fulfilled to the real estate development authority for making a record.

According to the Property Rights Law (《中華人民共和國物權法》(主席令第62號)) which was promulgated on March 16, 2007 and implemented on October 1, 2007, parties can apply for registration of a caveat by agreement in order to secure that they obtain future property rights. After registration of such caveat, without permission of the persons who enjoy such right of registration of the caveat, any disposal of the relevant real estate shall have no effect to the property rights.

Pursuant to the Notice on Promoting the Steady and Healthy Development of the Real Estate Market (《關於促進房地產市場平穩健康發展的通知》(國辦發[2010]4號)) issued by the General Office of the State Council on January 7, 2010, local governments must decide the minimum scale of pre-sales rationally and may not issue separate pre-sale permits by floor or unit.

On April 13, 2010, the MOHURD of People’s Republic of China issued the Notice on Further Strengthening the Supervision over the Real Estate Market and Improving the Pre-sale System of Commercial Housing (《關於進一步加強房地產市場監管完善商品住房預售制度有關問題的通知》(建房[2010]53號)). It provides that, among other things, within 10 days after the real estate developers obtain the pre-sale permit for the project for sale, they shall release the information regarding number of properties allowed for pre-sale under such pre-sale permission and the prices of such mentioned pre-sale units to the public in one time. They shall also sell the properties to the public at the price as published and strictly subject to the pre-sale permits.

On November 4, 2010, the MOHURD and the SAFE collectively promulgated the Notice on Further Regulating the Administration on House Purchase by Overseas Organization and Individual (《關於進一步規範境外機構和個人購房管理的通知》(建房[2010]186號)), which stipulates that, except as otherwise stated in laws and regulations, an overseas individual shall solely purchase one unit of owner-occupied residential house, and an overseas organization with a branch or representative office set up in the PRC shall solely purchase non-residential house necessary for business operations in the city where it is registered.

On August 19, 2015, the MOHURD, MOFCOM, NDRC, PBOC, SAIC and SAFE jointly issued the Notice on Adjusting the Policies on the Market Access and Administration of Foreign Investment in the Real Estate Market (《住房城鄉建設部、商務部、國家發展改革委、人民銀行、工商總局、外匯局關於調整房地產市場外資准入和管理有關政策的通知》(建房[2015]122號)), which provides that an overseas individual who studies or work in the PRC and an overseas organization with a branch or representative office set up in the PRC shall purchase houses necessary for private use or business operations.

On March 16, 2011, the NDRC promulgated the Regulations on Sales of Commodity Houses at Expressly Marked Price (《商品房銷售明碼標價規定》(發改價檢[2011]548號)) with effect from May 1, 2011, which provide that real estate development enterprises and intermediary agencies (collectively, the “Sellers and Agencies”) shall, during the period of selling new-built commodity houses, publish and mark the prices of the commodity houses and closely related factors thereof as well as the pricing standards. The regulation stipulates that the Sellers and Agencies shall mark the price of each commodity house with one price only. For real estate development projects that have obtained the pre-sale permits or are registered as finished houses, the Sellers and Agencies shall publish the availability of all houses that are permitted to be sold and the price of each house within a specified time frame. The Sellers and Agencies shall not sell the house at a price higher than the marked price and shall not collect charges not specified. Meanwhile, intermediary agencies shall sell second-hand commodity houses with reference to the regulation. In the event that the Sellers and Agencies do not expressly mark the price or publish their charges or commit fraud through the marking of price or pricing artifices, local competent authorities of county-level or above shall have the right to penalize the Sellers and Agencies accordingly.

Individual Housing Loans

“Circular on for the Determination of Second Residential Property in Individual Commercial Housing Loan Applications” (《關於規範商業性個人住房貸款中第二套住房認定標準的通知》(建房[2010]83 號)) was jointly promulgated by MOHURD, PBOC and CBRC on May 26, 2010. The circular lays down the determining criteria of a property being identified as an individual’s second residential property in individual commercial housing loan applications. The circular provides that the number of residential properties owned by an individual loan applicant shall be determined with reference to the number of completed residential properties actually owned by the members of the family (including the individual loan applicant, their spouses and minor children) of the individual who plans purchase another residential property with the use of individual commercial housing loan. The application or authorization of any individual commercial housing loan by an individual borrower shall be subject to checks on the borrowers’ residential property registry records through the property registration information system and the issuance written results of such checks by the urban real estate authorities. The lender should implement a differential credit policy for the individual borrower’s second (or above) residential property in accordance with the number of residential properties owned by such borrowers. The policy in this circular is also applicable to non-residents who can provide local tax clearance certificates or local social insurance payment certificates for one year or above.

“Circular on Regulations of Policies Concerning Individual Housing Provident Fund Loans” (《關於規範住房公積金個人住房貸款政策有關問題的通知》(建金[2010]179號)) was jointly promulgated by MOHURD, Ministry of Finance, PBOC and CBRC on November 2, 2010 and it lays down regulations in relation to the Individual Housing Provident Fund Loans. The circular provides that Individual Housing Provident Fund Loans could only be used to purchase, build, re-build and repair ordinary and privately used residential properties of laborers with the aim of meeting their basic need for housing. The making use of Individual Housing Provident Fund Loans to carry out speculative purchase of properties is strictly prohibited. To purchase the first residential property for private use with Individual Housing Provident Fund Loans, the down payment of the purchase shall not be less than 20% of the total purchase price if the gross floor area of the property is less than 90 meter squares (inclusive). If the gross floor area of the property is more than 90 meter squares, the down payment shall not be less than 30% of the total purchase price. For the purchase of the second residential property, Individual Housing Provident Fund Loans are only available to laborers whose families’ per-capita gross floor area is lower than the local average, and that could only be used to purchase ordinary and privately used residential properties that help improve the living condition of the laborers. The down payment for the purchase of the second

residential property shall not be less than 50% of the total purchase price, and the interest rate of the loan shall not be less than 1.1 times of the interest rate for Individual Housing Provident Fund Loans in relation to the purchase of the first residential property during the same period. Individual Housing Provident Fund Loans are not available to laborers and their families for purchasing the third (or more) residential property.

“Issues of Development of Policies Concerning Individual Housing Provident Fund Loans” (《關於發展住房公積金個人住房貸款業務的通知》(建金[2014]148號)) was jointly promulgated by Ministry of Housing and Urban-Rural Development, Ministry of Finance and the People’s Bank of China on October 9, 2014. According to the notice, PRC government supports employees to purchase housing units by appropriately increasing loan limit of individual housing provident fund loans for the first housing unit.

“Issues of Further Improvement of Housing Finance Service” (《中國人民銀行、中國銀行業監督管理委員會關於進一步做好住房金融服務工作的通知》(銀發[2014]287號)) was jointly promulgated by the People’s Bank of China and China Banking Regulatory Commission on September 29, 2014. The notice provides that if the resident families apply for a commercial individual housing loan to purchase the first ordinary housing unit for their own living, the minimum down payment ratio shall not be lower than 30% and the lending rate shall not be lower than 70% of the benchmark interest rate for loan.

“Issues concerning Individual Housing Loan Policies” (《中國人民銀行、中國銀行業監督管理委員會關於個人住房貸款政策有關問題的通知》(銀發[2015]98號)) was jointly promulgated by the People’s Bank of China, the Ministry of Housing and Urban-Rural Development and the China Banking Regulatory Commission on March 30, 2015 and it specifies individual housing loan policies. The notice provides that a resident’s family that owns one housing unit and has not paid off the corresponding housing loan, if the family applies again for a commercial individual housing loan to purchase an ordinary housing unit for its own living to improve its current living conditions, the minimum down payment ratio shall not be lower than 40%, and the specific down payment ratio and lending rate shall be rationally determined by the banking financial institution according to the borrower’s credit standing and repayment capability, among others.

To purchase the first residential property for private use with Individual Housing Provident Fund Loans, the down payment of the purchase shall not be less than 20% of the total purchase price. For a resident family that owns one housing unit and has paid off the corresponding housing loan, if the family applies again for Individual Housing Provident Fund Loans to improve its current living conditions, the minimum down payment ratio shall not be lower than 30%.

Under the Notice of the People’s Bank of China and the China Banking Regulatory Commission on Issues concerning Adjusting the Individual Housing Loan Policies (《中國人民銀行、中國銀行業監督管理委員會關於調整個人住房貸款政策有關問題的通知》(銀發[2016]26號)) issued on February 1, 2016, in cities where “housing purchase restriction” measures are not implemented, the minimum down payment ratio for commercial individual housing loans granted to households of residents for purchasing ordinary housing units for the first time shall generally be 25%, and may be lowered by five percentage points by local governments; and where a household which owns one housing unit but has not paid off the relevant housing loan applies again for a commercial individual housing loan to purchase an ordinary housing unit to improve living conditions, the minimum down payment ratio shall not be less than 30%.

Under the Notice of Maintaining the Rights and Interests in Housing Loans of Employees Contributing to the Housing Provident Fund (《住房城鄉建設部、財政部、中國人民銀行、國土資源部關於維護住房公積金繳存職工購房貸款權益的通知》(建金[2017]246號)) implemented on December 12, 2017, Housing and urban-rural developments shall strengthen market regulation and require real estate development enterprises, when selling commercial buildings, to provide a written undertaking not to deny home buyers use of housing provident fund loans and publish it at the place of building sale. Real estate development enterprises shall conscientiously honor their undertakings and may neither restrict, obstruct or refuse home buyers’ use of housing provident fund loans by raising prices, reducing discounts, or any other means nor require, directly or in disguise, home buyers to sign written documents to voluntarily waive the right to housing provident fund loans.

Leasing

Both the Urban Land Regulations and the Real Estate Law permit the leasing of granted land-use rights and of the buildings or homes constructed on the land. On December 1, 2010 the Ministry of Housing and Urban-Rural Construction promulgated the “Measures for Administration of Leases of Commodity Buildings” (《商品房屋租賃管理辦法》(住房和城鄉建設部令第6號)) (“New Lease Measures”), which took effect on February 1, 2011 and replaces the Measures for Administration of Leases of Buildings in Urban Areas (《城市房屋租賃管理辦法》). Pursuant to New Lease Measures, within 30 days after a lease contract is entered into, the parties thereto shall file with the local property administration authority. Any failure to comply with such filing requirement would lead to a fine. According to the Real Estate Law, rental income derived from the any building situated on allocated land, or land which the landlord has acquired only allocated land use rights, must be turned over to the State.

Under the Opinion on accelerating the cultivation and development of housing rental market (《國務院辦公廳關於加快培育和發展住房租賃市場的若干意見》國辦發[2016]39號) promulgated by General Office of the State Council on May 17, 2016, the government encourages real estate development enterprises to carry out housing rental business.

Insurance

There are no mandatory provisions in the PRC laws, regulations and government rules which require a real estate developer to take out insurance policies for its real estate projects.

According to the “Construction Law of the People’s Republic of China” (《中華人民共和國建築法》) (主席令第29號) promulgated by the Standing Committee of the National People’s Congress on November 1, 1997 and effective as of March 1, 1998, which has been amended on April 22, 2011 and April 23, 2019, Construction enterprises shall purchase work-related injury insurance and pay work-related injury insurance premiums for employees according to law. Enterprises shall be encouraged to purchase accidental injury insurance and pay insurance premiums for the employees engaging in dangerous operations. In the “Opinions of the Ministry of Construction on Strengthening the Insurance of Accidental Injury in the Construction Work” (《建設部關於加強建築意外傷害保險工作的指導意見》(建質[2003]107號)) by the Ministry of Construction on May 23, 2003, the Ministry of Construction further emphasizes the importance of the insurance of accidental injuries in the construction work and put forward the detailed opinions of guidance.

Real Estate Loans

Commercial Bank Loans

On June 5, 2003, the PBOC promulgated the Notice on Further Strengthening the Administration of Real Estate Related Credit (《關於進一步加強房地產信貸業務管理的通知》(銀發[2003]121號)). According to this notice, commercial banks shall focus their business on supporting real estate projects targeted at mid-to lower-income households and appropriately restrict the granting of real estate loans to projects for the construction of luxury apartments and houses. The notice provides that when applying for bank loans, a real estate development company must contribute at least 30% of the total investment of the project from its own funds, and prohibits banks from advancing funds to real estate developers as working capital or for payment of land premiums. See “Recent macroeconomic control measures” below for recent developments in this area.

On August 30, 2004, the CBRC issued a Guideline for Commercial Banks on Risks of Real Estate Loans (《商業銀行房地產貸款風險管理指引》(銀監發[2004]57號)). According to the guideline and the Notice on Further Strengthening the Administration of Real Estate Related Credit (《關於進一步加強房地產信貸業務管理的通知》(銀發[2003]121號)), no loans shall be granted in relation to projects which have not obtained requisite land use rights certificates, construction land planning permits, construction works planning permits and construction work commencement permits. The guideline also stipulated that not less than 35% of the investment in a property development project must be funded by the real estate developer’s own capital for the project in order for banks to extend loans to the real estate developer. In addition, the guideline noted that commercial banks should set up strict approval systems on granting loans.

On March 16, 2005, the PBOC promulgated a Notice on Adjusting the Housing Loan Policy and Deposit Rate of Excess Reserves for Commercial Banks (《關於調整商業銀行住房信貸政策和超額準備金存款利率的通知》(銀發[2005]61號)) which canceled the preferential mortgage lending interest rate for individuals and restricted on the minimum mortgage loan rate to 0.9 times the benchmark rate. The PBOC also increased the public housing fund loan rate (住房公積金貸款利率) by 0.18% and permitted commercial banks to decrease the mortgage loan rate from 80% to 70% of the value of the property if it is located in a city where property prices are increasing too rapidly.

On May 31, 2006, the PBOC promulgated a Notice about Relevant Matters on Adjusted Housing Credit Policies (《關於調整住房信貸政策有關事宜的通知》(銀發[2006]184號)). The notice provides that, from June 1, 2006, the first installment payment for an individual house bought through a mortgage loan must not be lower than 30% of the purchase price. However, for houses purchased for self-residential purposes and with a gross floor area of less than 90 sq.m., the 20% first installment payment regulation still applies.

On September 27, 2007, PBOC and CBRC promulgated a “Circular on Strengthening the Management of Commercial Real-estate Credit Loans” (《關於加強商業性房地產信貸管理的通知》(銀發[2007]359號)), which increases the down payment requirement applicable to a purchaser acquiring his second residential property to at least 40% and the interests payable on these loans must not be less than 110% of the benchmark interest rate of the same kind and same term by PBOC. Under this circular, the PRC authority has tightened control over commercial banks’ loans to property developers in order to prevent these banks from excessive credit granting. The circular emphasizes that commercial banks must not offer loans to property developers who have been found by state land and resource and construction authorities as hoarding land and buildings. Commercial banks are also prohibited from accepting commercial properties that have been vacant for more than three years as guaranties for loans. Under the complementary notice on Strengthening the Administration of Commercial Real Estate Credit Loans (《關於加強商業性房地產信貸管理的補充通知》(銀發[2007]452號)), if a member of a family (including the purchaser, his/her spouse and their children under 18) has borrowed loans from banks to buy a house, any member of the family that buys another house will be regarded as a second-time home buyer.

On April 17, 2010, the State Council issued the Notice on Strictly Restraining the Excessive Growth of the Property Prices in Some Cities (《國務院關於堅決遏制部分城市房價過快上漲的通知》(國發[2010]10號)), according to which a stricter differential housing credit policy shall be enforced. It provides that, among other things, (1) for first-time family buyer (including the borrower, his/her spouse and his/her underage children, similarly hereinafter) of the apartment larger than 90 square meters, a minimum 30% down payment must be paid; (2) the down payment requirement on second-home mortgages was raised to at least 50% from 40% and also reiterated that an extra 10% should be adopted on interest rates for such buyers; and (3) for those who buy three or more houses, even higher requirements on both down payments and interest rates shall be levied. In addition, the banks can suspend housing loans to third or more home buyers in places where house prices rise too rapidly and too high and home supply is insufficient.

On September 29, 2010, the PBOC and the CBRC jointly issued the Notice on Relevant Issues Regarding the Improvement of Differential Mortgage Loan Policies (《關於完善差別化住房信貸政策有關問題的通知》(銀發[2010]275號)), which (i) raised the minimum down payment to 30% for all first home purchases with mortgage loans; (ii) required commercial banks in China to suspend mortgage loans to: (1) customers for their third or more residential property purchase, and (2) to non-local residents who cannot provide documentation certifying payment of local tax or social security for longer than a one-year period; and (iii) restricted the grant of new project bank loans or extension of credit facilities for all property companies with non-compliance records regarding, among other things, holding idle land, changing the land use to that outside the scope of the designated purpose, postponing construction commencement or completion, or hoarding properties.

On September 24, 2015, the PBOC and the CBRC jointly issued the Notice on Issues concerning Further Improving the Differential Housing Credit Policies (《關於進一步完善差別化住房信貸政策有關問題的通知》(銀發[2015]305號)), which provided that in cities where no purchase limitations are imposed, for a commercial individual housing loan provided for the household of a resident to purchase his or her first ordinary housing unit, the minimum down payment ratio shall be adjusted to not less than 25%.

Trust Financing

On October 1, 2001, “The Trust Law of the People’s Republic of China” (《中華人民共和國信託法》(主席令第50號)) (the “Trust Law”) came into effect. Trust Law regulates settlers, trustees, and beneficiaries that engage in civil, business or public welfare trust activities within the PRC. For purposes of the Trust Law, trust refers to that the settler, based on his faith in trustee, entrusts his property rights to the trustee and allows the trustee to, according to the will of the settler and in the name of the trustee, administer or dispose of such property in the interest of a beneficiary or for any intended purposes. The trust property shall be segregated from the property owned by the trustee. Where the trustee dies or the trustee as a body corporate is dissolved, removed or is declared bankrupt according to the applicable law, and the trusteeship is accordingly terminated, the trust property shall not be form part of his legacy or liquidation property.

A trust shall be created for lawful trust purposes and shall be made in written form. To create a trust, there must be definite property under the trust, and such property including the lawful property right must be the property lawfully owned by the settler. If laws or administrative regulations stipulate that registration shall be made for the creation of a type of trust, such registration shall be made accordingly, or the trust shall have no effect.

On March 1, 2007, “The Administration Measures on Trust Company” (《信託公司管理辦法》(中國銀行業監督管理委員會令2007年第2號)) came into effect. For the purposes of these measures, “trust financing company” shall have the meaning of a financial institution which was established pursuant to the PRC Company Law and these Measures and primarily engages in trust business; and the term “trust business” shall have the meaning of any business of a trust financing company through which it accepts a trust and handles trust affairs as a trustee and obtains remuneration. A trust financing company engaging in trust activities shall comply with laws, administrative regulations and the trust document and may not harm the interests of the State, the public or the legal rights and interests of third parties. To establish as a trust financing company, a financial institution shall be approved by the CBRC and shall obtain a financial business license. A trust financing company may apply to engage in cash trust, movable property trust, real estate property trust or any other business that regulated by laws and regulations or approved by the CBRC. Where a trust financing company manages or disposes of trust property, it must scrupulously carry out its responsibilities and perform its obligation of honest, trustworthy, prudent and efficient management. Meanwhile, trust property is not a part of the trust financing company’s own property and does not constitute a liability of the trust financing company towards the beneficiary. When a trust financing company is terminated by way of liquidation or dissolution, trust property shall not be a part of its property subject to liquidation.

On February 4, 2009, the amended “Measures for the Administration of Trust Companies’ Trust Plans of Assembled Funds” (《信託公司集合資金信託計劃管理辦法》(中國銀行業監督管理委員會令2009年第1號)) came into effect. This regulation is applicable to the set-up trust plans of assembled funds (“Trust Plan”) in the PRC. Trust Plans must be set up according to relevant industry policies, laws and regulations, and shall has explicit investment target and strategy. For the purposes of this regulation, “Trust Plan” includes any trust activity that the trust financing company acts as a trustee, according to the will of the settler, administer or dispose settler’s property in the interest of a beneficiary. The property of Trust Plan is segregated from property owned by trust financing company. A trust financing company is prohibited to mix the property of a Trust Plan into its own property. In case where a trust financing company is dissolved, deregistered or declared bankrupt according to the law, the property of Trust Plan shall not form part of the liquidation property.

During the period of a Trust Plan, the trust financing company is required to select well-managed commercial bank as the custodian. The trust financing company is also required to establish specific departments and appoint specialized employees to manage the Trust Plan. Furthermore, the trust financing company may be required to disclose information of the Trust Plan in accordance with relevant laws and regulations.

From October 2008 to November 2010, the CBRC issued several regulatory notices in relation to real estate business conducted by trust financing companies, including a “Circular on Relevant Matters regarding Strengthening the Supervision of Real-estate and Securities Business of Trust Companies” (《關於加強信託公司房地產、證券業務監管有關問題的通知》(銀監辦發[2008]265號)), pursuant to which trust financing companies are restricted from providing trust loans, in form or in nature, to (i) property projects that have not obtained the requisite land use rights certificates, construction land planning permits, construction works planning permits and construction work commencement permits; (ii) property developers that had not been issued with Class 2 qualification certificates by the relevant competent construction authorities; (iii) property projects of which less than 35% of the total investments are funded by the property developers’ own capital (the percentage of 35% was changed to 20% for affordable housing and ordinary commodity apartments and 30% for other property projects as provided by a Notice on Adjusting the Capital Ratio of Fixed Assets Investment Project (國務院《關於調整固定資產投資項目資本金比例的通知》(國發[2009]27號)) issued by the State Council on May 25, 2009); and (iv) to property developers for payment of land premium or for working capital purposes.

Establishment of Real Estate Enterprises

According to the Law on Administration of Urban Real Estate of the PRC (《中華人民共和國城市房地產管理法》(主席令第18號)) promulgated by the Standing Committee of NPC on July 5, 1994, becoming effective in January 1995, and amended in August 2007 and August 2009 and August 2019 respectively, real estate development refers to the act of constructing infrastructure and buildings on state-owned land, the land use rights of which have been legally acquired; and a real estate developer is defined as an enterprise which engages in the development and operation of real estate for the purpose of making profits.

In accordance with the Law of the People’s Republic of China on Urban Real Estate Administration (《中華人民共和國城市房地產管理法(主席令第32號)》), to establish a real estate development enterprise, a registration should be made with the Administration for Industry and Commerce. The Administration for Industry and Commerce shall handle registration procedures of those which comply with conditions as prescribed by this law and issue licenses to them; and refuse to handle registration procedures of those which do not comply with conditions prescribed by this law. Those which establish a limited liability company or limited stock company to engage in real estate development and operations shall also execute the relevant provisions of the Corporate Law. A real estate enterprise shall report for record to a department designated by the people’s government above county level where the registration department is located within one month after obtaining the license.

On May 25, 2009, the State Council issued a Notice on Adjusting the Capital Ratio of Fixed Assets Investment Project (國務院關於調整固定資產投資項目資本金比例的通知(國發[2009]27號)). The Notice provides that the minimum capital requirement for affordable housing and ordinary commodity apartments are 20%, and the minimum capital requirement for other real estate development projects is 30%. These regulations apply to both domestic and foreign investment projects.

Qualifications of Real Estate Development Enterprises

Classification and rating of qualifications of real estate development enterprises

In accordance with the relevant provisions of Administrative Regulations on Development and Operation of Urban Real Estate (《城市房地產開發經營管理條例》(國務院令第726號)) (promulgated and implemented on July 20, 1998, and revised on January 8, 2011, March 19, 2018, March 24, 2019 and March 27, 2020 by the State Council), a real estate development enterprise should, within 30 days starting from the date of obtainment of the business license, go to the competent department of real estate development of the locality wherein the registration organ is located for the record. The competent

department of real estate development should, on the basis of the assets, specialized technical personnel and development and management achievements, verify the human quality grade of a real estate development enterprise put on record. The real estate development enterprise should, in accordance with the verified qualification grade, undertake corresponding real estate development projects.

On March 29, 2000, the Ministry of Construction promulgated the Regulations on Administration of Qualification of Real Estate Development Enterprises (《房地產開發企業資質管理規定》(建設部令[第77號])) and revised it on May 4, 2015. Pursuant to the regulations, the enterprises engaged in real estate development should be approved in accordance with the provisions of application for the enterprise qualification level. Enterprises that fail to obtain certificates of real estate investments (hereinafter referred to as qualification certificates) shall not engage in the real estate development business.

Enterprises engaged in real estate development enterprises are classified into four qualification levels: Level I, Level II, Level III and Level IV in accordance with the enterprise conditions. The preliminary examination of the qualification of level I should be performed by the administrative departments of people's governments of the provinces, autonomous regions and municipalities directly under the Central Government and then reported to the construction administrative departments of the state council for approval. The examination measures of the enterprises of level II qualification or lower should be developed by the construction administrative department of the people's governments of the provinces, autonomous regions and municipalities directly under the Central Government. Those enterprises passing the qualification examination should be awarded with corresponding levels of qualification certificates by the qualification examination departments. The newly-established real estate enterprises should put a record in the competent department of real estate development within 30 days upon receipt of the business license. The competent department of real estate development should verify and issue the provisional qualification certificate (暫定資質證書) to the enterprises that conform to the conditions within 30 days upon receipt of the application for filing. The valid period of the provisional qualification certificate is one year. The competent department of real estate development may extend the valid period of the provisional qualification certificate depending on the actual conditions and the extension should not exceed two years. Enterprises engaged in real estate development shall apply for verification of qualification level to the competent department of real estate development one month before expiration of the valid period of the provisional qualification certificate.

Business scope of real estate development enterprises

Pursuant to the relevant provisions of Regulations on Administration of Qualifications of Real Estate Development Enterprises (《房地產開發企業資質管理規定》(建設部令[第77號])), enterprises of various qualification levels shall engage in the in real estate development and management within the prescribed business scope and shall not undertake tasks bypassing the levels. The level I qualification of real estate development enterprises can undertake the unrestricted construction scale of real estate construction across the country. The level II and lower levels of real estate development enterprises can undertake the development construction projects with the construction area less than 250,000 square meters. The specific range of business is determined by the competent construction administrative department of the people's governments of provinces, autonomous regions and municipalities directly under Central Government.

Annual inspection of qualification of real estate development enterprises

Pursuant to the relevant provisions of Regulations on Administration of Qualifications of Real Estate Development Enterprises (《房地產開發企業資質管理規定》(建設部令[第77號])), an annual inspection system is implemented for the qualification of real estate development enterprises. For enterprises that do not conform to the original qualification conditions or have adverse operating acts, their qualification certificates should be downgraded or canceled by the original qualification approval department. The annual inspection of qualification of level I qualification of real estate development enterprises should be under the charge of competent construction administrative department of State Council or its authorized authority. For the annual inspection of level II or below qualifications of real estate development enterprises, the competent construction administrative department of the provinces, autonomous regions and municipalities directly under the central government shall develop the administrative measures.

Under the Notice of the Ministry of Housing and Urban-Rural Development on further regulating the operation of real estate enterprises and maintaining the order of the real estate market (《住房城鄉建設部關於進一步規範房地產開發企業經營行為維護房地產市場秩序的通知》(建房[2016]223號)) promulgated on October 10, 2016, real estate administrative department will punish improper management behavior.

On July 29, 2016, the MOHURD, NDRC, MIIT, PBOC, SAT, SAIC, CBRC jointly issued Opinion on strengthening the management of real estate intermediary to promote the healthy development of the industry (《住房城鄉建設部等部門關於加強房地產仲介管理促進行業健康發展的意見》(建房[2016]168號)). The Opinion provided measures to strengthen the management of real estate intermediary, including (1) the agency shall not force the client to choose a designated financial institution; (2) Financial services should not be bundled with other services; (3) prohibit agency provide illegal financial products and services such as loan on down-payment.

Advertisement

On April 24, 2015, the Standing Committee of the National People's Congress released the Advertising Law of the People's Republic of China (《中華人民共和國廣告法》(主席令第16號)), which came into effect on September 1, 2015 and revised on October 26, 2018. The Advertising Law provides that, in the case of real estate advertisements, property listings information shall be true, the area stated shall be the floor area or the usable area, and the advertisements shall not contain the following contents: (1) Commitment on appreciation or investment return; (2) Use the time required to travel between the property to a specific location to state the property's location; (3) Violate the provisions of the State on pricing administration; and (4) Misleading promotion of transportation, commercial, cultural and educational facilities and other municipal facilities under planning or construction.

Under the Provisions on the Release of Real Estate Advertisements (《房地產廣告發佈規定》(國家工商行政管理總局令第80號)) promulgated on December 24, 2015 and implemented on February 1, 2016, an advertisement on real estate shall contain true information on the source of real estate, with the area thereof clarified as the gross floor area or the gross internal floor area, and shall not contain: (1) any commitment on appreciation or investment return; (2) any indication of the location of the project by the time needed from the project to a specific object of reference; (3) any violation of the provisions of the state on price management; (4) any misleading publicity on transport, commercial, cultural and educational, and other municipal facilities in planning or under construction; or (5) any undertaking that the advertiser may handle household registration, employment, admission to schools of a higher level, and other matters for purchasers.

Foreign Investment in Property Development

On July 11, 2006, the Ministry of Construction, MOFCOM, NDRC, PBOC, SAIC and SAFE jointly issued the Options on Regulating the Entry and Administration of Foreign Investment into the Real Estate Market (《關於規範房地產市場外資准入和管理的意見》(建住房[2006]171號)) (the "171 document"). The 171 document provides that: (i) foreign organizations and individuals who have established FIEs are allowed to invest and purchase non-self-resided real estate in China; branches of foreign organizations established in China and foreign individuals who work or study in China for over a year are eligible to purchase commercial houses which match their real needs for self-utilization or self-residence under their real names; (ii) foreign-invested real estate corporations can apply for the FIE approval certificate (外商投資企業批准證書) and business license (營業執照) only after they have paid back all the land premium and obtained the State-owned land use rights certificate; (iii) foreign investors shall pay off all the transfer price in a lump sum with their own funds if they acquire Chinese domestic real estate corporations; and (iv) by no means can Chinese or foreign investors make any commitment in any documents to guarantee a fixed return or fixed revenue in disguised form for any party in the contract.

On August 14, 2006, Commerce Department of PRC promulgated the Notification on Relevant Issues on Implementing "Opinions on Regulating Foreign Capital Admittance and Management in the Property Market" (《商務部辦公廳關於貫徹落實〈關於規範房地產市場外資准入和管理的意見〉有關問題的通知》). According to this Notification, foreign-capital-invested property enterprises with total investment exceeding or equal to US\$10 million or between US\$3 million and US\$10 million shall have

its registered capital no less than 50% of the total investment while no less than 70% hereof when total investment less than or equal to US\$3 million. Foreign investors that merge domestic property enterprises through stock equity transfer and other means shall appropriately arrange staff members and deal with banking debts and pay off all transfer payment in a lump sum with its owned funds within three months since the issuing date of foreign-investment enterprise business license. Foreign investors that merge stock equity of the Chinese side in foreign-invested property enterprises shall appropriately arrange staff and deal with banking debts and pay off all considerations for transfer in a lump sum with its owned funds within three months since the issuing date of foreign-investment enterprise business license.

MOFCOM and SAFE jointly issued a Notice on Further Strengthening and Regulating the Approval and Administration regarding Foreign Direct Investment in the Real Estate Industry (《關於進一步加強、規範外商直接投資房地產業審批和監管的通知》(商資函[2007]50號)) (“No. 50 Notice”) on May 23, 2007, which was amended on October 28, 2015. Under the Notice, local commercial authorities should reinforce the approval and supervision process over foreign-invested real estate enterprises, and strictly control foreign fund from investing in high-end real estate development projects. For foreign-invested company intending to engage in the property development business, the land use rights should be obtained, or at least has entered into pre-contract purchase agreement with the relevant land administrative authorities, land developers, or the owners of the house or other constructions, otherwise the proposed foreign-invested real estate company will not be approved by the authorities. For existing foreign-invested company who intends to expand its operations in its business operation or company who intends to engage in the operation or development of the new real estate project, they should undertake relevant procedures with the approval authority. Furthermore, pursuant to the 2015 Revision, passing the annual joint inspection is not the requirement of acquiring the foreign exchange for foreign investors any more.

On August 19, 2015, the MOHURD, MOFCOM, NDRC, PBOC, SAIC and SAFE jointly issued the Notice on Adjusting the Policies on the Market Access and Administration of Foreign Investment in the Real Estate Market (《住房城鄉建設部、商務部、國家發展改革委、人民銀行、工商總局、外匯局關於調整房地產市場外資准入和管理有關政策的通知》(建房[2015]122號)), which provides that: (1) the proportion of the registered capital of a foreign-funded real estate enterprise to its total investment shall be governed by the Interim Provisions of the State Administration for Industry and Commerce on the Proportion of the Registered Capital of a Chinese-Foreign Equity Joint Venture to Its Total Investment (《國家工商行政管理局關於中外合資經營企業註冊資本與投資總額比例的暫行規定》(工商企字[1987]第38號)); (2) The requirement that foreign-funded real estate enterprises must fully pay up their registered capital to apply for domestic loans, overseas loans, and settlement of foreign exchange loans is cancelled; (3) foreign-funded real estate enterprises may, in accordance with the relevant provisions on foreign exchange administration, directly undergo the relevant foreign exchange registration under foreign direct investment with banks.

In November 2010, MOFCOM promulgated the Notice on Strengthening Administration of the Approval and Registration of Foreign Investment into Real Estate Industry (《關於加強外商投資房地產業審批備案管理的通知》(商辦資函[2010]1542號)), which provides that, among other things, in the case where a real estate enterprise is established within the PRC with overseas capital, it is prohibited from purchasing and/or selling real estate properties completed or under construction within the PRC for arbitrage purposes. The local MOFCOM authorities are not permitted to approve investment companies to engage in real estate development and management.

Pursuant to the current laws and regulations in PRC, the real estate enterprises with foreign investment can be established in the forms of Sino-foreign joint ventures, Chinese foreign cooperative ventures or wholly foreign-owned enterprises. Prior to the establishment of registration, enterprises are required to be approved by the competent commerce department and obtain the Certificate of approval for establishment of enterprises with foreign investment.

On June 28, 2017, the NDRC and the MOFCOM jointly promulgated the Catalogue of Industries for Guiding Foreign Investment (“the Catalogue”) (2017 Revision) (《外商投資產業指導目錄》中華人民共和國國家發展和改革委員會、中華人民共和國商務部令2017年第4號). Under the Catalogue 2017 Revision, Real estate industry had been removed from the restricted category, which meant that there were no longer any restrictions on the scope of business of foreign-invested real estate enterprise.

According to Foreign Investment Law of the People's Republic of China (《中華人民共和國外商投資法》(主席令第26號)) implemented on January 1, 2020, the state applies the administrative system of pre-establishment national treatment plus negative list to foreign investment. "Pre-establishment national treatment" as mentioned in the preceding paragraph means the treatment accorded to foreign investors and their investments no less favorable to that accorded to domestic investors and their investments at the stage of investment access; and "negative list" as mentioned in the preceding paragraph means a special administrative measure for access of foreign investment in specific fields as imposed by the state. The state accords national treatment to foreign investment outside of the negative list.

On May 4, 2015, SAFE issued the Notice of the State Administration of Foreign Exchange on Repealing and Amending Relevant Regulatory Documents Involving the Reform of the Registration System for Registered Capital (《國家外匯管理局關於廢止和修改涉及註冊資本登記制度改革相關規範性檔的通知》(匯發[2015]20號)), which provide that (inter alia) (i) SAFE will not process a foreign debt registration of any foreign invested real estate enterprise which obtained its certificate of authorization and completed the filing procedures with MOFCOM on or after June 1, 2007; (ii) foreign invested real estate enterprises established prior to June 1, 2007 may borrow foreign debt up to an amount not exceeding the difference between its total investment and registered capital; and (iii) a foreign debt registration of any foreign invested real estate enterprise that has not obtained land use rights certificates, or whose paid-in capital for its development projects is less than 35% of the total investment of such projects, are not allowed to borrow foreign debt.

On May 10, 2013, SAFE issued the Notice on the Foreign Exchange Administration of Domestic Direct Investment of Foreign Investors and the Supporting Documents (《國家外匯管理局關於印發外國投資者境內直接投資外匯管理規定及配套文件的通知》)(匯發[2013]21號), effective as of May 13, 2013. This notice abolishes 24 previous regulations, and further simplifies and clarifies the Regulation of Foreign Exchange of Domestic Direct Investment by Foreign Investors.

On February 13, 2015, SAFE issued the Notice of the State Administration of Foreign Exchange on Further Simplifying and Improving Policies for the Foreign Exchange Administration of Direct Investment (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》)(匯發[2015]13號), effective as of June 1, 2015. This notice canceled two administrative approval items: confirmation of foreign exchange registration under domestic direct investment and confirmation of foreign exchange registration under overseas direct investment, instead, banks shall directly examine and handle foreign exchange registration under domestic direct investment and foreign exchange registration under overseas direct investment (hereinafter collectively referred to as "foreign exchange registration of direct investment") pursuant to this Notice and the Annex – Operating Guidelines for Foreign Exchange Business in Direct Investment, and the SAFE and its branch offices (hereinafter referred to as "foreign exchange authorities") shall indirectly regulate the foreign exchange registration of direct investment through banks.

Property Service Enterprises

Foreign-invested Property Service Enterprises

Pursuant to the Catalogue of Industries for Guiding Foreign Investment (2017 Revision) (《外商投資產業指導目錄》中華人民共和國國家發展和改革委員會、中華人民共和國商務部令2017年第4號) and Special Administrative Measures (Negative List) for the Access of Foreign Investment (2018) (《外商投資准入特別管理措施(負面清單)》中華人民共和國國家發展和改革委員會、中華人民共和國商務部令2018年第18號), the services of property management fall into such categories permitted foreign investment. Foreign-invested property service enterprises can be established in the forms of in the forms of Sino-foreign joint venture, Chinese foreign cooperative venture or wholly foreign-owned enterprise. Establishment of a Property Service Enterprise is subject to the recordation procedure by the relevant departments of the PRC government and obtain Recordation Receipt (外商投資企業設立備案回執) for establishment of enterprises with foreign investment issued thereof.

PRC Deed Tax

Under the Provisional Regulation on the Deed Tax of the People's Republic of China (《中華人民共和國契稅暫行條例》(國務院令[第224號])) which took effect on October 1, 1997, and revised on March 2, 2019, Units or individuals to whom titles of land or houses have been transferred within the territory of the People's Republic of China shall be title deed tax payers and shall pay title deed taxes according to the provisions of these regulations.

The transfer of titles of land or houses mentioned in the regulations refers to the following acts:

- Leasing of the right to the use of state-owned lands;
- Transfer, including sales, donation and exchange, of land use right;
- House trading;
- House donation;
- House exchange.

The transfer of land use right mentioned in the preceding paragraph does not include the transfer of operation right of the rural collective land.

The transfer of land-use rights and the ownership of houses by means of the following methods are also deemed to be governed by the above regulation, as stipulated by the Implementation Rule of Provisional Regulation on the Deed Tax (《中華人民共和國契稅暫行條例細則》(財法字[1997]52號)):

- Using land-use rights ownership of a house as investment;
- Setting off debt with land-use rights and the ownership of house;
- Obtaining land-use rights and the ownership of a house as a prize; and
- Obtaining land-use rights and the ownership of a house by the way of purchasing in advance.

The rate of deed tax will within the range of 3-5%, be determined by the PRC government agencies of provincial, autonomous region and municipal level in light of the actual conditions of the underlying properties respective areas and shall be reported to the Ministry of Finance and the State Administration of Taxation.

The deed tax will be reduced or exempted under the following circumstances:

- When the land or house is requisitioned or occupied by the people's government at or above the county level and the land or house ownership is re-accepted, whether the tax is reduced or exempted shall be determined by the people's government of province, autonomous region, municipality;
- Taxpayers who are subject to the land use rights of barren hills, waste ditch, barren hills and barren beaches for agricultural, forestry, animal husbandry or fishery production shall be exempt from deed tax;
- Pursuant to the relevant laws of China and the provisions of bilateral and multilateral treaties or agreements concluded or participated by China, foreign embassies, consulates, United Nations agencies in China and their diplomatic representatives, consular officials and other diplomatic personnel are exempt from deed tax when the ownership of the house is confirmed by the Ministry of Foreign Affairs.

The following situations also falls into the scope of tax reduction and tax exemption according to the Implementation Rule of Provisional Regulation on the Deed Tax (《中華人民共和國契稅暫行條例細則》(財法字[1997]52號)):

- For the acceptance of land and houses by state agencies, institutions, social organizations and military units for office, teaching, medical service, scientific research and military facilities, the deed tax will be exempted;
- For the initial purchase of state-owned residential houses by urban and township workers and staff members according to the provisions of relevant laws and regulations, the deed tax will be exempted;
- For the purchase of residential houses in replacement of houses damaged or destroyed due to force majeure, the tax will, upon approval, be reduced or exempted according to the circumstances; and
- Any other types of reduction or exemption provided by the Ministry of Finance.

Reduction or exemption of deed tax will not be applicable if the relevant land or house and the change of use is no longer within the above-mentioned scope, and an amount of tax equivalent to the tax reduction or exemption should be paid.

On September 29, 2010, the Ministry of Finance, the Ministry of Construction and the State Administration of Taxation promulgated the Notice on Adjustment of the Deed Tax and Personal Income Tax Preferential Policies in Real Estate Transactions (《關於調整房地產交易環節契稅個人所得稅優惠政策的通知》(財稅[2010]94號)), which provides that deed tax rate is reduced to 1% for first-time individual buyer who purchases an ordinary residential property with a GFA of less than 90 sq.m. as the family's sole property.

On February 17, 2016, the Ministry of Finance, State Administration of Taxation, Ministry of Housing and Urban-Rural Development jointly issued Notice of the Ministry of Finance, the State Administration of Taxation, and the Ministry of Housing and Urban-Rural Development on Adjusting the Preferential Policies on Deed Tax and Business Tax during Real Estate Transactions (《財政部、國家稅務總局、住房城鄉建設部關於調整房地產交易環節契稅、營業稅優惠政策的通知》(財稅[2016]23號)), which provided that: (1) Where any housing unit with an area of 90 square meters or less is purchased by an individual as the only home of the family, the deed tax thereon shall be levied at the reduced tax rate of 1%; or where the area of the housing unit is more than 90 square meters, the deed tax thereon shall be levied at the reduced tax rate of 1.5%; and (2) Where an individual purchases his or her second housing unit with an area of 90 square meters or less for improving the current living conditions of his or her family, the deed tax shall be levied at the reduced tax rate of 1%; or where the area of the housing unit is more than 90 square meters, the deed tax thereon shall be levied at the reduced tax rate of 2%.

Income Tax

According to the EIT Law (《中華人民共和國企業所得稅法》(主席令第64號)) enacted by the NPC on March 16, 2007 and revised on February 24, 2017 and December 29, 2018. Relevant implementation rules enacted by the State Council on December 6, 2007, both in effect from January 1, 2008 onwards, a uniform income tax rate of 25% will be applied towards PRC enterprises, foreign investment enterprises and foreign enterprises which have set up production and operation facilities in the PRC. Pursuant to the Notice of the State Council on the Implementation of the Transitional Preferential Policies in respect of Enterprise Income Tax (《國務院關於實施企業所得稅過渡優惠政策的通知》國發[2007]39號) (implemented on December 26, 2007), the PRC EIT law also permits enterprises to continue to enjoy their existing tax incentives, adjusted by certain transitional phase-out rules, under which enterprises that were subject to an EIT rate of 15% prior to January 1, 2008 may continue to enjoy the lower rate and gradually transition to the new EIT rate within five years after the effective date of the PRC EIT Law, that is 18% in 2008, 20% in 2009, 22% in 2010, 24% in 2011 and the new statutory EIT rate of 25% from 2012 onwards. In addition, under the phase-out rules, enterprises established before the promulgation date of the PRC EIT Law and which were granted tax holidays (such as a two-year exemptions and five years of reduction by 50%) under the then effective tax laws or regulations may continue to enjoy their tax holidays until their expiration.

According to the implementation rules of the EIT Law (《中華人民共和國企業所得稅法實施條例》(國務院令512號)) (implemented on January 1, 2008), if an enterprise incorporated outside the PRC has its “de facto management body” located within the PRC, such an enterprise may be recognized as a PRC tax resident enterprise and subject to EIT at the rate of 25%. According to the PRC EIT Law, dividends received by a qualified PRC tax resident enterprise from another qualified PRC tax resident enterprises are exempted from EIT. Furthermore, according to the “Notice of the State Administration of Taxation on Issues about the Determination of Chinese-Controlled Enterprises Registered Abroad as Resident Enterprises on the Basis of Their Body of Actual Management” (《國家稅務總局關於境外註冊中資控股企業依據實際管理機構標準認定為居民企業有關問題的通知》(國稅發[2009]82號)) issued by on April 22, 2009 and revised on November 8, 2013 and December 29, 2017, where an overseas Chinese-funded enterprise concurrently satisfies the following conditions, it shall be determined as a resident enterprise whose body of actual management is within China:

- The premises where the senior management and the senior management bodies responsible for the routine production and business management of the enterprise perform their functions are mainly located within China;
- The financial decisions (about borrowing, lending, financing, financial risk management, etc.) and the personnel decisions (about appointment, dismissal, payment, etc.) of the enterprise are made by the bodies or persons within China or are subject to the approval of the bodies or persons within China;
- The enterprise’s primary properties, account books, company seals, minutes and archives of the meetings of the board of directors and shareholders are located or preserved within China; and
- The enterprise’s directors or senior management with 1/2 or more of the voting rights usually lives in China.

On March 6, 2009, the State Administration of Taxation promulgated the Measures for the Treatment of Enterprise Income Tax on Real Estate Development and Operation Business (《房地產開發經營業務企業所得稅處理辦法》(國稅發[2009]31號)), which was revised on June 16, 2014 and June 15, 2018, and regulates the revenue, cost of sales, fees deduction, accounting of costs and tax treatment of specific matters of enterprises engaging in the real estate business in the PRC in relation to the imposition of corporate income tax.

Value-Added Tax

Under the Announcement of the State Administration of Taxation on issues concerning the refund of Business Income Tax on the liquidation of land Value-Added Tax on real estate development enterprises (《國家稅務總局關於房地產開發企業土地增值稅清算涉及企業所得稅退稅有關問題的公告》(國家稅務總局公告2016年第81號)) promulgated on December 9, 2016, enterprises can apply for tax refund if they have paid extra Business Income Tax due to the liquidation of land Value-Added Tax.

According to the Notice of the Ministry of Finance and the State Administration of Taxation on Clarifying the Value-added Tax Policies on Finance, Real Estate Development and Educational Auxiliary Services (《財政部、國家稅務總局關於明確金融、房地產開發、教育輔助服務等增值稅政策的通知》(財稅[2016]140號)) issued on December 21, 2016, the compensation costs paid in order to obtain the land can be deducted in calculation of sales.

Under the Notice of the Ministry of Finance and the State Administration of Taxation on Comprehensively Implementing the Pilot Program of Replacing Business Tax with Valued-Added Tax (《財政部、國家稅務總局關於全面推開營業稅改徵增值稅試點的通知》(財稅[2016]36號)) came into force on May 1, 2016 and revised twice on December 18, 2017 and February 1, 2018, (1) where a taxpayer conducts any taxable act, the tax rate shall be 6%, except when the taxpayer falls within the scope of the circumstance as prescribed in the following items (2), (3) or (4); (2) where a taxpayer

provides transportation, postal services, basic telecommunications, construction or immovable property leasing services, sells any immovable property, or transfers the right to use land, the tax rate shall be 11%; (3) where a taxpayer provides tangible movable property leasing services, the tax rate shall be 17%; (4) for a cross-border taxable act conducted by an entity or individual within the territory of China, the tax rate shall be zero (specific scope shall be provided for separately by the Ministry of Finance and the State Administration of Taxation); and (5) where any individual sells a residential property held for less than two years after the day of purchase, a 5% value-added tax thereon shall be collected in full amount; where any individual sells a residential property held for two years or longer after the date of purchase, the value-added tax thereon shall be exempt. The preferential policy shall not be implemented in Beijing, Shanghai, Guangzhou, and Shenzhen. In Beijing, Shanghai, Guangzhou, and Shenzhen, where any individual sells a residential property held for less two years after the day of purchase, a 5% value-added tax thereon shall be collected in full amount; where any individual sells an ordinary residential property held for two years or longer after the date of purchase, the value-added tax thereon shall be exempt; where any individual sells a non-ordinary residential property held for two years or longer after the date of purchase, a 5% value-added tax will be levied on the difference between sales income and purchase price.

In accordance with the Notice of the Ministry of Finance and the State Administration of Taxation on Comprehensively Implementing the Pilot Program of Replacing Business Tax with Value-Added Tax, State Administration of Taxation promulgated the Interim Measures for the Collection of Value-Added Tax on the Sale of Self-Developed Real Estate Projects by Real Estate Developers (《房地產開發企業銷售自行開發的房地產項目增值稅徵收管理暫行辦法》 (國家稅務總局公告2016年第18號)), which came into force on May 1, 2016 and revised on June 15, 2018 and provides that: (1) a real estate developer who sells any self-developed real estate project by means of collecting prepayments shall prepay value-added tax at the pre-levy rate of 3% upon receipt of prepayments; and (2) where the general tax computation method applies, tax pre-payable shall be calculated at the applicable tax rate of 11%; and where the simple tax computation method applies, tax pre-payable shall be calculated at the levy rate of 5%.

For the transition period, prior to May 1, 2016, the sale of properties is subject to business tax, which is levied at 5% when the companies receive advances from customers. Such payment of taxes, together with the relevant surcharges, is recorded as prepaid business tax and surcharges before the relevant revenue is recognized. Effective from May 1, 2016, the sale of properties is subject to value-added tax. Under the general value-added tax method, the companies are subject to 11% value-added tax on value-added amount. Qualified old construction projects, which are those with construction commenced on or before April 30, 2016, however, has an alternative to elect a simplified value-added tax method, which is 5% on sales with no deduction of input value-added tax. The companies prepay value-added tax at 3% or 5% when receiving advances from customers and during the two months up to June 30, 2016, such payment is recorded as prepaid value-added tax before the relevant revenue is recognized.

Under Decision of the State Council to Repeal the Interim Regulation of the People's Republic of China on Business Tax and Amend the Interim Regulation of the People's Republic of China on Value-Added Tax (《國務院關於廢止〈中華人民共和國營業稅暫行條例〉和修改〈中華人民共和國增值稅暫行條例〉的決定》 (國務院令 第691號)), for taxpayers selling immovable, transferring the rights to use land, or selling or importing the following goods, the value-add tax rate is 11%.

On April 4, 2018, the MOF and the SAT promulgated the Notice of the Ministry of Finance and the State Administration of Taxation on Adjusting Value-added Tax Rates (《財政部、稅務總局關於調整增值稅稅率的通知》 (財稅[2018]32號)) (implemented on May 1, 2018). Pursuant to this notice, the tax rates of 17% and 11% applicable to any taxpayer's VAT taxable sale or import of goods shall be adjusted to 16% and 10%, respectively.

On March 20, 2019, the MOF, SAT and GAC promulgated the Announcement of the Ministry of Finance, the State Administration of Taxation and the General Administration of Customs on the Policy of Deepening the Reform of Value-Added Tax (《財政部、稅務總局、海關總署關於深化增值稅改革有關政策的公告》 (財政部、稅務總局、海關總署公告2019年第39號)) (implemented on April 1, 2019). Pursuant to this notice, the tax rates of 16% and 10% applicable to any taxpayer's VAT taxable sale or import of goods shall be adjusted to 13% and 9%, respectively.

Land Appreciation Tax

Under the Interim Regulation of the People's Republic of China on Land Appreciation Tax ("LAT Regulation") (《中華人民共和國土地增值稅暫行條例》(國務院令第588號)) promulgated by the State Council on December 13, 1993 and revised on January 8, 2011, and its implementation rules, LAT applies to both domestic and foreign investors, irrespective of whether they are corporate entities or individuals. LAT is payable on the appreciation in value representing the balance of the proceeds received on sales, after deducting various prescribed items. LAT is charged at progressive rates ranging from 30% to 60%. Apart from the aforementioned deductions, property developers enjoy an additional deduction, which is equal to 20% of the payment made for acquisition of land-use rights and the costs of land development and the construction of new buildings or related facilities. An exemption from payment of LAT may be available if the taxpayer constructs ordinary residential apartments and the appreciation amount does not exceed 20% of the sum of deductions allowed under PRC law. If, however, the appreciation amount exceeds 20% of the sum of allowable deductions, such an exemption is not available and the taxpayer will be liable to LAT on the full appreciation amount, after taking account of the allowable deductions. The allowable deductions include the following items:

- Payment made to acquire land-use rights;
- Costs and expenses related to land development and the construction of the properties;
- Construction costs and charges in the case of newly constructed buildings and structures;
- Taxes in connection with the transfer of real estate; and
- Other items stipulated by the Ministry of Finance (including 20% deduction of the first two items mentioned above in relation to property development).

LAT is charged at progressive rates ranging from 30% to 60 of the appreciation value (i.e., the balance as described above).

Appreciation value	LAT rates (%) (Years)
For the portion	
Not exceeding 50% of allowable deductions	30
Over 50% but not more than 100% of allowable deductions	40
Over 100% but not more than 200% of allowable deductions	50
Over 200% of allowable deductions	60

An exemption from payment of LAT may be available if the taxpayer constructs ordinary standard residential apartments and the appreciation amount does not exceed 20% of the sum of deductions allowed under PRC law.

According to the implementation rules of LAT Regulation, a provision of LAT may be made before the completions of construction of the tax payer transfers the proceeds of pre-sale. The provision rate may be determined by Local government subject to the minimum requirement set forth by the State Administrative of Taxation.

Urban Land-use Tax

Pursuant to the Provisional Regulation Governing Land-Use Tax in Cities and Towns of the People's Republic of China (《中華人民共和國城鎮土地使用稅暫行條例》)(國務院令第645號) enacted by the State Council on September 27, 1988 and revised on December 31, 2006, December 7 and March 2, 2019, 2013, land-use taxes in respect of urban land is to be levied according to the area of relevant land. The annual tax shall be between RMB0.6 and RMB30 per sq.m. of urban land.

Under the Notice of the Ministry of Finance and the State Administration of Taxation on Continuing the Implementation of the Preferential Policies for House Property Tax and Urban Land Use Tax on Agricultural Product Wholesale Markets and Farmers' Markets (《財政部、稅務總局關於繼續實行農產品批發市場農貿市場房產稅城鎮土地使用稅優惠政策的通知》(財稅[2019]12號)) issued on January 9, 2019, from January 1, 2019 through December 31, 2021, the buildings and land used by agricultural product wholesale markets and farmers' markets (either self-owned or leased, here and below), especially for the trade of agricultural products, shall be exempt from house property tax and urban land use tax for the time being. For the buildings and land used by agricultural product wholesale markets and farmers' markets in which other products are sold at the same time, the exemption of house property tax and urban land use tax shall be prorated based on the ratio of the areas used for the trading of other products to those used for the trading of agricultural products.

Real Estate Tax

Before January 1, 2009, there are two parallel tax systems in China for enterprises engaged in real estate development and investment in China. Such tax applicable for domestic enterprises, organizations and individuals is real estate tax which is calculated on the remaining original book value of the real estate after 10% to 30% deductions of the original book value depending on where the real estate is located, at a rate of 1.2%, or on the rental income derived by the real estate at a rate of 12% according to the Provisional Rules on Real Estate Tax of the People's Republic of China (《中華人民共和國房產稅暫行條例》(國務院令第588號)) promulgated by the State Council on September 15, 1986 and revised on January 8, 2011.

By issuance of PRC State Council Order 546 (國務院令2008第546號) on December 31, 2008, the State Council unifies the two parallel real estate tax systems by abolishing the urban real estate tax. Starting from January 1, 2009, all enterprises, organizations and individuals that own or use real estate in China shall subject to real estate tax by using the calculation method as mentioned in the Provisional Rules on Real Estate Tax of People's Republic of China (《中華人民共和國房產稅暫行條例》(國務院令第588號)).

Stamp Duty

Under the Provisional Regulation on Stamp Duty of the People's Republic of China (《中華人民共和國印花稅暫行條例》(國務院令第588號)) promulgated by the State Council on August 6, 1988 and revised on January 8, 2011, for property rights transfer instruments, including those in respect of property ownership transfer, the rate of stamp duty shall be 0.05% of the amount stated therein; for permits and certificates relating to rights, including property ownership certificates and land-use rights certificates, stamp duty shall be levied on an item basis of RMB5 per item.

Urban Maintenance and Construction Tax and Educational Surcharge

Under the Provisional Regulation on Urban Maintenance and Construction Tax of the People's Republic of China (《中華人民共和國城市維護建設稅暫行條例》(國務院令第588號)) promulgated by the State Council on February 8, 1985, and revised on January 8, 2011, any taxpayer, whether an entity or individual, of product tax, value-added tax or business tax shall be required to pay urban maintenance and construction tax. The tax rate shall be 7% for a taxpayer whose domicile is in an urban area, 5% for a taxpayer whose domicile is in a county and a town, and 1% for a taxpayer whose domicile is not in any urban area or county or town.

Under the Provisional Provisions on Imposition of Education Surcharge (《徵收教育費附加的暫行規定》(國務院令第588號)) promulgated by the State Council on April 28, 1986 and revised on June 7, 1990 and August 20, 2005, and on January 8, 2011 respectively, a taxpayer, whether an entity or individual, of product tax, value-added tax or business tax shall pay an education surcharge at a rate of 3% on the total amount of consumption, value-added tax or business tax paid by such entity, unless such obliged taxpayer is instead required to pay a rural area education surcharge as stipulated under the Notice of the State Council on Raising Funds for Schools in Rural Areas (《關於籌措農村學校辦學經費的通知》(國發[1984]174號)).

Environmental Protection Tax

According to the Environmental Protection Tax Law (《環境保護稅法》(主席令第16號)) promulgated by the NPC Standing Committee on December 25, 2016 and revised on October 26, 2018: (1) Within the territory of the People's Republic of China and other sea areas under the jurisdiction of the People's Republic of China, the enterprises, public institutions and other producers and operators that directly discharge pollutants to the environment are taxpayers of environmental pollution tax, and shall pay environmental pollution tax in accordance with the provisions of this Law. (2) Where an enterprise, public institution or any other producer or operator falls under any of the following circumstances, it shall not be deemed as directly discharging pollutants to the environment, and shall not pay environmental protection tax on the corresponding pollutants: (i) It discharges taxable pollutants to a centralized sewage or domestic garbage treatment site established in accordance with the law. (ii) It stores or disposes of solid wastes at any facility or site that meets the national and local environmental protection standards. (3) Where a centralized urban and rural sewage or domestic garbage treatment site established in accordance with the law discharges taxable pollutants to the environment in excess of the discharge standards as prescribed by the state or the local area, it shall pay environmental protection tax. Where an enterprise, public institution or any other producer or operator that stores or disposes of solid wastes fails to comply with the national or local environmental protection standards, it shall pay environmental protection tax.

Under the Regulation on the Implementation of the Environmental Protection Tax Law (《環境保護稅法實施條例》(國務院令第693號)) which came into effect on January 1, 2018 and the Environmental Protection Tax Law, the Regulation on the Administration of Collection and Use of the Funds for Discharge of Pollutants (《排污費徵收使用管理條例》) issued by the State Council on January 2, 2003, shall be repealed concurrently and no pollutant discharge fees shall be collected any more.

Registration of Foreign Debt

According to the Regulation of the People's Republic of China on Foreign Exchange Administration (《中華人民共和國外匯管理條例》(國務院令第532號)) (implemented on April 1, 1996, and revised twice on January 14, 1997 and on August 5, 2008), an institution shall apply to a foreign exchange administrative organ before providing foreign guarantee. The foreign exchange administrative organ shall make a decision of approval or disapproval according to the asset-liability situation of the institution. If the relevant state provisions provide that its scope of business shall be subject to the approval of the competent department, it shall get the approval before applying to the foreign exchange administrative organ. The institution shall, after concluding a foreign guarantee contract, handle the foreign guarantee registration formalities at the foreign exchange administrative organ. The regulation also states that, where any violation of foreign debt administration is committed, such as unapproved international borrowing, overseas bond issuance or provision of international guaranty, the foreign exchange administrative organ shall impose a warning and a fine of not more than 30% of the amount of violation.

Pursuant to the Opinion on Further Strengthen the Supervision of Foreign Debt (《關於進一步加強對外發債管理的意見》(國辦發[2000]第23號)), issued and implemented on March 10, 2000, Foreign debt refers to negotiable securities which was issued by domestic institutions, including state organs, financial institutions and other domestic enterprises and foreign invested enterprises in overseas financial markets. The Opinion also states that: (1) Where a domestic institution plans to issue foreign debt, it need the approval of the State Planning Commission and the State Administration of foreign exchange first, and then the approval of the State Council. (2) commercial paper issued by domestic institutions shall be approved by the State Administration of Foreign Exchange, and shall occupy the short-term foreign debt quota for the institution approved by the State Administration of Foreign Exchange. (3) domestic institutions shall carry out registration of foreign debt in accordance of regulation of State Administration of Foreign Exchange. Meanwhile, if domestic institutions provide guarantee for financing of their overseas branch, (1) where the fund will not be transferred inward, it shall be approved by the State Administration of Foreign Exchange; (2) where the fund will be transferred inward, it shall be approved in accordance of the approval procedure for foreign debt.

On January 8, 2003, the State Development Planning Commission, Ministry of Finance and State Administration of Foreign Exchange jointly issued the Provisional Measures on Administration of Foreign Debt (《外債管理暫行辦法》(國家發展計畫委員會、財政部、國家外匯管理局令第28號)), which came into effect on March 1, 2003. The Provisional Measure states that: (1) The State shall implement comprehensive administration on all foreign debt and contingent foreign debt. Foreign loans, provision of guarantee to foreign lenders and application and repayment of funds from foreign debt shall comply with provisions of relevant State laws and regulations and these Measures. (2) State Development Planning Commission and relevant authorities shall formulate plans for sovereign foreign loans and determine total amount of all foreign debt and structural adjustment targets in accordance with requirements of national economy and social development, international income and expenditure and capacity for undertaking of foreign debt. (3) The sum of cumulative accrued amounts of medium-term to long-term foreign loans and balance amounts of short-term foreign loans taken by a foreign investment enterprise shall be limited to the difference between the total project investment amount approved by the examination and approval department and the amount of registered capital. Foreign investment enterprises may take foreign loans freely within the scope of difference. The total project investment amount shall be examined and verified by the original examination and approval department where the scope of difference is exceeded. (4) Funds from medium-term to long-term foreign loans taken by domestic enterprises shall be used strictly in accordance with the approved usage and not for other purposes. Necessary changes in usage of funds shall be submitted for approval in accordance with original approval procedures. Funds from short-term loans taken by domestic enterprises shall be used primarily for working capital and not for medium-term to long-term purposes such as investment in fixed assets.

On April 28, 2013, The State Administration of Foreign Exchange released the Administrative Measures on Registration of Foreign Debt (“Administrative Measures”) (《外債登記管理辦法》(匯發[2013]19號)) and the Operational Guidelines for the Administrative Measures (the “Operational Guidelines”) (《外債登記管理操作指引》), which came into effect on May 13, 2013 and revised on May 4, 2015. According to the Administrative Measures and the Operational Guidelines: (1) According to the length of the borrowing time of the foreign debt, foreign debt can be divided into short-term foreign debt and long-term foreign debt. Short-term foreign debt refers to those the maturity term is under 1 years, and Medium- and long-term foreign debt refers to those the maturity term is over 1 years. (2) Short-term foreign debt shall, in principle, be used as liquid funds, and shall not be used for medium- and long-term purposes such as fixed asset investments, etc. (3) Registration of foreign debt shall mean debtors’ registration or submission of information on execution of foreign debt contract, withdrawal of funds, repayment of foreign debt and foreign exchange settlement and sale to the foreign exchange bureau at the locality in accordance with the stipulated method upon borrowing of foreign debt pursuant to the provisions. Different methods for registration of foreign debt shall be implemented for different types of debtors. (4) In the event of change of foreign debt loan contract, the debtor shall complete registration change formalities for execution of foreign debt contract with the foreign exchange bureau pursuant to the provisions. Where the outstanding balance of foreign debt is zero and the debtor will not make another withdrawal of funds, the debtor shall complete foreign debt deregistration formalities with the foreign exchange bureau pursuant to the provisions. (5) If the debtor is a domestic obligor other than a financial department or a domestic bank (“non-banking debtor”), it shall, within 15 working days after the conclusion of a foreign debt contract, go to local SAFE to go through registration formalities for each transaction. Where a non-banking debtor draws funds or repays principal and pay interest which constitutes a non-transfer fund business, it shall, within 5 working days after such drawdown or repayment and payment, go to local SAFE to go through filing formalities for each transaction. (6) Where payment and collection of funds are not handled by a domestic bank, the non-bank debtor shall present the relevant proof materials to complete filing formalities with the foreign exchange bureau at the locality upon the occurrence of a change in foreign debt withdrawal amount, principal repayment and interest payment amount and outstanding balance.

The Notice of the State Administration of Foreign Exchange on Issuing the Provisions on the Foreign Exchange Administration of Cross-border Guarantees (《國家外匯管理局關於發布<跨境擔保外匯管理規定>的通知》(匯發[2014]29號)), issued on May 12, 2014, and implemented on June 1, 2014, provides that in onshore guarantees for offshore loans, the place of registration of the guarantor is within China, while those of the debtor and the creditor are outside China. This notice also states that: (1) If the

guarantor is a non-bank financial institution or an enterprise (hereinafter referred to as “non-bank institution”), it shall go through the registration procedure for the guarantee contract with the local foreign exchange authority within 15 working days after the contract is concluded. Where there is any change in the major clauses of the guarantee contract, it shall go through the modification procedure for the contract. (2) The uses of funds under onshore guarantees for offshore loans shall only be used for the relevant expenditures within the normal scope of business of the debtor, and may not be used to support the debtor in engaging in transactions beyond the normal scope of business, for arbitrage under false trade backgrounds, or for other forms of speculative trading. (3) Where an onshore guarantee for an offshore loan needs to be fulfilled, the domestic guarantor that has become the creditor to an external debt or the counter guarantor shall go through the registration procedure for the external debt as required. (4) The uses of funds under onshore guarantees for offshore loans shall comply with the following provisions: funds under onshore guarantees for offshore loans may only be used for the relevant expenditures within the normal scope of business of the debtor, and may not be used to support the debtor in engaging in transactions beyond the normal scope of business, for arbitrage under false trade backgrounds, or for other forms of speculative trading.

According to the Operating Guidelines for the Foreign Exchange Administration of Cross-border Guarantees (《跨境擔保外匯管理操作指引》), (1) to provide an onshore guarantee for an offshore loan, the guarantor may conclude an onshore-guarantee-for-offshore-loan contract on its own on the basis of complying with the laws and regulations of the state, the provisions of the competent authority in charge of the industry, and the provisions on foreign exchange administration. (2) Where any of the following special transactions occurs under an onshore-guarantee-for-offshore-loan contract, it shall comply with the following provisions: Where the guarantee liability under an onshore guarantee for an offshore loan is to fulfill the repayment obligation for the overseas debtor under the issue of bonds, the domestic institution shall directly or indirectly hold shares in the overseas debtor, the revenues from the overseas issue of bonds shall be used for overseas investment projects in which the domestic institution has equity interests, and the relevant overseas institutions or projects have been approved, registered, recorded or confirmed by the domestic and overseas investment authorities.

The Notice of the State Administration of Foreign Exchange on Placing the Onshore Security for Offshore Loan Business of Certain Non-Banking Institutions under Centralized Registration Administration (《國家外匯管理局關於部分非銀行機構內保外貸業務實行集中登記管理的通知》(匯發[2015]15號)) is issued by State Administration of Foreign Exchange on March 10, 2015. According to this notice: (1) A non-banking institution meeting the following conditions may, as needed for business, apply to the local branch of the SAFE for centralized registration of onshore security for offshore loan business: (i) Having highly frequent transactions of the onshore security for offshore loan business (in principle, with not less than 15 estimated transactions required to be registered each year), and with actual demand for centralized registration. (ii) Having a sound internal control system for onshore security for offshore loan business. (iii) Having no major violations relating to foreign exchange administration in the past three years. (iv) Other causes considered by the branch of the SAFE in the place where it is located. (2) A non-banking institution subject to centralized registration of onshore security for offshore loan shall, within three working days after the end of each month, complete the formalities for centralized registration of execution of contracts at the branch of the SAFE in the place where it is located. (3) According to the foreign exchange administration rules for cross-border security in force, if a debtor under the onshore security for offshore loan granted by a domestic non-banking institution defaults, and the security grantor pays out, the security grantor may not execute a new security contract, without the approval of the branch of the SAFE, until the overseas debtor repays the debts towards the security grantor (hereinafter referred to as the “default suspension rule”). If the security grantor needs to continue transacting other onshore security for offshore loan business for operating reasons, it may apply to the branch of the SAFE for exemption from the default suspension rule.

On November 24, 2017, Notice of the General Affairs Department of the State Administration of Foreign Exchange on Improving the Foreign Exchange Administration of Onshore Guarantees for Offshore Loans (《國家外匯管理局綜合司關於完善銀行內保外貸外匯管理的通知》(匯綜發[2017]108號)) is promulgated. According to this notice, where the guarantee liability under the item of onshore guarantees for offshore loans is the repayment obligation under the item of bond offering by the overseas debtor, the domestic institution of the overseas debtor shall directly or indirectly hold shares.

On September 14, 2015, the Notice of the National Development and Reform Commission (the “NDRC”) on Pushing Forth Administrative Reform for Filing and Registration for Issuance of Foreign Debt by Enterprises (《國家發展改革委關於推進企業發行外債備案登記制管理改革的通知》(發改外資[2015]2044號)) came into effect, which provides that: (1) Foreign debt referred to in this Notice shall mean debt instruments borrowed by domestic enterprises and overseas enterprises or branches controlled by them from overseas, denominated in Renminbi or a foreign currency, with a maturity term of one year or longer. (2) When the total scale for foreign debt exceeds the limit, the NDRC shall make a public announcement and stop accepting applications for filing and registration. (3) For Medium- and long-term foreign debt, company can use the funds raised autonomously in China and overseas based on actual needs, and give priority to use the funds to support “One Belt, One Road”, Beijing-Tianjin-Hebei coordinated development, Yangtze River Economic Belt and major project development and investment in key areas such as global cooperation in production capacity and equipment manufacturing. (4) Enterprises issuing foreign debt shall apply beforehand to the National Development and Reform Commission (hereinafter referred to as the “NDRC”) to complete filing and registration formalities, and submit issuance information to the NDRC within 10 working days from completion of each issue. (5) For provinces and municipalities implementing the pilot reform scheme of administration of foreign debt scale by blocks, enterprises and financial institutions shall submit their application for filing and registration to the development and reform commission of the pilot scheme province or municipality. Central enterprises and financial institutions, as well as enterprises and financial institutions in localities other than the pilot scheme provinces and municipalities, shall submit their application for filing and registration directly to the NDRC. And according to Reply on Implementing the Pilot Reform Scheme of Administration of Foreign Debt Scale on 2016 (《關於2016年外債管理改革試點省市規模安排的批覆》(發改外資[2016]1139號)), Shanghai, Tianjin, Fujian, Guangdong, Xiamen, Shenzhen belong to the pilot reform of administration of foreign debt scale.

Pursuant to the Notice on Improving the Check of Authenticity and Compliance to further Promote Foreign Exchange Control (《國家外匯管理局關於進一步推進外匯管理改革完善真實合規性審核的通知》(匯發[2017]3號)) promulgated by the State Administration of Foreign Exchange on January 26, 2017, it is allowed to transfer inward overseas loans under domestic guarantee. The debtor may, directly or indirectly, transfer inward the funds under guarantee by domestic lending, equity investment or other means.

DIRECTORS AND SENIOR MANAGEMENT

The Board is responsible for and has general powers over the management and conduct of our business. The table below shows certain information in respect of members of our Board.

Name	Position
Wang Xiaosong	Chairman and Non-Executive Director
Lv Xiaoping	Executive Director and Chief Executive Officer
Qu Dejun	Vice-chairman and Non-executive Director
Lu Zhongming	Executive Director
Zhang Shengman	Non-executive Director
Chen Huakang	Independent Non-Executive Director
Zhong Wei	Independent Non-Executive Director
Zhu Zengjin	Independent Non-Executive Director

Executive Directors

Lv Xiaoping (呂小平) is our executive director and the chief executive officer. Mr. Lv joined our Group in 2001 and has been appointed as a non-executive director since November 2012. Mr. Lv served as the vice president of Seazen Holdings between September 2001 and August 2004. From August 2004 to January 2013, Mr. Lv was a director and the president of Jiangsu Future Land, principally responsible for the overall management of its residential property development business. Mr. Lv was the vice chairman of Jiangsu Future Land from February 2013 till Jiangsu Future Land was absorbed and merged by Seazen Holdings by way of share swap. Since October 2018, Mr. Lv has served as a nonexecutive director of Xinchengyue Holdings Limited (Stock Code: 1755). Mr. Lv graduated from Naval University of Engineering with a bachelor's degree in engineering in 1983. Mr. Lv graduated from China European International Business School with an MBA degree in 2007. Prior to joining our Group, Mr. Lv worked in Changchai Company Limited, a company listed on the Shenzhen Stock Exchange (Stock code: 000570) between 1987 and 2001 and served as the secretary to the board of directors and head of investment, where he was responsible for business development and investment strategies.

Lu Zhongming (陸忠明) is currently the executive director and a member of the nomination committee of the Company (the “**Nomination Committee**”), overseeing the accounting and finance functions of the Group. Mr. Lu joined the Group in 2001 and has served as the finance general manager of Jiangsu Future Land between June 2002 and May 2010, a director of Jiangsu Future Land from May 2010 till Jiangsu Future Land was absorbed and merged by Seazen Holdings by way of share swap, deputy general manager of Seazen Holdings between June 2010 and March 2015 and a supervisor of Seazen Holdings since December 2015. Since October 2018, Mr. Lu has served as a non-executive director of Xinchengyue Holdings Limited (Stock Code: 1755). Mr. Lu completed his accounting study from Nanjing Institute of Finance & Economics (南京財經學院) in 1999, and obtained his master degree in business administration from Tongji University (同濟大學) in December 2013. Prior to joining the Group, Mr. Lu served as the deputy head of finance and audit department of Jiangsu Wuling Diesel Engines Holdings Co., Ltd* (江蘇五菱柴油機股份有限公司) (acquired by Seazen Holdings in 2001) between 1998 and 2001.

Non-Executive Directors

Wang Xiaosong (王曉松) is our chairman and non-executive director. Mr. Wang is the son of Mr. Wang Zhenhua, who founded the business of our group. Mr. Wang joined Jiangsu Future Land in 2009 as civil engineer and subsequently as project manager. Between November 2011 and January 2013, Mr. Wang became the vice president and general manager of the marketing department of Jiangsu Future Land where he was responsible for and gained valuable experience in sales and market research. Mr. Wang served as president of Jiangsu Future Land from February 2013 till Jiangsu Future Land was absorbed and merged by Seazen Holdings by way of share swap, and was responsible for its general management. In addition, since April 2013 till Jiangsu Future Land was absorbed and merged by Seazen Holdings by way of share swap, Mr. Wang has been a director of Jiangsu Future Land. Mr. Wang graduated from Nanjing University (南京大學) with a bachelor's degree environmental sciences in 2009.

Qu Dejun (曲德君) was appointed as our executive Director and vice-Chairman in July 2019 and was redesignated to non-executive director in March 2020. In addition, Mr. Qu was appointed as a Director of Seazen Holdings in November 2019, and was appointed as the copresident of Seazen Holdings in March 2020. He has more than 15 years' experience in real estate development and corporate finance. Mr. Qu was also an executive director from December 2012 to November 2015 and a non-executive director from November 2015 to September 2016 of Dalian Wanda Commercial Property Company Limited (stock code: 3699, delisted in September 2016). He was a non-executive director of Wanda Hotel Development Company Limited (stock code: 169) from July 2013 to November 2017. He was the chairman of the board of Wanda Kids Palace Group from December 2018 to May 2019 in charge of the strategic planning, operation and management of the company. He was the president of Wanda Internet Financial Services (Shanghai) Co., Ltd. from October 2016 to December 2018 in charge of the company's innovative development, operation and management. He was the president of Wanda Finance Group Co., Ltd. from September 2015 to October 2016 in charge of the operation and management of Wanda Group's financial and Internet technology business. Mr. Qu also served as a chief officer of Dalian Bureau of Foreign Trade and Economy. Mr. Qu obtained a bachelor's degree in economics from the Dongbei University of Finance and Economics in July 1986, and a master's degree in financial management from the Dongbei University of Finance and Economics in November 1999.

Zhang Shengman (章晟曼) was appointed as our non-executive Director in March 2018. He has over 30 years of experience in corporate and financial matters. Mr. Zhang joined the Group in August 2016 and served as a director of Seazen Holdings, a subsidiary of the Company with its A shares listed on the Shanghai Stock Exchange, from August 2016 to March 2018. Since December 2006, Mr. Zhang has been an independent non-executive director of Fosun International Limited, a company incorporated in Hong Kong and the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 656). From May 1981 to October 1992, Mr. Zhang served various positions in the Ministry of Finance of the PRC, including deputy director. From November 1992 to October 2005, Mr. Zhang took up various roles in the World Bank, namely executive director for China, vice president and secretary and senior vice president, responsible for the World Bank's corporate and support functions. Mr. Zhang was then promoted as managing director of the World Bank and chairman of the World Bank's operations committee, sanctions committee and corporate committee on fraud and corruption policy from January 2001 to December 2006. Subsequently, Mr. Zhang joined Citigroup (listed on the New York Stock Exchange with stock code: C) in February 2006 as the chairman of the Public Sector. From February 2006 to May 2016, Mr. Zhang was the vice chairman of Global Banking and chief operating officer, president and chairman of Citigroup's Asia Pacific Region. Mr. Zhang obtained a bachelor's degree in English literature from Fudan University in January 1984 and a master's degree in public administration from University of the District of Columbia in December 1985. Mr. Zhang completed the Harvard Advanced Management Program from Harvard University in June 1997.

Independent Non-Executive Directors

Chen Huakang (陳華康) is our independent non-executive director. Mr. Chen is the chairman of the Audit Committee and a member of the Remuneration Committee. Mr. Chen joined our Group in November 2012. Mr. Chen was awarded a certificate in Modern Economic Management Professional Studies (現代經濟管理專業學習) by Beijing Economic Management College (北京經濟管理函授學院) in 1988. Mr. Chen has been a certified public accountant in China since 1998 and a registered expert consultant in Jiangsu province (江蘇省註冊諮詢專家) since 2004. Mr. Chen has over 40 years of experience in the field of accounting. Mr. Chen worked in the Accounting Department of County Community Enterprise (社隊企事業) between 1972 and 1981, and became the head of the finance department in Anjiaxiang District (安家鄉), Wujin County (武進縣) between 1981 and 1987. Between 1987 and 1995, Mr. Chen served as head of the finance department of Xinqiao District (新橋區), Wujin County. Mr. Chen is and has been serving as the principal accountant and managing partner of Jiangsu Wujin Certified Public Accountants (江蘇武晉會計師事務所), a registered PRC accounting firm in Jiangsu province, since 1995. Mr. Chen also served as managing partner of Wujin Assets Valuation Association (武進資產評估事務所) between 1995 and 2000, and is and has been the president of Changzhou Jieling Investment Management Consultant Limited (常州傑靈建設投資管理諮詢有限公司) since 2004. Mr. Chen served as independent director of Jiangsu Future Land between May 2002 and May 2010 and the independent director of Jiangsu Shunfeng Photovoltaic Co., Ltd. (江蘇順風光電科技有限公司) between 2009 and May 2012.

Zhong Wei (鍾偉) is our independent non-executive Director and a member of the Audit Committee, Remuneration Committee and Nomination Committee. Mr. Zhong has been a professor at the Department of Economics and Business Administration, Beijing Normal University since July 1999. Mr. Zhong worked as a lecturer at the Business School of Jiangnan University from July 1994 to July 1997. Mr. Zhong also served as an assistant engineer at Wuxi Alarm Devices Factory (無錫報警設備廠) from July 1990 to July 1992. Mr. Zhong served as an independent director for Dongxing Securities Co., Ltd. since July 2011, which principally provides securities dealings and related services. Mr. Zhong also served as an independent director for Fudian Bank Co., Ltd. since September 2012, which principally offers commercial and investment banking services. Mr. Zhong graduated from Nanjing University in 1990 majoring in applied physics and from Southeast University in 1994 majoring in industrial economics management. Mr. Zhong received his doctorate degree in 1999 from Beijing Normal University majoring in international economics. Between September 2001 and July 2004, Mr. Zhong engaged in postdoctoral research in management science at Tongji University.

Zhu Zengjin (朱增進) is our independent non-executive director. Mr. Zhu is the chairman of the Remuneration Committee and the Nomination Committee, and a member of the Audit Committee. Mr. Zhu joined our Group in November 2012. Mr. Zhu graduated from Nanjing University (南京大學) with a bachelor's degree in law in 1985 and from Beijing University (北京大學) with an EMBA degree in 2005. Mr. Zhu was designated as a visiting scholar in law to New York University (紐約大學) in the United States between 1998 and 1999. Mr. Zhu was the head of the business department between July 1985 and August 1998 and the deputy head and partner between August 1999 and August 2009 of Jiangsu C&T Partners Law Firm (江蘇世紀同仁律師事務所) respectively. Mr. Zhu was also a listing committee member of the GEM Board of the China Securities Regulatory Commission (中國證監會創業板發審委員會) between August 2009 and August 2011. Since January 2002, Mr. Zhu has been a committee member of the Jiangsu Province All China Lawyers Association in Securities Law (江蘇省全國律師協會公司證券法委員會委員) and has been recognized as a Well Known Lawyer in Jiangsu Province (江蘇知名律師) by the association. Mr. Zhu has served as an independent director of two listed companies in the PRC, namely Ningbo Yunsheng Co., Ltd. (寧波韻升股份有限公司) (Stock Code: 600366) and Bank of Nanjing Co., Ltd (南京銀行股份有限公司) (Stock Code: 601009), since March 2012 and June 2012, respectively, and three other non-listed PRC companies, namely, Guolian Trust Co., Ltd (國聯信託股份有限公司), Institute of Architectural Design Co., Ltd (蘇州設計院股份有限公司) and Jiangnan Rural Commercial Bank Co., Ltd (江南農村商業銀行) since June 2008, September 2009 and June 2012, respectively.

Senior Management

Liang Zhicheng (梁志誠), has been the deputy general manager and chief financial officer, vice president, Director and co-president of Future Land Holdings since September 2014. Mr. Liang served as an executive Director and the president of the Company from November 2014 to January 2016. Between February 2003 and August 2014, Mr. Liang worked at Jiangsu Future Land and its subsidiaries serving as deputy manager in the administration and management department of Jiangsu Future Land, general manager of Suzhou Future Land Wanjia Real Estate Co., Ltd., (蘇州新城萬嘉房地產有限公司) chairman and general manager of Jiangsu Future Land Property Management Co., Ltd., (江蘇新城物業服務有限公司) general manager of Wuxi Future Land Wanjia Property Co., Ltd., (無錫新城萬嘉置業有限公司) general manager of Shanghai Future Land Wanjia Real Estate Co., Ltd. (上海新城萬嘉房地產有限公司) and assistant president and vice president of Jiangsu Future Land, where he was responsible for administrative affairs and operations management respectively and had accumulated extensive experience in overall management. Jiangsu Future Land is a subsidiary of the Company principally engaged in residential property development and the B-Shares of which are listed on the Shanghai Stock Exchange (stock code: 900950). Suzhou Future Land Wanjia Real Estate Co., Ltd., Jiangsu Future Land Property Management Co., Ltd., Wuxi Future Land Wanjia Property Co., Ltd. and Shanghai Future Land Wanjia Real Estate Co., Ltd. are subsidiaries of Jiangsu Future Land. Between August 1988 and January 2003, Mr. Liang worked at Jiangsu Xinya Chemical Group (江蘇新亞化工集團), where he was responsible for the administration. Mr. Liang graduated from Southwest University (西南大學) in 2014 majoring in visual communication design and was qualified as an economist (經濟師) in 2003.

Joint Company Secretaries

Zhang Feng (張峰) joined the Group since March 2011 and was actively involved in the preparation and application for the Company's listing of its shares on the Main Board of the Stock Exchange in 2012. Mr. Zhang has served various positions in the office to the Board of the Company, including deputy manager, manager for securities affairs and deputy head. When serving these roles, he was mainly responsible for leading and supervising the Company's capital markets activities and securities-related affairs, assisting the Board in preparing all investor-related publications, including annual and interim reports, communicating with investors and regulatory bodies and the daily compliance matters of the Company. Mr. Zhang is currently the general manager of the capital market department of the Company, mainly responsible for managing the Company's capital market operations, investor relations and financing activities, while supervising the corporate governance of the Company to ensure the compliance with the Listing Rules by the Company. Mr. Zhang obtained a bachelor's degree in business administration from Davenport University in the United States in May 2005.

Ms. Chu Wai Ha (朱慧霞) has been appointed as the Joint Company Secretary and the Authorized Representatives with effect from 19 October 2018. Ms. Chu is the Director and Head of Accounting, Tax & Trade Services at TMF Hong Kong Limited. She has over 25 years' experiences in providing various accounting, taxation and secretarial services to her clients. She is a fellow member of the Hong Kong Institute of Certified Public Accountants and an associate member of the Hong Kong Institute of Chartered Secretaries.

Board Committees

Audit Committee

Our audit committee consists of three independent non-executive directors including Mr. Chen Huakang, Mr. Zhu Zengjin and Mr. Zhong Wei. The audit committee is chaired by Mr. Chen. The primary duties of the audit committee is to assist the Board in providing an independent view of the effectiveness of our financial reporting process, internal control and risk management system, oversee the audit process and perform other duties and responsibilities as assigned by the Board.

Remuneration Committee

Our remuneration committee consists of three members, namely Mr. Zhu Zengjin, Mr. Zhong Wei and Mr. Chen Huakang, our independent non-executive directors. All of the committee members are our independent non-executive directors. The remuneration committee is chaired by Mr. Zhu. The primary duties of the remuneration committee include:

- making recommendations to our directors on our policy and structure for all remuneration of directors and senior management and on the establishment of a formal and transparent procedure for developing policies on such remuneration;
- determining the terms of the specific remuneration package of our directors and senior management;
- reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by our directors from time to time; and
- considering and approving the grant of share options to eligible participants.

Nomination Committee

The Nomination Committee comprises three members, including one executive director and two independent non-executive Directors. The members of the Nomination Committee are Mr. ZHU Zengjin (chairman), Mr. LU Zhongming and Mr. ZHONG Wei. The principal duties of the Nomination Committee include the following:

- to review the structure, size and composition of the Board and make recommendations regarding any proposed changes;
- to identify suitable candidates for appointment as Directors;
- to make recommendations to the Board on appointment or reappointment of and succession planning for Directors; and
- to assess the independence of independent non-executive Directors.

Compensation of Directors and Senior Management

Our executive directors receive, in their capacity as our employees, compensation in the form of salaries, bonus and other allowances and benefits in kind, including our contribution to the pension scheme for our executive directors, in their capacity as employees, according to the law of the relevant jurisdiction.

The aggregate amount of remuneration (including fees, salaries, performance related bonus, retirement scheme contributions and pre-IPO share award scheme) paid to our directors for the years ended December 31, 2017, 2018 and 2019 was approximately RMB25.5 million, RMB28.2 million and RMB27.3 million (US\$3.9 million), respectively.

PRINCIPAL SHAREHOLDERS

The following table sets forth information regarding beneficial ownership of our Shares as of the date of this offering memorandum by those persons who beneficially own more than 5% of our outstanding shares and underlying shares, as recorded in the register maintained by us pursuant to Part XV of the SFO.

Name	Capacity/Nature of interest	Number of Shares	Approximate percentage of shareholding
Mr. Wang Zhenhua ⁽¹⁾	Founder of a discretionary trust	4,217,694,000	67.92%
Standard Chartered Trust (Singapore) Limited ⁽¹⁾	Trustee	4,217,694,000	67.92%
SCTS Capital Pte. Ltd. ⁽¹⁾	Nominee	4,217,694,000	67.92%
Infinity Fortune Development Limited ⁽¹⁾	Interest in a controlled corporation	4,217,694,000	67.92%
First Priority Group Limited ⁽¹⁾	Interest in a controlled corporation	4,217,694,000	67.92%
Wealth Zone Hong Kong Investments Limited ⁽²⁾	Beneficial owner	4,217,694,000	67.92%

(1) Standard Chartered Trust (Singapore) Limited, as trustee of the Hua Sheng Trust, was established by Mr. Wang Zhenhua in favor of his family members. Standard Chartered Trust (Singapore) Limited indirectly held 100% of the issued share capital of Infinity Fortune Development Limited through its nominee SCTS Capital Pte. Ltd., which in turn held 100% of the issued share capital of First Priority Group Limited.

(2) Wealth Zone Hong Kong Investments Limited is wholly owned by First Priority Group Limited.

RELATED PARTY TRANSACTIONS

The following discussion describes certain material related party transactions between our consolidated subsidiaries and our directors, executive officers and substantial shareholders and, in each case, the companies with whom they are affiliated.

As a listed company on the Hong Kong Stock Exchange, we are subject to the requirements of Chapter 14A of the Listing Rules which require certain “connected transactions” with “connected persons” be approved by a company’s independent shareholders. Each of our related party transactions disclosed hereunder that constitutes a connected transaction within the meaning of the Listing Rules requiring shareholder approval has been so approved, or otherwise exempted from compliance under Chapter 14A of the Listing Rules.

The following table sets forth certain material transactions between us and our related parties for the years:

	Year ended December 31,		
	2017	2018	2019
	(RMB)	(RMB)	(RMB)
	(in thousands)		
Transaction with Related Parties			
(i) Fundings to related parties			
– Joint ventures	38,795,240	83,837,840	62,350,307
– Associates	5,054,735	12,610,813	15,360,531
	<u>43,849,975</u>	<u>96,448,653</u>	<u>77,710,838</u>
(ii) Interest-bearing fundings to related parties			
– Joint ventures	–	–	1,033,586
– Associates	–	–	2,684,580
	<u>–</u>	<u>–</u>	<u>3,718,166</u>
(iii) Interest income from related parties			
– Joint ventures	–	–	76,415
– Associates	–	–	138,425
	<u>–</u>	<u>–</u>	<u>214,840</u>
(iv) Fundings from related parties			
– Joint ventures	50,764,974	80,956,842	66,678,683
– Associates	8,690,851	20,502,410	16,880,209
– An entity controlled by Mr. Wang	26,631	33,208	44,605
	<u>59,482,456</u>	<u>101,492,460</u>	<u>83,603,497</u>
(v) Payment made on behalf of related parties			
– Joint ventures	3,300,787	2,903,439	751,174
– Associates	2,752,319	3,990,450	416,110
– An entity controlled by Mr. Wang	26,631	33,208	44,605
	<u>6,079,737</u>	<u>6,927,097</u>	<u>1,211,889</u>
(vi) Service fees incurred for property management services from			
– An entity controlled by Mr. Wang	<u>179,292</u>	<u>271,714</u>	<u>727,878</u>
(vii) Expenses incurred for accepting construction services from			
– An associate	<u>103,731</u>	<u>121,052</u>	<u>227,601</u>

Year ended December 31,			
	2017	2018	2019
	(RMB)	(RMB)	(RMB)
	(in thousands)		
(viii) Project management service income from			
– Joint ventures	280,780	283,226	249,729
– Associates	117,653	90,438	165,835
	<u>398,433</u>	<u>373,664</u>	<u>415,564</u>
(ix) Rental expenses to			
– A joint venture.	–	49,774	–
(x) Acquisition of right-of-use assets from			
– A joint venture.	–	–	70,715
(xi) Interest expenses related to lease liabilities			
– A joint venture.	–	–	2,358
(xii) Consulting service income from			
– Joint ventures	5,817	27,496	180,139
– Associates	2,420	33,030	165,844
	<u>8,237</u>	<u>60,526</u>	<u>345,983</u>
(xiii) Rental income from			
– An entity controlled by Mr. Wang	1,636	1,549	1,893
Key Management Compensation			
– Salaries and other short-term employee benefits.	45,063	45,036	48,157
As of December 31,			
	2017	2018	2019
	(RMB)	(RMB)	(RMB)
	(in thousands)		
Guarantees Provided to Related Parties			
– Guarantee to joint ventures	23,100,864	16,566,906	15,229,195
– Guarantee to associates	1,456,400	8,651,530	4,070,433
	<u>24,557,264</u>	<u>25,218,436</u>	<u>19,299,628</u>
Investment Pledged for their Borrowings of Related Parties			
– Shares pledged for joint ventures	2,938,715	5,959,574	5,882,204
– Shares pledged for associates	–	1,383,251	1,234,922
	<u>2,938,715</u>	<u>7,342,825</u>	<u>7,117,126</u>
Related-Party Balances			
(i) Amounts due from related parties			
– Joint ventures	13,424,176	19,972,102	15,966,886
– Associates	2,595,584	4,378,010	6,604,887
	<u>16,019,760</u>	<u>24,350,112</u>	<u>22,571,773</u>
(ii) Amounts due to related parties			
– Joint ventures	20,927,106	21,690,595	20,611,717
– Associates	4,041,432	9,725,005	9,988,148
	<u>24,968,538</u>	<u>31,415,600</u>	<u>30,599,865</u>
(iii) Trade payables			
– An entity controlled by Mr. Wang	–	29,909	102,906

RELATIONSHIP WITH SEAZEN HOLDINGS

Seazen Holdings is a subsidiary of our Company currently listed on the Shanghai Stock Exchange through a restructuring on December 4, 2015, under which Seazen Holdings merged and absorbed all shares of Jiangsu Future Land by way of share swap. For details of the restructuring please refer to “Business – Restructuring”. Seazen Holdings recorded revenue of RMB40,525.7 million, RMB54,133.3 million and RMB85,847.0 million (US\$12,331.2 million) for the year ended December 31, 2017, 2018 and 2019, respectively, which represented 99.3%, 98.8% and 98.8% of our total revenue for the same years, respectively.

As a company listed on the Shanghai Stock Exchange, Seazen Holdings is required to observe certain corporate governance rules and conduct its operations independently of its controlling shareholder. Applicable PRC rules and regulations also require the controlling shareholders of a listed company to refrain from (i) abusing its relationship with the listed company in a manner that would harm the listed company’s interests and (ii) engaging in competition with the listed company.

In light of non-competition requirement, the controlling shareholder of Seazen Holdings, Wealth Zone Development Holdings Co., Ltd. (富域發展集團有限公司) and our controlling shareholder, Mr. Wang Zhenhua, separately, issued a non-competition confirmation (the “**Non-Compete Confirmation**”) on May 28, 2015, confirming that:

- Seazen Holdings and its subsidiaries (together, the “**A-Share Group**”) is and will be the only platform conducting property development business in the PRC.
- Neither Wealth Zone Development Holdings Co., Ltd. or its controlling subsidiaries (excluding the A-Share Group) (the “**Non A-Share Group**”) nor Mr. Wang Zhenhua or his controlling entities (excluding the A-Share Group) will not, directly or indirectly, engage in any property development business in the PRC. The Non A-Share Group and Mr. Wang Zhenhua or his controlling entities (excluding the A-Share Group) will refer any potential opportunities relating to the property development business in the PRC, if any, to the A-Share Group in future.
- Neither the Non A-Share Group nor Mr. Wang Zhenhua or his controlling entities (excluding the A-Share Group) will not jeopardize the legal rights of the public shareholders of Seazen Holdings.
- Wealth Zone Development Holdings Co., Ltd. and Mr. Wang Zhenhua will cause their respective controlling entities (excluding the A-Share Group) to comply with the foregoing non-compete confirmation.

Pursuant to the Non-Compete Confirmation, Wealth Zone Development Holdings Co., Ltd. and Mr. Wang Zhenhua separately confirmed that if any their respective controlling entities breach the Non-Compete Confirmation and cause Seazen Holdings any damages, Wealth Zone Development Holdings Co., Ltd. and Mr. Wang Zhenhua will reimburse the damages to Seazen Holdings.

The articles of association of Seazen Holdings require that important decisions that may materially affect the interests of the A-shareholders of Seazen Holdings as a whole, including but not limited to, any decision to issue new securities, undergo material restructuring of assets, acquire substantial assets, procure overseas listing of material subsidiaries or repurchase shares from shareholders as repayment of any loan extended to such shareholders, require approval of the independent directors and/or the shareholders’ meeting.

DESCRIPTION OF MATERIAL INDEBTEDNESS AND OTHER OBLIGATIONS

To fund our existing property projects and to finance our working capital requirements, we have entered into financing agreements with banks. Set forth below is a summary of the material terms and conditions of these loans and other indebtedness.

Project and Working Capital Loan Agreements in PRC

As of December 31, 2019, certain of our PRC subsidiaries have entered into loan agreements with various PRC banks. These loans are typically secured project or secured working capital loans to finance the construction of our projects and have terms ranging from six months to 10 years. As of December 31, 2019, the aggregate outstanding borrowings from banks amounted to approximately RMB31,199.2 million (US\$4,481.5 million). Our project and working capital loans are typically secured by land use rights, properties and/or equity interests held by the PRC subsidiary borrowers and/or our other PRC subsidiaries. The Notes, the Subsidiary Guarantees and JV Subsidiary Guarantees (if any) will be structurally subordinated to these loans and any other indebtedness incurred by our PRC Subsidiaries.

Interest

We have both floating rate and fixed rate project and working capital loans. The principal amounts outstanding under the floating rate borrowings generally bear interest at floating rates calculated by reference to the relevant bank's benchmark interest rate per annum. Floating interest rates generally are subject to review by the lending banks annually. Interest payments are payable either monthly or quarterly and must be made on each payment date as provided in the particular loan agreement. As of December 31, 2019, the weighted average interest rate on our total borrowings was 6.57% per annum.

Covenants

Under these project and working capital loans, many of our subsidiary borrowers have agreed, among other things, not to take the following actions without first obtaining the relevant lenders' prior consent:

- create encumbrances on any part of their property or assets or deal with their assets in a way that may adversely affect their ability to repay their loans;
- grant guarantees to any third parties that may adversely affect their ability to repay their loans;
- sell or dispose of assets;
- incurring other material indebtedness;
- make any major changes to their corporate structures, such as entering into joint ventures, mergers and acquisitions and reorganizations or making other changes to the company's status, such as liquidation or dissolution; and
- alter the nature or scope of their business operations in any material respect.

Dividend Restrictions

Pursuant to the project and working capital loan agreements, some of our PRC subsidiaries have agreed not to distribute any dividends (or agreed to give notice to the relevant banks before any distribution of dividends):

- if the borrowers' after-tax net profit is nil or negative or insufficient to cover losses from the previous accounting periods; or
- if the borrower's profit before tax in the relevant accounting period has not been used to pay off the principal, interest or other related expenses due in that accounting period or is insufficient to cover the principal, interest or other related expenses due in next period; or
- before the principal amount of and accrued interest on the relevant loans have been fully paid. We do not believe that the dividend restrictions in such loans will materially and adversely affect our ability to service the repayment obligations under our debt instruments, as most of these loans are required to be repaid when the underlying property projects are completed, and as such, by the time units in the projects are ready for sale, the dividend restrictions should no longer exist.

Events of Default

The project and working capital loans contain certain customary events of default, including insolvency and breaches of the terms of the loan agreements. The banks generally are entitled to terminate their respective agreements and/or demand immediate repayment of the loans and any accrued interest upon the occurrence of an event of default.

Guarantee and Security

Certain of our PRC subsidiaries have entered into guarantee agreements with the PRC banks in connection with some of the project loans pursuant to which these subsidiaries have guaranteed all liabilities of the subsidiary borrowers under these project and working capital loans. Further, as of December 31, 2018, most of the project and working capital loans were secured by land use rights, properties and/or equity interests held by the PRC subsidiary borrowers and/or our other PRC subsidiaries.

September 2020 Notes

On September 12, 2018, we entered into an indenture (as amended and supplemented from time to time, the "**September 2020 Indenture**") pursuant to which we issued 6.5% Senior Notes due 2020 in an aggregate principal amount of US\$300 million.

Guarantee

The obligations pursuant to the September 2020 Notes are guaranteed by the Subsidiary Guarantors specified in the September 2020 Indenture. Under certain circumstances and subject to certain conditions, a guarantee by a Subsidiary Guarantor may be replaced by a limited-recourse guarantee, referred to as a JV Subsidiary Guarantee in the September 2020 Indenture. Each of the Subsidiary Guarantors, jointly and severally, guarantees the due and punctual payment of the principal, any premium, and interest on, and all other amounts payable under, the September 2020 Notes.

Collateral

In order to secure the obligations under the September 2020 Notes, the Company under the September 2020 Indenture pledged the capital stock of all such Subsidiary Guarantors owned by the Company for the benefit of the holders of the September 2020 Notes. The Collateral may be released or reduced in the event of certain asset sales and certain other circumstances. The holders of the Notes will be entitled to share in the benefit of such pledge of Capital Stock on a *pari passu* basis with the holders of the September 2020 Notes and any holders of other Permitted *Pari Passu* Secured Indebtedness.

Interest

The September 2020 Notes bear an interest rate of 6.5% per annum. Interest is payable semi-annually in arrears on March 12 and September 12 of each year, as commenced on March 12, 2019.

Covenants

Subject to certain conditions and exceptions, the September 2020 Indenture contains certain covenants, restricting us and each of the related restricted subsidiaries from, among other things:

- incurring or guaranteeing additional indebtedness and issuing disqualified or preferred stock;
- declaring dividends on its capital stock or purchasing or redeeming capital stock;
- making investments or other specified restricted payments;
- entering into agreements that restrict the related restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- issuing or selling capital stock of the related restricted subsidiaries;
- guaranteeing indebtedness of the related restricted subsidiaries;
- selling assets;
- creating liens;
- entering into sale and leaseback transactions;
- entering into transactions with shareholders or affiliates; and
- effecting a consolidation or merger.

Events of Default

The September 2020 Indenture contains certain customary events of default, including default in the payment of principal, or of any premium, on the September 2020 Notes, when such payments become due, default in the payment of interest which continues for 30 days, breaches of covenants, insolvency and other events of default specified in the September 2020 Indenture. If an event of default occurs and is continuing, the trustee under the September 2020 Indenture or the holders of at least 25% of the outstanding September 2020 Notes may declare the principal of the September 2020 Notes plus any accrued and unpaid interest and premium (if any) to be immediately due and payable.

Change of Control

Upon the occurrence of a certain event of change of control and a rating decline, we are obligated to make an offer to repurchase all outstanding September 2020 Notes at a purchase price equal to 101% of their principal amount plus any accrued and unpaid interest.

Maturity and Redemption

The maturity date of the September 2020 Notes is September 12, 2020. We may redeem the September 2020 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the September 2020 Notes plus a premium and any accrued and unpaid interest to the redemption date.

Additionally, if we or a subsidiary guarantor under the September 2020 Indenture would become obligated to pay certain additional amounts as a result of certain changes in specified tax law, we may redeem the September 2020 Notes at a redemption price equal to 100.0% of the principal amount of the September 2020 Notes, plus any accrued and unpaid interest, subject to certain exceptions.

August 2022 Guaranteed Senior Notes

On August 8, 2017, NEW METRO GLOBAL LIMITED and Seazen Holdings entered into an indenture (as amended and supplemented from time to time, the “**August 2022 Indenture**”) pursuant to which NEW METRO GLOBAL LIMITED issued 5.0% senior notes due 2022 in an aggregate principal amount of US\$200 million.

Guarantee

The obligations pursuant to the August 2022 Guaranteed Senior Notes are guaranteed by Seazen Holdings specified in the August 2022 Indenture. Seazen Holdings guarantees the due and punctual payment of the principal, any premium, and interest on, and all other amounts payable under, the August 2022 Guaranteed Senior Notes.

Interest

The August 2022 Guaranteed Senior Notes bear an interest rate of 5.0% per annum. Interest is payable semiannually in arrears on February 8 and August 8 of each year, as to be commenced on February 8, 2018.

Covenants

Subject to certain conditions and exceptions, the August 2022 Indenture contains certain covenants, restricting us and each of the related restricted subsidiaries from, among other things:

- incurring or guaranteeing additional indebtedness and issuing disqualified or preferred stock;
- declaring dividends on its capital stock or purchasing or redeeming capital stock;
- making investments or other specified restricted payments;
- entering into agreements that restrict the related restricted subsidiaries’ ability to pay dividends, transfer assets or make intercompany loans;
- issuing or selling capital stock of the related restricted subsidiaries;
- guaranteeing indebtedness of the related restricted subsidiaries;
- selling assets;
- creating liens;
- entering into sale and leaseback transactions;
- entering into transactions with shareholders or affiliates; and
- effecting a consolidation or merger.

Events of Default

The August 2022 Indenture contains certain customary events of default, including default in the payment of principal, or of any premium, on the August 2022 Guaranteed Senior Notes, when such payments become due, default in the payment of interest which continues for 30 days, breaches of covenants, insolvency and other events of default specified in the August 2022 Indenture. If an event of default occurs and is continuing, the trustee under the August 2022 Indenture or the holders of at least 25% of the outstanding August 2022 Guaranteed Senior Notes may declare the principal of the August 2022 Guaranteed Senior Notes plus any accrued and unpaid interest and premium (if any) to be immediately due and payable.

Change of Control

Upon the occurrence of a certain event of change of control and a rating decline, NEW METRO GLOBAL LIMITED and Seazen Holdings are obligated to make an offer to repurchase all outstanding August 2022 Guaranteed Senior Notes at a purchase price equal to 101% of their principal amount plus any accrued and unpaid interest.

Maturity and Redemption

The maturity date of the August 2022 Guaranteed Senior Notes is August 8, 2022.

At any time and from time to time on or after August 8, 2020, NEW METRO GLOBAL LIMITED may redeem the August 2022 Guaranteed Senior Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth in the table below if redeemed during the 12-month period commencing on August 8 of any year indicated below, plus any accrued and unpaid interest to (but not including) the redemption date:

Period Redemption	Price
2020.....	102.50%
2021.....	101.25%

At any time prior to August 8, 2020, NEW METRO GLOBAL LIMITED may redeem the August 2022 Guaranteed Senior Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the August 2022 Guaranteed Senior Notes, plus a premium and any accrued and unpaid interest to (but not including) the redemption date.

At any time prior to August 8, 2020, NEW METRO GLOBAL LIMITED may redeem up to 35% of the aggregate principal amount of the August 2022 Guaranteed Senior Notes at a redemption price of 105% of the principal amount of the August 2022 Guaranteed Senior Notes, plus any accrued and unpaid interest to (but not including) the redemption date with the proceeds from sales of certain kinds of our capital stock, subject to certain conditions.

Additionally, if NEW METRO GLOBAL LIMITED or Seazen Holdings would become obligated to pay certain additional amounts as a result of certain changes in specified tax law, NEW METRO GLOBAL LIMITED or Seazen Holdings may redeem the August 2022 Guaranteed Senior Notes at a redemption price equal to 100.0% of the principal amount of August 2022 Senior Notes, plus any accrued and unpaid interest (including any such additional amounts), subject to certain exceptions.

April 2021 Guaranteed Senior Notes

On April 23, 2018, NEW METRO GLOBAL LIMITED and Seazen Holdings entered into an indenture (as amended and supplemented from time to time, the “**April 2021 Indenture**”) pursuant to which NEW METRO GLOBAL LIMITED issued 6.50% senior notes due 2021 in an aggregate principal amount of US\$500 million on April 23, 2018 and June 1, 2018.

Guarantee

The obligations pursuant to the April 2021 Guaranteed Senior Notes are guaranteed by Seazen Holdings specified in the April 2021 Indenture. Seazen Holdings guarantees the due and punctual payment of the principal, any premium, and interest on, and all other amounts payable under, the April 2021 Guaranteed Senior Notes.

Interest

The April 2021 Guaranteed Senior Notes bear an interest rate of 6.50% per annum. Interest is payable in arrears on April 23 and October 23 of each year.

Covenants

Subject to certain conditions and exceptions, the April 2021 Indenture contains certain covenants, restricting us and each of the related restricted subsidiaries from, among other things:

- incurring or guaranteeing additional indebtedness and issuing disqualified or preferred stock;
- declaring dividends on its capital stock or purchasing or redeeming capital stock;
- making investments or other specified restricted payments;
- entering into agreements that restrict the related restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- issuing or selling capital stock of the related restricted subsidiaries;
- guaranteeing indebtedness of the related restricted subsidiaries;
- selling assets;
- creating liens;
- entering into sale and leaseback transactions;
- entering into transactions with shareholders or affiliates; and
- effecting a consolidation or merger.

Events of Default

The April 2021 Indenture contains certain customary events of default, including default in the payment of principal, or of any premium, on the April 2021 Guaranteed Senior Notes, when such payments become due, default in the payment of interest which continues for 30 days, breaches of covenants, insolvency and other events of default specified in the April 2021 Indenture. If an event of default occurs and is continuing, the trustee under the April 2021 Indenture or the holders of at least 25% of the outstanding April 2021 Guaranteed Senior Notes may declare the principal of the April 2021 Guaranteed Senior Notes plus any accrued and unpaid interest and premium (if any) to be immediately due and payable.

Change of Control

Upon the occurrence of a certain event of change of control and a rating decline, NEW METRO GLOBAL LIMITED and Seazen Holdings are obligated to make an offer to repurchase all outstanding April 2021 Guaranteed Senior Notes at a purchase price equal to 101% of their principal amounts plus any accrued and unpaid interest.

Maturity and Redemption

The maturity date of the April 2021 Guaranteed Senior Notes is April 23, 2021.

At any time and from time to time on or after April 23, 2020, NEW METRO GLOBAL LIMITED may at its option redeem the April 2021 Guaranteed Senior Notes, in whole or in part, at a redemption price equal to 102% of the principal amount of the April 2021 Guaranteed Senior Notes plus accrued and unpaid interest, if any, to (but not including), the redemption date.

At any time and from time to time prior to April 23, 2020, NEW METRO GLOBAL LIMITED may at its option redeem the April 2021 Guaranteed Senior Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the April 2021 Guaranteed Senior Notes, plus a premium and any accrued and unpaid interest to (but not including) the redemption date.

At any time and from time to time prior to April 23, 2020, NEW METRO GLOBAL LIMITED may redeem up to 35% of the aggregate principal amount of the April 2021 Guaranteed Senior Notes at a redemption price of 106.50% of the principal amount of the April 2021 Guaranteed Senior Notes, plus any accrued and unpaid interest to (but not including) the redemption date with the proceeds from sales of certain kinds of our capital stock, subject to certain conditions.

Additionally, if NEW METRO GLOBAL LIMITED or Seazen Holdings would become obligated to pay certain additional amounts as a result of certain changes in specified tax law, NEW METRO GLOBAL LIMITED or Seazen Holdings may redeem the April 2021 Senior Notes at a redemption price equal to 100.0% of the principal amount of April 2021 Guaranteed Senior Notes, plus any accrued and unpaid interest (including any such additional amounts), subject to certain exceptions.

May 2021 Guaranteed Senior Notes

On May 23, 2018, NEW METRO GLOBAL LIMITED and Seazen Holdings entered into an indenture (as amended and supplemented from time to time, the “**May 2021 Indenture**”) pursuant to which NEW METRO GLOBAL LIMITED issued 7.125% senior notes due 2021 in an aggregate principal amount of US\$300 million.

Guarantee

The obligations pursuant to the May 2021 Guaranteed Senior Notes are guaranteed by Seazen Holdings specified in the May 2021 Indenture. Seazen Holdings guarantees the due and punctual payment of the principal, any premium, and interest on, and all other amounts payable under, the May 2021 Guaranteed Senior Notes.

Interest

The May 2021 Guaranteed Senior Notes bear an interest rate of 7.125% per annum. Interest is payable in arrears on May 23 and November 23 of each year.

Covenants

Subject to certain conditions and exceptions, the May 2021 Indenture contains certain covenants, restricting us and each of the related restricted subsidiaries from, among other things:

- incurring or guaranteeing additional indebtedness and issuing disqualified or preferred stock;
- declaring dividends on its capital stock or purchasing or redeeming capital stock;
- making investments or other specified restricted payments;
- entering into agreements that restrict the related restricted subsidiaries’ ability to pay dividends, transfer assets or make intercompany loans;
- issuing or selling capital stock of the related restricted subsidiaries;
- guaranteeing indebtedness of the related restricted subsidiaries;
- selling assets;
- creating liens;
- entering into sale and leaseback transactions;
- entering into transactions with shareholders or affiliates; and
- effecting a consolidation or merger.

Events of Default

The May 2021 Indenture contains certain customary events of default, including default in the payment of principal, or of any premium, on the May 2021 Guaranteed Senior Notes, when such payments become due, default in the payment of interest which continues for 30 days, breaches of covenants, insolvency and other events of default specified in the May 2021 Indenture. If an event of default occurs and is continuing, the trustee under the May 2021 Indenture or the holders of at least 25% of the outstanding May 2021 Guaranteed Senior Notes may declare the principal of the May 2021 Guaranteed Senior Notes plus any accrued and unpaid interest and premium (if any) to be immediately due and payable.

Change of Control

Upon the occurrence of a certain event of change of control and a rating decline, NEW METRO GLOBAL LIMITED and Seazen Holdings are obligated to make an offer to repurchase all outstanding May 2021 Senior Notes at a purchase price equal to 101% of their principal amounts plus any accrued and unpaid interest.

Maturity and Redemption

The maturity date of the May 2021 Guaranteed Senior Notes is May 23, 2021.

At any time and from time to time on or after May 23, 2020, NEW METRO GLOBAL LIMITED may at its option redeem the May 2021 Guaranteed Senior Notes, in whole or in part, at a redemption price equal to 102% of the principal amount of the May 2021 Guaranteed Senior Notes plus accrued and unpaid interest, if any, to (but not including), the redemption date.

At any time and from time to time prior to May 23, 2020, NEW METRO GLOBAL LIMITED may at its option redeem the May 2021 Guaranteed Senior Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the May 2021 Guaranteed Senior Notes, plus a premium and any accrued and unpaid interest to (but not including) the redemption date.

At any time and from time to time prior to May 23, 2020, NEW METRO GLOBAL LIMITED may redeem up to 35% of the aggregate principal amount of the May 2021 Guaranteed Senior Notes at a redemption price of 107.125% of the principal amount of the May 2021 Guaranteed Senior Notes, plus any accrued and unpaid interest to (but not including) the redemption date with the proceeds from sales of certain kinds of our capital stock, subject to certain conditions.

Additionally, if NEW METRO GLOBAL LIMITED or Seazen Holdings would become obligated to pay certain additional amounts as a result of certain changes in specified tax law, NEW METRO GLOBAL LIMITED or Seazen Holdings may redeem the May 2021 Guaranteed Senior Notes at a redemption price equal to 100.0% of the principal amount of May 2021 Guaranteed Senior Notes, plus any accrued and unpaid interest (including any such additional amounts), subject to certain exceptions.

June 2022 Guaranteed Senior Notes

On June 20, 2018, NEW METRO GLOBAL LIMITED and Seazen Holdings entered into an indenture (as amended and supplemented from time to time, the “**June 2022 Indenture**”) pursuant to which NEW METRO GLOBAL LIMITED issued 7.50% senior notes due 2022 in an aggregate principal amount of US\$200 million.

Guarantee

The obligations pursuant to the June 2022 Guaranteed Senior Notes are guaranteed by Seazen Holdings specified in the June 2022 Indenture. Seazen Holdings guarantees the due and punctual payment of the principal, any premium, and interest on, and all other amounts payable under, the June 2022 Guaranteed Senior Notes.

Interest

The June 2022 Guaranteed Senior Notes bear an interest rate of 7.50% per annum. Interest is payable in arrears on March 20 and September 20 of each year.

Covenants

Subject to certain conditions and exceptions, the June 2022 Indenture contains certain covenants, restricting us and each of the related restricted subsidiaries from, among other things:

- incurring or guaranteeing additional indebtedness and issuing disqualified or preferred stock;
- declaring dividends on its capital stock or purchasing or redeeming capital stock;
- making investments or other specified restricted payments;
- entering into agreements that restrict the related restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- issuing or selling capital stock of the related restricted subsidiaries;
- guaranteeing indebtedness of the related restricted subsidiaries;
- selling assets;
- creating liens;
- entering into sale and leaseback transactions;
- entering into transactions with shareholders or affiliates; and
- effecting a consolidation or merger.

Events of Default

The June 2022 Indenture contains certain customary events of default, including default in the payment of principal, or of any premium, on the June 2022 Guaranteed Senior Notes, when such payments become due, default in the payment of interest which continues for 30 days, breaches of covenants, insolvency and other events of default specified in the June 2022 Indenture. If an event of default occurs and is continuing, the trustee under the June 2022 Indenture or the holders of at least 25% of the outstanding June 2022 Guaranteed Senior Notes may declare the principal of the June 2022 Guaranteed Senior Notes plus any accrued and unpaid interest and premium (if any) to be immediately due and payable.

Change of Control

Upon the occurrence of a certain event of change of control and a rating decline, NEW METRO GLOBAL LIMITED and Seazen Holdings are obligated to make an offer to repurchase all outstanding June 2022 Guaranteed Senior Notes at a purchase price equal to 101% of their principal amounts plus any accrued and unpaid interest.

Maturity and Redemption

The maturity date of the June 2022 Guaranteed Senior Notes is March 20, 2022.

At any time and from time to time on or after June 20, 2020, NEW METRO GLOBAL LIMITED may at its option redeem the June 2022 Guaranteed Senior Notes, in whole or in part, at a redemption price equal to 102% of the principal amount of the June 2022 Guaranteed Senior Notes plus accrued and unpaid interest, if any, to (but not including), the redemption date.

At any time and from time to time prior to June 20, 2020, NEW METRO GLOBAL LIMITED may at its option redeem the June 20 Guaranteed Senior Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the June 2022 Guaranteed Senior Notes, plus a premium and any accrued and unpaid interest to (but not including) the redemption date.

At any time and from time to time prior to June 20, 2020, NEW METRO GLOBAL LIMITED may redeem up to 35% of the aggregate principal amount of the June 2022 Guaranteed Senior Notes at a redemption price of 107.50% of the principal amount of the June 2022 Guaranteed Senior Notes, plus any accrued and unpaid interest to (but not including) the redemption date with the proceeds from sales of certain kinds of our capital stock, subject to certain conditions.

Additionally, if NEW METRO GLOBAL LIMITED or Seazen Holdings would become obligated to pay certain additional amounts as a result of certain changes in specified tax law, NEW METRO GLOBAL LIMITED or Seazen Holdings may redeem the June 2022 Guaranteed Senior Notes at a redemption price equal to 100.0% of the principal amount of June 2022 Guaranteed Senior Notes, plus any accrued and unpaid interest (including any such additional amounts), subject to certain exceptions.

January 2021 Notes

On January 22, 2019, we entered into an indenture (as amended and supplemented from time to time, the “**January 2021 Indenture**”) pursuant to which we issued 7.5% Senior Notes due 2021 in an aggregate principal amount of US\$300 million.

Guarantee

The obligations pursuant to the January 2021 Notes are guaranteed by the Subsidiary Guarantors specified in the January 2021 Indenture. Under certain circumstances and subject to certain conditions, a guarantee by a Subsidiary Guarantor may be replaced by a limited-recourse guarantee, referred to as a JV Subsidiary Guarantee in the January 2021 Indenture. Each of the Subsidiary Guarantors, jointly and severally, guarantees the due and punctual payment of the principal, any premium, and interest on, and all other amounts payable under, the January 2021 Notes.

Collateral

In order to secure the obligations under the January 2021 Notes, the Company under the January 2021 Indenture pledged the capital stock of all such Subsidiary Guarantors owned by the Company for the benefit of the holders of the January 2021 Notes. The Collateral may be released or reduced in the event of certain asset sales and certain other circumstances. The holders of the Notes will be entitled to share in the benefit of such pledge of Capital Stock on a *pari passu* basis with the holders of the January 2021 Notes and any holders of other Permitted Pari Passu Secured Indebtedness.

Interest

The January 2021 Notes bear an interest rate of 7.5% per annum. Interest is payable semi-annually in arrears on January 22 and July 22 of each year, as commenced on July 22, 2019.

Covenants

Subject to certain conditions and exceptions, the January 2021 Indenture contains certain covenants, restricting us and each of the related restricted subsidiaries from, among other things:

- incurring or guaranteeing additional indebtedness and issuing disqualified or preferred stock;
- declaring dividends on its capital stock or purchasing or redeeming capital stock;
- making investments or other specified restricted payments;
- entering into agreements that restrict the related restricted subsidiaries’ ability to pay dividends, transfer assets or make intercompany loans;
- issuing or selling capital stock of the related restricted subsidiaries;
- guaranteeing indebtedness of the related restricted subsidiaries;

- selling assets;
- creating liens;
- entering into sale and leaseback transactions;
- entering into transactions with shareholders or affiliates; and
- effecting a consolidation or merger.

Events of Default

The January 2021 Indenture contains certain customary events of default, including default in the payment of principal, or of any premium, on the January 2021 Notes, when such payments become due, default in the payment of interest which continues for 30 days, breaches of covenants, insolvency and other events of default specified in the January 2021 Indenture. If an event of default occurs and is continuing, the trustee under the January 2021 Indenture or the holders of at least 25% of the outstanding January 2021 Notes may declare the principal of the January 2021 Notes plus any accrued and unpaid interest and premium (if any) to be immediately due and payable.

Change of Control

Upon the occurrence of a certain event of change of control and a rating decline, we are obligated to make an offer to repurchase all outstanding January 2021 Notes at a purchase price equal to 101% of their principal amount plus any accrued and unpaid interest.

Maturity and Redemption

The maturity date of the January 2021 Notes is January 22, 2021. We may redeem the January 2021 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the January 2021 Notes plus a premium and any accrued and unpaid interest to the redemption date.

Additionally, if we or a subsidiary guarantor under the January 2021 Indenture would become obligated to pay certain additional amounts as a result of certain changes in specified tax law, we may redeem the January 2021 Notes at a redemption price equal to 100.0% of the principal amount of the January 2021 Notes, plus any accrued and unpaid interest, subject to certain exceptions.

April 2023 Notes

On April 15, 2019, we entered into an indenture (as amended and supplemented from time to time, the “**April 2023 Indenture**”) pursuant to which we issued 6.15% Senior Notes due 2023 in an aggregate principal amount of US\$200 million.

Guarantee

The obligations pursuant to the April 2023 Notes are guaranteed by the Existing Notes Guarantors specified in the April 2023 Indenture. Under certain circumstances and subject to certain conditions, a guarantee by an Existing Notes Guarantor may be replaced by a limited-recourse guarantee, referred to as a JV Subsidiary Guarantee in the April 2023 Indenture. Each of the Existing Notes Guarantors, jointly and severally, guarantees the due and punctual payment of the principal, any premium, and interest on, and all other amounts payable under, the April 2023 Notes.

Collateral

In order to secure the obligations under the April 2023 Notes, the Company under the April 2023 Indenture pledged the capital stock of all such Existing Notes Guarantors owned by the Company for the benefit of the holders of the April 2023 Notes. The collateral may be released or reduced in the event of certain asset sales and certain other circumstances. The holders of the Notes will be entitled to share in the benefit of such pledge of Capital Stock on a *pari passu* basis with the holders of the April 2023 Notes and any holders of other Permitted *Pari Passu* Secured Indebtedness.

Interest

The April 2023 Notes bear an interest rate of 6.15% per annum. Interest is payable semi-annually in arrears on April 15 and October 15 of each year, as commenced on October 15, 2019.

Covenants

Subject to certain conditions and exceptions, the April 2023 Indenture contains certain covenants, restricting us and each of the related restricted subsidiaries from, among other things:

- incurring or guaranteeing additional indebtedness and issuing disqualified or preferred stock;
- declaring dividends on its capital stock or purchasing or redeeming capital stock;
- making investments or other specified restricted payments;
- entering into agreements that restrict the related restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- issuing or selling capital stock of the related restricted subsidiaries;
- guaranteeing indebtedness of the related restricted subsidiaries;
- selling assets;
- creating liens;
- entering into sale and leaseback transactions;
- entering into transactions with shareholders or affiliates; and
- effecting a consolidation or merger.

Events of Default

The April 2023 Indenture contains certain customary events of default, including default in the payment of principal, or of any premium, on the April 2023 Notes, when such payments become due, default in the payment of interest which continues for 30 days, breaches of covenants, insolvency and other events of default specified in the April 2023 Indenture. If an event of default occurs and is continuing, the trustee under the April 2023 Indenture or the holders of at least 25% of the outstanding April 2023 Notes may declare the principal of the April 2023 Notes plus any accrued and unpaid interest and premium (if any) to be immediately due and payable.

Change of Control

Upon the occurrence of a certain event of change of control and a rating decline, we are obligated to make an offer to repurchase all outstanding April 2023 Notes at a purchase price equal to 101% of their principal amount plus any accrued and unpaid interest.

Maturity and Redemption

The maturity date of the April 2023 Notes is April 15, 2023. We may redeem the April 2023 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the April 2023 Notes plus a premium and any accrued and unpaid interest to the redemption date.

Additionally, if we or a subsidiary guarantor under the April 2023 Indenture would become obligated to pay certain additional amounts as a result of certain changes in specified tax law, we may redeem the April 2023 Notes at a redemption price equal to 100.0% of the principal amount of the April 2023 Notes, plus any accrued and unpaid interest, subject to certain exceptions.

May 2022 Guaranteed Senior Notes

On May 20, 2019, NEW METRO GLOBAL LIMITED and Seazen Holdings entered into an indenture (as amended and supplemented from time to time, the “**May 2022 Indenture**”) pursuant to which NEW METRO GLOBAL LIMITED issued 6.50% senior notes due 2022 in an aggregate principal amount of US\$300 million.

Guarantee

The obligations pursuant to the May 2022 Guaranteed Senior Notes are guaranteed by Seazen Holdings specified in the May 2022 Indenture. Seazen Holdings guarantees the due and punctual payment of the principal, any premium, and interest on, and all other amounts payable under, the May 2022 Guaranteed Senior Notes.

Interest

The May 2022 Guaranteed Senior Notes bear an interest rate of 6.50% per annum. Interest is payable semi-annually in arrears on May 20 and November 20 of each year.

Covenants

Subject to certain conditions and exceptions, the May 2022 Indenture contains certain covenants, restricting us and each of the related restricted subsidiaries from, among other things:

- incurring or guaranteeing additional indebtedness and issuing disqualified or preferred stock;
- declaring dividends on its capital stock or purchasing or redeeming capital stock;
- making investments or other specified restricted payments;
- entering into agreements that restrict the related restricted subsidiaries’ ability to pay dividends, transfer assets or make intercompany loans;
- issuing or selling capital stock of the related restricted subsidiaries;
- guaranteeing indebtedness of the related restricted subsidiaries;
- selling assets;
- creating liens;
- entering into sale and leaseback transactions;
- entering into transactions with shareholders or affiliates; and
- effecting a consolidation or merger.

Events of Default

The May 2022 Indenture contains certain customary events of default, including default in the payment of principal, or of any premium, on the May 2022 Guaranteed Senior Notes, when such payments become due, default in the payment of interest which continues for 30 days, breaches of covenants, insolvency and other events of default specified in the May 2022 Indenture. If an event of default occurs and is continuing, the trustee under the May 2022 Indenture or the holders of at least 25% of the outstanding May 2022 Guaranteed Senior Notes may declare the principal of the May 2022 Guaranteed Senior Notes plus any accrued and unpaid interest and premium (if any) to be immediately due and payable.

Change of Control

Upon the occurrence of a certain event of change of control and a rating decline, we are obligated to make an offer to repurchase all outstanding May 2022 Guaranteed Senior Notes at a purchase price equal to 101% of their principal amounts plus any accrued and unpaid interest.

Maturity and Redemption

The maturity date of the May 2022 Guaranteed Senior Notes is May 20, 2022.

At any time and from time to time prior to May 20, 2022, NEW METRO GLOBAL LIMITED may at its option redeem the May 2022 Guaranteed Senior Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the May 2022 Guaranteed Senior Notes, plus a premium and any accrued and unpaid interest to (but not including) the redemption date.

At any time and from time to time prior to May 20, 2022, NEW METRO GLOBAL LIMITED may redeem up to 35% of the aggregate principal amount of the May 2022 Guaranteed Senior Notes at a redemption price of 106.50% of the principal amount of the May 2022 Guaranteed Senior Notes, plus any accrued and unpaid interest to (but not including) the redemption date with the proceeds from sales of certain kinds of our capital stock, subject to certain conditions.

Additionally, if NEW METRO GLOBAL LIMITED or Seazen Holdings would become obligated to pay certain additional amounts as a result of certain changes in specified tax law, NEW METRO GLOBAL LIMITED or Seazen Holdings may redeem the May 2022 Guaranteed Senior Notes at a redemption price equal to 100.0% of the principal amount of May 2022 Guaranteed Senior Notes, plus any accrued and unpaid interest (including any such additional amounts), subject to certain exceptions.

December 2021 Guaranteed Senior Notes

On December 16, 2019, NEW METRO GLOBAL LIMITED and Seazen Holdings entered into an indenture (as amended and supplemented from time to time, the “**December 2021 Indenture**”) pursuant to which NEW METRO GLOBAL LIMITED issued 7.5% senior notes due 2021 in an aggregate principal amount of US\$350 million.

Guarantee

The obligations pursuant to the December 2021 Guaranteed Senior Notes are guaranteed by Seazen Holdings specified in the December 2021 Indenture. Seazen Holdings guarantees the due and punctual payment of the principal, any premium, and interest on, and all other amounts payable under, the December 2021 Guaranteed Senior Notes.

Interest

The December 2021 Guaranteed Senior Notes bear an interest rate of 6.75% per annum. Interest is payable in arrears on June 16 and December 16 of each year.

Covenants

Subject to certain conditions and exceptions, the December 2021 Indenture contains certain covenants, restricting us and each of the related restricted subsidiaries from, among other things:

- incurring or guaranteeing additional indebtedness and issuing disqualified or preferred stock;
- declaring dividends on its capital stock or purchasing or redeeming capital stock;
- making investments or other specified restricted payments;
- entering into agreements that restrict the related restricted subsidiaries’ ability to pay dividends, transfer assets or make intercompany loans;

- issuing or selling capital stock of the related restricted subsidiaries;
- guaranteeing indebtedness of the related restricted subsidiaries;
- selling assets;
- creating liens;
- entering into sale and leaseback transactions;
- entering into transactions with shareholders or affiliates; and
- effecting a consolidation or merger.

Events of Default

The December 2021 Indenture contains certain customary events of default, including default in the payment of principal, or of any premium, on the December 2021 Guaranteed Senior Notes, when such payments become due, default in the payment of interest which continues for 30 days, breaches of covenants, insolvency and other events of default specified in the December 2021 Indenture. If an event of default occurs and is continuing, the trustee under the December 2021 Indenture or the holders of at least 25% of the outstanding December 2021 Guaranteed Senior Notes may declare the principal of the December 2021 Guaranteed Senior Notes plus any accrued and unpaid interest and premium (if any) to be immediately due and payable.

Change of Control

Upon the occurrence of a certain event of change of control and a rating decline, NEW METRO GLOBAL LIMITED and Seazen Holdings are obligated to make an offer to repurchase all outstanding December 2021 Guaranteed Senior Notes at a purchase price equal to 101% of their principal amounts plus any accrued and unpaid interest.

Maturity and Redemption

The maturity date of the December 2021 Guaranteed Senior Notes is December 16, 2021.

At any time and from time to time prior to December 16, 2021, NEW METRO GLOBAL LIMITED may at its option redeem the Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Notes plus the Applicable Premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date.

At any time and from time to time prior to December 16, 2021, NEW METRO GLOBAL LIMITED may redeem up to 35% of the aggregate principal amount of the Notes at a redemption price of 107.5% the principal amount of the Notes, plus any accrued and unpaid interest to (but not including) the redemption date with the proceeds from sales of certain kinds of our capital stock, subject to certain conditions.

Additionally, if NEW METRO GLOBAL LIMITED or Seazen Holdings would become obligated to pay certain additional amounts as a result of certain changes in specified tax law, NEW METRO GLOBAL LIMITED or the Company may redeem the December 2021 Senior Notes at a redemption price equal to 100.0% of the principal amount of December 2021 Senior Notes, plus any accrued and unpaid interest (including any such additional amounts), subject to certain exceptions.

August 2023 Guaranteed Senior Notes

On February 5, 2020, NEW METRO GLOBAL LIMITED and our Company entered into an indenture (as amended and supplemented from time to time, the “**August 2023 Indenture**”) pursuant to which NEW METRO GLOBAL LIMITED issued 6.8% senior notes due 2023 in an aggregate principal amount of US\$350 million.

Guarantee

The obligations pursuant to the August 2023 Guaranteed Senior Notes are guaranteed by our Company specified in the August 2023 Indenture. We guarantee the due and punctual payment of the principal, any premium, and interest on, and all other amounts payable under, the August 2023 Guaranteed Senior Notes.

Interest

The August 2023 Guaranteed Senior Notes bear an interest rate of 6.8% per annum. Interest is payable semi-annually in arrears on February 5 and August 5 of each year.

Covenants

Subject to certain conditions and exceptions, the August 2023 Indenture contains certain covenants, restricting us and each of the related restricted subsidiaries from, among other things:

- incurring or guaranteeing additional indebtedness and issuing disqualified or preferred stock;
- declaring dividends on its capital stock or purchasing or redeeming capital stock;
- making investments or other specified restricted payments;
- entering into agreements that restrict the related restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- issuing or selling capital stock of the related restricted subsidiaries;
- guaranteeing indebtedness of the related restricted subsidiaries;
- selling assets;
- creating liens;
- entering into sale and leaseback transactions;
- entering into transactions with shareholders or affiliates; and
- effecting a consolidation or merger.

Events of Default

The August 2023 Indenture contains certain customary events of default, including default in the payment of principal, or of any premium, on the August 2023 Guaranteed Senior Notes, when such payments become due, default in the payment of interest which continues for 30 days, breaches of covenants, insolvency and other events of default specified in the August 2023 Indenture. If an event of default occurs and is continuing, the trustee under the August 2023 Indenture or the holders of at least 25% of the outstanding August 2023 Guaranteed Senior Notes may declare the principal of the August 2023 Guaranteed Senior Notes plus any accrued and unpaid interest and premium (if any) to be immediately due and payable.

Change of Control

Upon the occurrence of a certain event of change of control and a rating decline, we are obligated to make an offer to repurchase all outstanding August 2023 Guaranteed Senior Notes at a purchase price equal to 101% of their principal amounts plus any accrued and unpaid interest.

Maturity and Redemption

The maturity date of the August 2023 Guaranteed Senior Notes is August 5, 2023.

At any time and from time to time on or after February 5, 2022, NEW METRO GLOBAL LIMITED may at its option redeem the August 2023 Guaranteed Senior Notes, in whole or in part, at a redemption price equal to 103% of the principal amount of the August 2023 Guaranteed Senior Notes plus accrued and unpaid interest, if any, to (but not including) the redemption date.

At any time and from time to time prior to February 5, 2022, NEW METRO GLOBAL LIMITED may at its option redeem the August 2023 Guaranteed Senior Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the August 2023 Guaranteed Senior Notes, plus a premium and any accrued and unpaid interest to (but not including) the redemption date.

At any time and from time to time prior to February 5, 2022, NEW METRO GLOBAL LIMITED may redeem up to 35% of the aggregate principal amount of the August 2023 Guaranteed Senior Notes at a redemption price of 106.8% of the principal amount of the August 2023 Guaranteed Senior Notes, plus any accrued and unpaid interest to (but not including) the redemption date with the proceeds from sales of certain kinds of our capital stock, subject to certain conditions.

Additionally, if NEW METRO GLOBAL LIMITED or us would become obligated to pay certain additional amounts as a result of certain changes in specified tax law, NEW METRO GLOBAL LIMITED or us may redeem the August 2023 Guaranteed Senior Notes at a redemption price equal to 100.0% of the principal amount of August 2023 Guaranteed Senior Notes, plus any accrued and unpaid interest (including any such additional amounts), subject to certain exceptions.

June 2022 Notes

On June 11, 2020, we entered into an indenture (as amended and supplemented from time to time, the “June 2022 Indenture”) pursuant to which we issued 6.45% Senior Notes due 2022 in an aggregate principal amount of US\$400 million.

Guarantee

The obligations pursuant to the June 2022 Notes are guaranteed by the Existing Notes Guarantors specified in the June 2022 Indenture. Under certain circumstances and subject to certain conditions, a guarantee by an Existing Notes Guarantor may be replaced by a limited-recourse guarantee, referred to as a JV Subsidiary Guarantee in the June 2022 Indenture. Each of the Existing Notes Guarantors, jointly and severally, guarantees the due and punctual payment of the principal, any premium, and interest on, and all other amounts payable under, the June 2022 Notes.

Collateral

In order to secure the obligations under the June 2022 Notes, the Company under the June 2022 Indenture pledged the capital stock of all such Existing Notes Guarantors owned by the Company for the benefit of the holders of the June 2022 Notes. The collateral may be released or reduced in the event of certain asset sales and certain other circumstances. The holders of the Notes will be entitled to share in the benefit of such pledge of Capital Stock on a pari passu basis with the holders of the June 2022 Notes and any holders of other Permitted Pari Passu Secured Indebtedness.

Interest

The June 2022 Notes bear an interest rate of 6.45% per annum. Interest is payable semi-annually in arrears on June 11 and December 11 of each year, commencing December 11, 2020.

Covenants

Subject to certain conditions and exceptions, the June 2022 Indenture contains certain covenants, restricting us and each of the related restricted subsidiaries from, among other things:

- incurring or guaranteeing additional indebtedness and issuing disqualified or preferred stock;
- declaring dividends on its capital stock or purchasing or redeeming capital stock;

- making investments or other specified restricted payments;
- entering into agreements that restrict the related restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- issuing or selling capital stock of the related restricted subsidiaries;
- guaranteeing indebtedness of the related restricted subsidiaries;
- selling assets;
- creating liens;
- entering into sale and leaseback transactions;
- entering into transactions with shareholders or affiliates; and
- effecting a consolidation or merger.

Events of Default

The June 2022 Indenture contains certain customary events of default, including default in the payment of principal, or of any premium, on the June 2022 Notes, when such payments become due, default in the payment of interest which continues for 30 days, breaches of covenants, insolvency and other events of default specified in the June 2022 Indenture. If an event of default occurs and is continuing, the trustee under the June 2022 Indenture or the holders of at least 25% of the outstanding June 2022 Notes may declare the principal of the June 2022 Notes plus any accrued and unpaid interest and premium (if any) to be immediately due and payable.

Change of Control

Upon the occurrence of a certain event of change of control and a rating decline, we are obligated to make an offer to repurchase all outstanding June 2022 Notes at a purchase price equal to 101% of their principal amount plus any accrued and unpaid interest.

Maturity and Redemption

The maturity date of the June 2022 Notes is June 11, 2022. We may redeem the June 2022 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the June 2022 Notes plus a premium and any accrued and unpaid interest to the redemption date.

At any time and from time to time prior to June 11, 2022, we may redeem up to 35% of the aggregate principal amount of the Notes at a redemption price of 106.45% of the principal amount of the June 2022 Notes, plus any accrued and unpaid interest to (but not including) the redemption date with the proceeds from sales of certain kinds of our capital stock, subject to certain conditions.

Additionally, if we or a subsidiary guarantor under the June 2022 Indenture would become obligated to pay certain additional amounts as a result of certain changes in specified tax law, we may redeem the June 2022 Notes at a redemption price equal to 100.0% of the principal amount of the June 2022 Notes, plus any accrued and unpaid interest, subject to certain exceptions.

Corporate Bonds

November 2020 Corporate Bonds

On November 3, 2015, as approved by the China Securities Regulatory Commission, Seazen Holdings issued the 4.5% public corporate bonds for an aggregate amount of RMB3 billion due 2020. Seazen Holdings may at its option to adjust the coupon rate and the investors' option to repurchase the

corporate bonds at the end of the third year. The corporate bonds adopted simple annual interest, with the interest being paid annually. The annual coupon rate was 4.5% and would remain unchanged for the first three years of the term; if Seazen Holdings exercises its option to adjust the coupon rate at the end of the third year of the term, the coupon rate of the corporate bonds not repurchased would be the coupon rate of the first three years plus the basic adjustment points and remain unchanged for the last two years of the term.

August 2021 Corporate Bonds

On August 16, 2016, as approved by the China Securities Regulatory Commission, Seazen Holdings issued the 4.48% nonpublic corporate bonds for an aggregate amount of RMB2 billion due 2021. Seazen Holdings may at its option to adjust the coupon rate and the investors' option to repurchase the corporate bonds at the end of the third year. The corporate bonds adopted simple annual interest, with the interest being paid annually. The annual coupon rate was 4.48% and would remain unchanged for the first three years of the term; if Seazen Holdings exercises its option to adjust the coupon rate at the end of the third year of the term, the coupon rate of the corporate bonds not repurchased would be the coupon rate of the first three years plus the basic adjustment points and remain unchanged for the last two years of the term.

September 2023 Corporate Bonds

On September 13, 2016, as approved by the China Securities Regulatory Commission, Seazen Holdings issued the 4.8% nonpublic corporate bonds for an aggregate amount of RMB500 million due 2023. Seazen Holdings may at its option to adjust the coupon rate and the investors' option to repurchase the corporate bonds at the end of the fifth year. The corporate bonds adopted simple annual interest, with the interest being paid annually. The annual coupon rate was 4.8% and would remain unchanged for the first five years of the term; if Seazen Holdings exercises its option to adjust the coupon rate at the end of the fifth year of the term, the coupon rate of the corporate bonds not repurchased would be the coupon rate of the first five years plus the basic adjustment points and remain unchanged for the last two years of the term.

October 2021 Corporate Bonds

On October 18, 2016, as approved by the China Securities Regulatory Commission, Seazen Holdings issued the 4.41% nonpublic corporate bonds for an aggregate amount of RMB2.5 billion due 2021. Seazen Holdings may at its option to adjust the coupon rate and the investors' option to repurchase the corporate bonds at the end of the third year. The corporate bonds adopted simple annual interest, with the interest being paid annually. The annual coupon rate was 4.41% and would remain unchanged for the first three years of the term; if Seazen Holdings exercises its option to adjust the coupon rate at the end of the third year of the term, the coupon rate of the corporate bonds not repurchased would be the coupon rate of the first three years plus the basic adjustment points and remain unchanged for the last two years of the term.

March 2023 Corporate Bonds

On March 9, 2020, as approved by the China Securities Regulatory Commission, Seazen Holdings issued the 5.10% public corporate bonds for an aggregate amount of RMB600 million due 2023. Seazen Holdings may at its option to adjust the coupon rate and the investors' option to repurchase the corporate bonds at the end of the second year. The corporate bonds adopted simple annual interest, with the interest being paid annually. The annual coupon rate was 5.10% and would remain unchanged for the first two years of the term; if Seazen Holdings exercises its option to adjust the coupon rate at the end of the second year of the term, the coupon rate of the corporate bonds not repurchased would be the coupon rate of the first two years plus the basic adjustment points and remain unchanged for the last one year of the term.

2022 Middle Term Notes

In March 2017, Seazen Holdings issued the first tranche of our 2022 Middle Term Notes, which has a principal amount of RMB1.5 billion with a coupon rate of 5.4%, and has a term of five years with an option for Seazen Holdings to adjust the coupon rate and a put option for the investors at the end of the third year.

In April 2017, Seazen Holdings issued the second tranche of the 2022 Middle Term Notes, which has a principal amount of RMB1.5 billion with a coupon rate of 5.25%, and has a term of five years with an option for Seazen Holdings to adjust the coupon rate and a put option for the investors at the end of the third year.

In July 2017, Seazen Holdings issued the third tranche of the 2022 Middle Term Notes, which has a principal amount of RMB1.5 billion with a coupon rate of 6.0%, and has a term of five years with an option for Seazen Holdings to adjust the coupon rate and a put option for the investors at the end of the third year.

January 2022 Medium Term Notes

In January 2019, Seazen Holdings issued medium term notes with a maximum principal amount of RMB1 billion and a coupon rate of 6.00%. The January 2022 Medium Term Notes have a term of three years with an option for us to adjust the coupon rate and a put option for the investors at the end of the second year after the issuance.

March 2023 Public Corporate Bonds and March 2024 Public Corporate Bonds

In March 2019, Seazen Holdings issued public corporate bonds with an aggregate amount of RMB2.1 billion. The corporate bonds were issued in two tranches. The first tranche amounted to RMB1.1 billion with a coupon rate of 5.05% and a term of four years with an option for us to adjust the coupon rate and a put option for the investors at the end of the second year after the issuance. The second tranche amounted to RMB1 billion with a coupon rate of 5.90% and a term of five years with an option for us to adjust the coupon rate and a put option for the investors at the end of the third year after the issuance.

Private Placement Notes

May 2022 Private Placement Notes

In May 2017, Seazen Holdings issued private placement notes with a principal amount of RMB2 billion and a coupon rate of 6.3%. The May 2022 Private Placement Notes have a term of five years with an option for Seazen Holdings to adjust the coupon rate and a put option for the investors at the end of the third year after the issuance.

March 2023 Private Placement Notes

In March 2018, Seazen Holdings issued private placement notes with a principal amount of RMB800 million and a coupon rate of 7.00%. The March 2023 Private Placement Notes have a term of five years with an option for Seazen Holdings to adjust the coupon rate and a put option for the investors at the end of the third year after the issuance.

May 2023 Private Placement Notes

In May 2018, Seazen Holdings issued private placement notes with a principal amount of RMB1 billion and a coupon rate of 6.90%. The May 2023 Private Placement Notes have a term of five years with an option for Seazen Holdings to adjust the coupon rate and a put option for the investors at the end of the third year after the issuance.

August 2021 Private Placement Notes

In August 2018, Seazen Holdings issued private placement notes with a principal amount of RMB600 million and a coupon rate of 7.97%. The August 2021 Private Placement Notes have a term of three years with an option for us to adjust the coupon rate and a put option for the investors at the end of the second year after the issuance.

November 2021 Private Placement Notes

In November 2018, Seazen Holdings issued private placement notes with a principal amount of RMB1.2 billion and a coupon rate of 7.50%. The November 2021 Private Placement Notes have a term of three years with an option for us to adjust the coupon rate and a put option for the investors at the end of the first and the second year after the issuance.

December 2020 Private Placement Notes

In December 2018, Seazen Holdings issued private place notes with a principal amount of RMB700 million and a coupon rate of 7.0%. The December 2020 Private Placement Notes have a term of two years.

Asset Backed Notes

October 2035 Asset Backed Notes

In October 2017, Seazen Holdings issued the ABN which has a principal amount of RMB2.1 billion and a term of 18 years. The ABN includes a principal amount of RMB1.5 billion with a coupon rate of 5.38% as the first tranche, and a principal amount of RMB599 million with a coupon rate of 6.2% as the second tranche and a principal amount of RMB1 million as the subordinated tranche.

January 2021 Asset Backed Notes

In January 2019, Seazen Holdings issued asset-backed notes with an aggregate amount of RMB1,558 million, including senior asset backed notes with a principal amount of RMB1,480 million and a coupon rate of 6.80%, and subordinated asset backed notes with a principal amount of RMB78 million. The January 2021 Asset Backed Notes have a term of two years.

Offshore Credit Facility

We entered into a facility letter with The Bank of East Asia, Limited in May 2018, which granted us a revolving loan of up to HK\$780 million. Each drawdown under the revolving loan must be supported by a standby letter of credit issued in favor of the The Bank of East Asia, Limited. Each drawdown has a tenor of up to one year falling 14 working days prior to the expiry of the corresponding standby letter of credit. Interest will be calculated at the rate of 1.5% per annum over HIBOR as quoted by The Bank of East Asia, Limited on the first day of each interest period for one or three months as selected by us. Interest is payable quarterly in arrears and if earlier, on the due date of each drawdown. In connection with the facility letter, we pledged a RMB-denominated time deposit to The Bank of East Asia (China) Limited Shanghai Branch. As of the date of this offering memorandum, we have drawn down HK\$780 million under the revolving loan.

Covenants

Under the facility letter, we have agreed, among other things, not to take the following actions without first obtaining the lender's prior consent:

- materially change our line of business;
- sell, transfer or otherwise dispose of any material part of our assets, other than in the normal course of business transacted at arm's length basis;
- undertake or permit any change in our constitution, including any re-organization, amalgamation, consolidation, reconstruction, take-over or otherwise;
- amend or alter our memorandum and articles of association or other constitutional document relating to our borrowing powers; and
- permit to be done anything which could prejudice or jeopardize the rights of the lender in respect of the facility and the security interest held by the lender with respect to the facility.

DESCRIPTION OF THE NOTES

For purposes of this “Description of the Notes,” the term “Company” refers only to Seazen Group Limited, and any successor obligor on the Notes, and not to any of its subsidiaries. Each Subsidiary of the Company which guarantees the Notes is referred to as a “Subsidiary Guarantor,” and each such guarantee is referred to as a “Subsidiary Guarantee.” Each Subsidiary of the Company that in the future provides a JV Subsidiary Guarantee (as defined below) is referred to as a “JV Subsidiary Guarantor.”

The Notes are to be issued under an indenture (the “Indenture”), to be dated as of the Original Issue Date, among the Company, the Subsidiary Guarantors, as guarantors, and The Bank of New York Mellon, London Branch, a banking corporation organized and existing under the laws of the State of New York with limited liability and operating through its branch in London, as trustee (the “Trustee”) and The Bank of New York Mellon, a banking corporation organized and existing under the laws of the State of New York with limited liability, as collateral agent (the “Collateral Agent”).

The following is a summary of certain provisions of the Indenture, the Notes, the Subsidiary Guarantees, the JV Subsidiary Guarantees and the Intercreditor Agreement. This summary does not purport to be complete and is qualified in its entirety by reference to all of the provisions of the Indenture, the Notes, the Subsidiary Guarantees, the JV Subsidiary Guarantees and the Intercreditor Agreement. It does not restate those agreements in their entirety. Whenever particular sections or defined terms of the Indenture not otherwise defined herein are referred to, such sections or defined terms are incorporated herein by reference.

Copies of the Indenture will be available for inspection on or after the Original Issue Date at the corporate trust office of the Trustee at One Canada Square, London E14 5AL, United Kingdom.

Brief Description of the Notes

The Notes are:

- general obligations of the Company;
- senior in right of payment to any existing and future obligations of the Company expressly subordinated in right of payment to the Notes;
- at least *pari passu* in right of payment with the September 2020 Notes, the January 2021 Notes, the April 2023 Notes, the June 2022 Notes and all other unsecured, unsubordinated Indebtedness of the Company (subject to any priority rights of such unsubordinated Indebtedness pursuant to applicable law);
- guaranteed by the Subsidiary Guarantors on a senior basis, subject to the limitations described below under the caption “– The Subsidiary Guarantees” and in “Risk Factors – Risks Relating to the Subsidiary Guarantees, the JV Subsidiary Guarantees and the Collateral”;
- effectively subordinated to the other secured obligations (if any) of the Company, the Subsidiary Guarantors and the JV Subsidiary Guarantors, to the extent of the value of the assets serving as security therefor; and
- effectively subordinated to all existing and future obligations of the Non-Guarantor Subsidiaries (as defined below).

In addition, on the Original Issue Date, subject to the limitations described in “Risk Factors – Risks Relating to the Subsidiary Guarantees, the JV Subsidiary Guarantees and the Collateral,” the Notes will be secured by a pledge of the Collateral as described below under the caption “– Security” and will:

- be entitled to the benefit of a lien on the Collateral (subject to any Permitted Liens and the Intercreditor Agreement (as defined below) and shared on a *pari passu* basis with (i) holders of the September 2020 Notes, (ii) holders of the January 2021 Notes, (iii) holders of the April 2023 Notes, (iv) holders of the June 2022 Notes and (v) any holders of other Permitted *Pari Passu* Secured Indebtedness, if any); and

- rank effectively senior in right of payment to unsecured obligations of the Company with respect to the value of the Collateral pledged by the Company securing the Notes (subject to any priority rights of such unsecured obligations pursuant to applicable law).

The Notes will mature on August 12, 2024, unless earlier redeemed pursuant to the terms thereof and the Indenture.

The Notes will bear interest at 6% per annum from the Original Issue Date or from the most recent interest payment date to which interest has been paid or duly provided for, payable semiannually in arrears on February 12 and August 12 of each year (each an “Interest Payment Date”), commencing February 12, 2021. Interest on the Notes will be paid to Holders of record at the close of business on January 28 or July 28 immediately preceding an Interest Payment Date (each, a “Record Date”), notwithstanding any transfer, exchange or cancellation thereof after a Record Date and prior to the immediately following Interest Payment Date. So long as the Notes are held in global form, each payment in respect of the Global Note will be made to the person shown as the holder of the Notes in the Notes register at the close of business (of the relevant clearing system) on the Clearing System Business Day before the due date for such payments, where “Clearing System Business Day” means a weekday (Monday to Friday, inclusive) except December 25 and January 1. Interest on the Notes will be calculated on the basis of a 360-day year comprised of twelve 30-day months.

Except as described under “Optional Redemption,” “Redemption for Taxation Reasons,” and otherwise provided in the Indenture, the Notes may not be redeemed prior to maturity (unless they have been repurchased by the Company).

In any case in which the date of the payment of principal of, premium on or interest on the Notes is not a Business Day in the relevant place of payment or in the place of business of the Paying Agent, then payment of such principal, premium or interest need not be made on such date but may be made on the next succeeding Business Day. Any payment made on such Business Day shall have the same force and effect as if made on the date on which such payment is due, and no interest on the Notes shall accrue for the period after such date.

The Indenture allows additional Notes to be issued from time to time (the “Additional Notes”), subject to certain limitations described under “– Further Issues.” Unless the context requires otherwise, references to the “Notes” for all purposes of the Indenture and this “Description of the Notes” include any Additional Notes that are actually issued.

The Notes will be issued only in fully registered form, without coupons, in denominations of US\$200,000 and integral multiples of US\$1,000 in excess thereof. No service charge will be made for any registration of transfer or exchange of Notes, but the Company may require payment of a sum sufficient to cover any transfer tax or other similar governmental charge payable in connection therewith.

All payments on the Notes will be made by wire transfer, in U.S. dollars by the Company at the office or agency of the Company maintained for that purpose (which initially will be the specified office of the Paying Agent currently located at One Canada Square, London E14 5AL, United Kingdom), and the Notes may be presented for registration of transfer or exchange at such office or agency; provided that, if the Notes are in certificated form and the Company acts as its own paying agent, at the option of the Company, payment of interest may be made by check mailed to the address of the Holders as such address appears in the Note register maintained by the Registrar or by wire transfer. Interest payable on the Notes held through Euroclear or Clearstream will be available to Euroclear or Clearstream participants (as defined herein) on the Business Day following payment thereof.

The Subsidiary Guarantees

The initial Subsidiary Guarantors that will execute the Indenture on the Original Issue Date will be Hong Kong Achievement Development Limited and Hong Kong Prosperity Development Limited.

The Subsidiary Guarantors are holding companies that do not have significant operations. Other than the Initial Subsidiary Guarantors, none of the Company's other Restricted Subsidiaries organized outside of the PRC as of the Original Issuance Date (collectively, the "Existing Offshore Non-Guarantor Subsidiaries") will provide a Subsidiary Guarantee or JV Subsidiary Guarantee on the Original Issuance Date. In addition, none of the Company's existing or future Restricted Subsidiaries organized under the laws of the PRC or any Exempted Subsidiary will provide a Subsidiary Guarantee or JV Subsidiary Guarantee on the Original Issue Date or at any time in the future.

The JV Subsidiary Guarantees

In the case of a Restricted Subsidiary (i) that is established after the Original Issue Date, (ii) that is incorporated in any jurisdiction other than the PRC, (iii) that is not an Offshore Non-Guarantor Subsidiary (as defined below) and (iv) in respect of which the Company or any Restricted Subsidiary (x) is proposing to sell, whether through the sale of existing shares or the issuance of new shares, no less than 20% and no more than 49.9% of the Capital Stock of such Restricted Subsidiary or (y) is proposing to purchase no less than 50.1% and no more than 80.0% of the Capital Stock of such Restricted Subsidiary from an Independent Third Party (and concurrently become a Restricted Subsidiary), the Company may, concurrently with the consummation of such sale or purchase, provide a JV Subsidiary Guarantee (as defined below) instead of a Subsidiary Guarantee for (a) such Restricted Subsidiary and (b) the Restricted Subsidiaries of such Restricted Subsidiary that are organized in any jurisdiction other than the PRC, if the following conditions, in the case of both (a) and (b), are satisfied:

- as of the date of execution of a JV Subsidiary Guarantee (as defined below), no document exists that is binding on the Company or any Restricted Subsidiary that would have the effect of (a) prohibiting the Company or any Restricted Subsidiary from providing such JV Subsidiary Guarantee or (b) requiring the Company or any Restricted Subsidiary to deliver or keep in place a guarantee on terms that are more favorable to the recipients of such guarantee than such JV Subsidiary Guarantee;
- such sale of Capital Stock is made to, or such purchase of Capital Stock is made from, an Independent Third Party at a consideration that is not less than (in the case of a sale or issuance) or no more than (in the case of a purchase) the Fair Market Value of such Capital Stock;
- concurrently with providing the JV Subsidiary Guarantee, the Company shall or shall cause such JV Subsidiary Guarantor to deliver to the Trustee:
 - (i) (A) a duly executed JV Subsidiary Guarantee of such JV Subsidiary Guarantor (the "JV Subsidiary Guarantee") and each Restricted Subsidiary of such JV Subsidiary Guarantor that is not organized under the laws of the PRC, and (B) a duly executed supplemental indenture to the Indenture pursuant to which such JV Subsidiary Guarantor will guarantee the payment of the Notes, each of which provides, among other things, that the aggregate claims of the Holders and the Trustee under such JV Subsidiary Guarantee and all JV Subsidiary Guarantees provided by the Restricted Subsidiaries and shareholders of such JV Subsidiary Guarantor will be limited to the JV Entitlement Amount;
 - (ii) a duly executed Security Document that pledges in favor of the Collateral Agent for itself and for the benefit of the Trustee the Capital Stock of such JV Subsidiary Guarantor held by the Company or any Subsidiary Guarantor, but not the Capital Stock of the direct or indirect Subsidiaries of such JV Subsidiary Guarantor;
 - (iii) an Officers' Certificate certifying a copy of the Board Resolution to the effect that such JV Subsidiary Guarantee has been approved by a majority of the disinterested members of the Board of Directors; and

- (iv) a legal opinion by a law firm of recognized international standing confirming that under New York law such JV Subsidiary Guarantees are valid, binding and enforceable against the JV Subsidiary Guarantors providing such JV Subsidiary Guarantees (subject to customary qualifications and assumptions).

As of December 31, 2019, the Company and its consolidated subsidiaries had total current and non-current borrowings of approximately RMB87,846.9 million (US\$12,618.4 million), of which approximately RMB67,123.6 million (US\$9,641.7 million) was secured.

As of December 31, 2019, the Restricted Subsidiaries (excluding the Subsidiary Guarantors) had total current and non-current borrowings of approximately RMB78,791.5 million (US\$11,317.7 million), capital commitments of approximately RMB22.4 million (US\$3.2 million) and contingent liabilities of approximately RMB67,426.5 million (US\$9,685.2 million).

The Subsidiary Guarantee of each Subsidiary Guarantor:

- is a general obligation of such Subsidiary Guarantor;
- is effectively subordinated to secured obligations of such Subsidiary Guarantor, to the extent of the value of the assets serving as security therefor;
- is senior in right of payment to all future obligations of such Subsidiary Guarantor expressly subordinated in right of payment to such Subsidiary Guarantee; and
- ranks at least *pari passu* with all other unsecured, unsubordinated Indebtedness of such Subsidiary Guarantor (subject to any priority rights of such unsubordinated Indebtedness pursuant to applicable law).

If any is provided, the JV Subsidiary Guarantee of each JV Subsidiary Guarantor:

- will be a general obligation of such JV Subsidiary Guarantor;
- will be enforceable only up to the JV Entitlement Amount;
- will be effectively subordinated to secured obligations of such JV Subsidiary Guarantor, to the extent of the value of the assets serving as security therefor;
- will be limited to the JV Entitlement Amount, and will be senior in right of payment to all future obligations of such JV Subsidiary Guarantor expressly subordinated in right of payment to such JV Subsidiary Guarantee; and
- will be limited to the JV Entitlement Amount, and will rank at least *pari passu* with all other unsecured, unsubordinated Indebtedness of such JV Subsidiary Guarantor (subject to any priority rights of such unsubordinated Indebtedness pursuant to applicable law).

Offshore Non-Guarantor Subsidiaries

The Company will cause each of its future Restricted Subsidiaries (other than Persons organized under the laws of the PRC or any Exempted Subsidiaries), promptly upon becoming a Restricted Subsidiary or ceasing to be an Exempted Subsidiary, to execute and deliver to the Trustee a supplemental indenture to the Indenture pursuant to which such Restricted Subsidiary will Guarantee the payment of the Notes as either a Subsidiary Guarantor or a JV Subsidiary Guarantor. Notwithstanding the foregoing, the Company may elect to have any future Restricted Subsidiary (and its Restricted Subsidiaries) organized outside the PRC not provide a Subsidiary Guarantee or JV Subsidiary Guarantee at the time such entity becomes a Restricted Subsidiary or ceases to be an Exempted Subsidiary (each such entity a “New Offshore Non-Guarantor Subsidiary” and, together with the Existing Offshore Non-Guarantor Subsidiaries, the “Offshore Non-Guarantor Subsidiaries”), provided that, after giving effect to the Consolidated Assets of such Restricted Subsidiary, the Consolidated Assets of all Restricted Subsidiaries organized outside the PRC (other than Exempted Subsidiaries) that are not Subsidiary Guarantors or JV Subsidiary Guarantors do not account for more than 30% of the Total Assets of the Company.

In the case of a Subsidiary Guarantor with respect to which the Company or any Restricted Subsidiary is proposing to sell, whether through the sale of existing shares or the issuance of new shares, no less than 20% of the Capital Stock of such Subsidiary Guarantor, the Company may concurrently with the consummation of such sale or issuance of Capital Stock, (a) instruct the Trustee to release the Subsidiary Guarantees provided by such Subsidiary Guarantor and each of its Restricted Subsidiaries organized outside the PRC, and upon such release such Subsidiary Guarantor and its Restricted Subsidiaries organized outside the PRC will become Offshore Non-Guarantor Subsidiaries (such that they will no longer Guarantee the Notes) and (b) instruct the Collateral Agent to (i) discharge the pledge of the Capital Stock granted by each such Offshore Non-Guarantor Subsidiary and (ii) discharge the pledge of Capital Stock made by the Company or any Subsidiary Guarantor over the shares it owns in each such Offshore Non-Guarantor Subsidiary (in each case, without any requirement to seek the consent or approval of the Holders of the Notes), provided that after the release of such Subsidiary Guarantees, the Consolidated Assets of all Restricted Subsidiaries organized outside the PRC that are not Subsidiary Guarantors or JV Subsidiary Guarantors (including such Offshore Non-Guarantor Subsidiaries but excluding Exempted Subsidiaries) do not account for more than 30% of the Total Assets of the Company. A Subsidiary Guarantee of a Subsidiary Guarantor may only be released pursuant to this paragraph if as of the date of such proposed release, no document exists that is binding on the Company or any Restricted Subsidiary that would have the effect of requiring the Company or such Subsidiary Guarantor to deliver or keep in place a guarantee of other Indebtedness of the Company by such Subsidiary Guarantor.

Each Restricted Subsidiary that guarantees the Notes after the Original Issue Date other than a JV Subsidiary Guarantee is referred to as a “Future Subsidiary Guarantor” and upon execution of the applicable supplemental indenture to the Indenture will be a “Subsidiary Guarantor.” The Offshore Non-Guarantor Subsidiaries together with the PRC Non-Guarantor Subsidiaries are referred to herein as the “Non-Guarantor Subsidiaries.”

Although the Indenture contains limitations on the amount of additional Indebtedness that Non-Guarantor Subsidiaries (including Restricted Subsidiaries organized under the laws of the PRC) may incur, the amount of such additional Indebtedness could be substantial. In the event of a bankruptcy, liquidation or reorganization of any Non-Guarantor Subsidiary, the Non-Guarantor Subsidiaries will pay the holders of their debt and their trade creditors before they will be able to distribute any of their assets to the Company.

In addition, subject to the limitations described in “Risk Factors – Risks Relating to the Subsidiary Guarantees, the JV Subsidiary Guarantees and the Collateral,” the Subsidiary Guarantee of each Subsidiary Guarantor Pledgor:

- will be entitled to the benefit of a lien on the Collateral (subject to any Permitted Liens and the Intercreditor Agreement and shared on a *pari passu* basis with (i) holders of the September 2020 Notes, (ii) holders of the January 2021 Notes, (iii) holders of the April 2023 Notes, (iv) holders of the June 2022 Notes and (v) any holders of other Permitted *Pari Passu* Secured Indebtedness) pledged by such Subsidiary Guarantor Pledgor, as described below under the caption “– Security”; and
- will rank effectively senior in right of payment to the unsecured obligations of such Subsidiary Guarantor Pledgor with respect to the value of the Collateral securing such Subsidiary Guarantee (subject to any priority rights of such unsecured obligations pursuant to applicable law).

The JV Subsidiary Guarantee of each JV Subsidiary Guarantor will not be secured.

Under the Indenture, and any supplemental indenture to the Indenture, as applicable, each of the Subsidiary Guarantors and JV Subsidiary Guarantors (if any) will jointly and severally guarantee the due and punctual payment of the principal of, premium, if any, and interest on, and all other amounts payable under, the Notes and the Indenture; *provided* that any JV Subsidiary Guarantee will be limited to the JV Entitlement Amount. The Subsidiary Guarantors and JV Subsidiary Guarantors will (1) agree that their respective obligations under the Subsidiary Guarantees and JV Subsidiary Guarantees, as the case may be, will be enforceable irrespective of any invalidity, irregularity or unenforceability of the Notes or the

Indenture and (2) waive their right to require the Trustee to pursue or exhaust its legal or equitable remedies against the Company prior to exercising its rights under the Subsidiary Guarantees and the JV Subsidiary Guarantees, as the case may be. Moreover, if at any time any amount paid under a Note or the Indenture is rescinded or must otherwise be restored, the rights of the Holders under the Subsidiary Guarantees and the JV Subsidiary Guarantees, as the case may be, will be reinstated with respect to such payment as though such payment had not been made. All payments under the Subsidiary Guarantees and the JV Subsidiary Guarantees, as the case may be, are required to be made in U.S. dollars.

Under the Indenture, and any supplemental indenture to the Indenture, as applicable,

- each Subsidiary Guarantee will be limited to an amount not to exceed the maximum amount that can be guaranteed by the applicable Subsidiary Guarantor without rendering the Subsidiary Guarantee, as it relates to such Subsidiary Guarantor, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally; and
- each JV Subsidiary Guarantee will be limited to an amount which is the lower of (i) the JV Entitlement Amount and (ii) an amount not to exceed the maximum amount that can be guaranteed by the applicable JV Subsidiary Guarantor without rendering the JV Subsidiary Guarantee, as it relates to such JV Subsidiary Guarantor, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally.

If a Subsidiary Guarantee or JV Subsidiary Guarantee were to be rendered voidable, it could be subordinated by a court to all other indebtedness (including guarantees and other contingent liabilities) of the applicable Subsidiary Guarantor or JV Subsidiary Guarantor, as the case may be, and, depending on the amount of such indebtedness, a Subsidiary Guarantor's liability on its Subsidiary Guarantee or a JV Subsidiary Guarantor's liability on its JV Subsidiary Guarantee, as the case may be, could in each case be reduced to zero.

The obligations of each Subsidiary Guarantor under its Subsidiary Guarantee and the enforceability of the Collateral granted in respect of the Subsidiary Guarantees of the Subsidiary Guarantor Pledgors may be limited, or possibly invalid, under applicable laws. Similarly, the obligations of each JV Subsidiary Guarantor under its JV Subsidiary Guarantee may be limited, or possibly invalid, under applicable laws. See "Risk Factors – Risks Relating to the Subsidiary Guarantees, the JV Subsidiary Guarantees and the Collateral – The Subsidiary Guarantees or JV Subsidiary Guarantees may be challenged under applicable insolvency or fraudulent transfer laws, which could impair the enforceability of the Subsidiary Guarantees or JV Subsidiary Guarantees."

Release of the Subsidiary Guarantees and JV Subsidiary Guarantees

A Subsidiary Guarantee given by a Subsidiary Guarantor and a JV Subsidiary Guarantee given by a JV Subsidiary Guarantor may be released in certain circumstances, including:

- upon repayment in full of the Notes;
- upon a defeasance as described under "– Defeasance – Defeasance and Discharge";
- upon the designation by the Company of a Subsidiary Guarantor or a JV Subsidiary Guarantor, as the case may be, as an Unrestricted Subsidiary in compliance with the terms of the Indenture;
- upon the sale, disposition or merger of a Subsidiary Guarantor or a JV Subsidiary Guarantor, as the case may be, in compliance with the terms of the Indenture (including the covenants described under the captions "– Limitation on Sales and Issuances of Capital Stock in Restricted Subsidiaries," "– Limitation on Asset Sales" and "– Consolidation, Merger and Sale of Assets") resulting in such Subsidiary Guarantor or JV Subsidiary Guarantor, as the case may be, no longer being a Restricted Subsidiary, so long as (1) such Subsidiary

Guarantor or JV Subsidiary Guarantor, as the case may be, is simultaneously released from its obligations in respect of any of the Company's other Indebtedness or any Indebtedness of any other Restricted Subsidiary and (2) the proceeds from such sale, disposition or merger are used for the purposes permitted or required by the Indenture;

- in the case of a Subsidiary Guarantee, upon the replacement of such a Subsidiary Guarantee with a JV Subsidiary Guarantee; or
- in the case of a Subsidiary Guarantor that becomes an Offshore Non-Guarantor Subsidiary or an Exempted Subsidiary, in compliance with the terms of the Indenture.

No release of a Subsidiary Guarantor from its Subsidiary Guarantee or a JV Subsidiary Guarantor from its JV Subsidiary Guarantee shall be effective against the Trustee or the Holders until the Company has delivered to the Trustee an Officers' Certificate stating that all requirements relating to such release have been complied with and such release is authorized and permitted by the terms of the Indenture.

Replacement of Subsidiary Guarantees with JV Subsidiary Guarantees

A Subsidiary Guarantee given by a Subsidiary Guarantor may be released and replaced by a JV Subsidiary Guarantee following the sale or issuance by the Company or any Restricted Subsidiary of Capital Stock in (a) such Subsidiary Guarantor or (b) any other Subsidiary Guarantor that, directly or indirectly, owns a majority of the Capital Stock of such Subsidiary Guarantor, in each case where such sale or issuance, whether through the sale of existing shares or the issuance of new shares, is for no less than 20% and no more than 49.9% of the issued Capital Stock of the relevant Subsidiary Guarantor, *provided* that the following conditions are satisfied or complied with:

- as of the date of such proposed release, no document exists that is binding on the Company or any of the Restricted Subsidiaries that would have the effect of (a) prohibiting the Company or any of the Restricted Subsidiaries from releasing such Subsidiary Guarantee, (b) prohibiting the Company or any of the Restricted Subsidiaries from providing a JV Subsidiary Guarantee, or (c) requiring the Company or any Restricted Subsidiary to deliver or keep in force a replacement guarantee on terms that are more favorable to the recipients of such guarantee than the JV Subsidiary Guarantee;
- such sale or issuance of Capital Stock is made to an Independent Third Party at a consideration that is not less than the Fair Market Value of such Capital Stock;
- concurrently with the release of such Subsidiary Guarantee, the Company shall or shall cause such JV Subsidiary Guarantor to deliver to the Trustee:
 - (i) (A) a duly executed JV Subsidiary Guarantee of such JV Subsidiary Guarantor and each Restricted Subsidiary of such JV Subsidiary Guarantor that is not organized under the laws of the PRC and (B) a duly executed supplemental indenture to the Indenture pursuant to which such JV Subsidiary Guarantor will guarantee the payment of the Notes, each of which provides, among other things, that the aggregate claims of the Holders and the Trustee under such JV Subsidiary Guarantee and all JV Subsidiary Guarantees provided by the Restricted Subsidiaries and shareholders of such JV Subsidiary Guarantor will be limited to the JV Entitlement Amount;
 - (ii) a duly executed Security Document that pledges in favor of the Collateral Agent the Capital Stock of such JV Subsidiary Guarantor held by the Company or any Subsidiary Guarantor, but not the Capital Stock of the direct or indirect Subsidiaries of such JV Subsidiary Guarantor;
 - (iii) an Officers' Certificate certifying a copy of a Board Resolution to the effect that such JV Subsidiary Guarantee has been approved by a majority of the disinterested members of the Board of Directors; and

- (iv) a legal opinion by a law firm of recognized international standing confirming that under New York law such JV Subsidiary Guarantee is valid, binding and enforceable against the JV Subsidiary Guarantor providing such JV Subsidiary Guarantee (subject to customary qualifications and assumptions).

Notwithstanding the foregoing paragraph, any such sale or issuance of the Capital Stock of the relevant Subsidiary Guarantor (including where such sale results in the relevant Subsidiary Guarantor ceasing to be a Restricted Subsidiary) will need to comply with the other covenants set forth in the Indenture, including, without limitation, the “– Limitation on Asset Sales” and “– Limitation on Restricted Payments” covenants.

Any Net Cash Proceeds from the sale of such Capital Stock shall be applied by the Company (or any Restricted Subsidiary) in accordance with the “Limitation on Asset Sales” covenant.

As of the date of the Indenture, all of the Company’s Subsidiaries will be “Restricted Subsidiaries”. However, under the circumstances described below under the caption “– Certain Covenants – Designation of Restricted and Unrestricted Subsidiaries,” the Company will be permitted to designate certain of its Subsidiaries as “Unrestricted Subsidiaries.” The Company’s Unrestricted Subsidiaries will generally not be subject to the restrictive covenants in the Indenture. The Company’s Unrestricted Subsidiaries will not Guarantee the Notes.

Security

The Company has pledged the Capital Stock of the Subsidiary Guarantors owned by the Company (subject to Permitted Liens and the Intercreditor Agreement) in order to secure the obligations of the Company under the September 2020 Notes, the September 2020 Notes Indenture, the January 2021 Notes, the January 2021 Notes Indenture, the April 2023 Notes, the April 2023 Notes Indenture, the June 2022 Notes and the June 2022 Notes Indenture. On the Original Issue Date, the Trustee will execute a supplement to and become a party to the Intercreditor Agreement, at which time the Trustee will become a Secured Party under the Intercreditor Agreement and the Holders will be entitled to share in the benefit of the pledge of such Capital Stock on a *pari passu* basis with the holders of the September 2020 Notes, the holders of the January 2021 Notes, the holders of the April 2023 Notes, the holders of the June 2022 Notes and the holders of any other Permitted *Pari Passu* Secured Indebtedness. See “– Intercreditor Agreement.”

None of the Capital Stock of the Non-Guarantor Subsidiaries will be pledged on the Original Issue Date or at any time in the future. In addition, none of the Capital Stock of any future Restricted Subsidiary that may be organized under the laws of the PRC will be pledged at any time in the future. If any JV Subsidiary Guarantor is established, the Capital Stock of such JV Subsidiary Guarantor owned by the Company or any Subsidiary Guarantor will be pledged to secure the obligations of the Company under the Notes and the Indenture, and of such Subsidiary Guarantor under its Subsidiary Guarantee, as the case may be, in the manner described above. However, none of the JV Subsidiary Guarantors will provide a Security Document pledging the Capital Stock of its direct or indirect Subsidiaries as security in favor of the Collateral Agent for itself and for the benefit of the Trustee.

The Company has also agreed, for the benefit of the Holders, to pledge, and cause each Subsidiary Guarantor (other than a JV Subsidiary Guarantor, if any) to pledge, the Capital Stock owned by the Company or such Subsidiary Guarantor of any Person that becomes a Restricted Subsidiary or additional shares of Capital Stock acquired or otherwise received by the Company or such Subsidiary Guarantor of any existing Restricted Subsidiary (in each case, other than Persons organized under the laws of the PRC or Offshore Non-Guarantor Subsidiaries) after the Original Issue Date, promptly upon such Person becoming a Restricted Subsidiary, to secure the obligations of the Company under the Notes and the Indenture, and of such Subsidiary Guarantor under its Subsidiary Guarantee, in the manner described above.

Each Subsidiary Guarantor that pledges Capital Stock of a Restricted Subsidiary after the Original Issue Date is referred to as a “Future Subsidiary Guarantor Pledgor” and, upon giving such pledge, will be a “Subsidiary Guarantor Pledgor.” As of the date of this Offering Memorandum, there are no Subsidiary Guarantor Pledgors.

The value of the Collateral securing the Notes and the Subsidiary Guarantees of the Subsidiary Guarantor Pledgors (if any) (as reduced by the obligations owed to other secured creditors under the Intercreditor Agreement) is unlikely to be sufficient to satisfy the Company's and each of the Subsidiary Guarantor Pledgors' obligations under the Notes and the Subsidiary Guarantees of the Subsidiary Guarantor Pledgors (as reduced by the obligations owed to other secured creditors under the Intercreditor Agreement), and the Collateral securing the Notes and such Subsidiary Guarantee (as reduced by the obligations owed to other secured creditors under the Intercreditor Agreement) may be reduced or diluted under certain circumstances, including the issuance of Additional Notes and other Permitted *Pari Passu* Secured Indebtedness and the disposition of assets comprising the Collateral, subject to the terms of the Indenture and the Intercreditor Agreement. See “– Release of Security” and “Risk Factors – Risks Relating to the Subsidiary Guarantees, the JV Subsidiary Guarantees and the Collateral – The value of the Collateral is unlikely to be sufficient to satisfy our obligations under the Notes and other *pari passu* secured indebtedness.”

No appraisals of the Collateral have been prepared in connection with this offering of the Notes. There can be no assurance that the proceeds of any sale of the Collateral, in whole or in part, pursuant to the Indenture, the Intercreditor Agreement and the Security Documents following an Event of Default, would be sufficient to satisfy amounts due on the Notes or the Subsidiary Guarantees of the Subsidiary Guarantor Pledgors (as reduced by the obligations owed to other secured creditors under the Intercreditor Agreement). By its nature, some or all of the Collateral will be illiquid and may have no readily ascertainable market value. Accordingly, there can be no assurance that the Collateral would be sold in a timely manner or at all.

So long as no Event of Default has occurred and is continuing, and subject to the terms of the Security Documents and the Indenture, the Company and the Subsidiary Guarantor Pledgors, as the case may be, will be entitled to exercise any and all voting rights and to receive, retain and use any and all cash dividends, stock dividends, liquidating dividends, non-cash dividends, shares or stock resulting from stock splits or reclassifications, rights issues, warrants, options and other distributions (whether similar or dissimilar to the foregoing) in respect of Capital Stock constituting Collateral.

Permitted *Pari Passu* Secured Indebtedness

On or after the Original Issue Date, the Company and each Subsidiary Guarantor Pledgor may create Liens on the Collateral *pari passu* with the Lien for the benefit of the Holders to secure Indebtedness of the Company (including Additional Notes) and any *Pari Passu* Subsidiary Guarantee of a Subsidiary Guarantor Pledgor with respect to such Indebtedness (such Indebtedness of the Company and any such *Pari Passu* Subsidiary Guarantee, “Permitted *Pari Passu* Secured Indebtedness”); provided that (1) the Company or such Subsidiary Guarantor Pledgor was permitted to Incur such Indebtedness under the covenant described under the caption “– Limitation on Indebtedness and Preferred Stock”; (2) the holders of such Indebtedness (or their representative) become party to the Intercreditor Agreement (see “– Intercreditor Agreement”); and (3) the Company and such Subsidiary Guarantor Pledgor deliver to the Trustee and the Collateral Agent an Opinion of Counsel and Officers' Certificate with respect to corporate and collateral matters in connection with the Security Documents. The Trustee and the Collateral Agent will be permitted and authorized, without the consent of any Holder, to enter into the Security Documents and the Intercreditor Agreement or any amendment thereto or to the Indenture and take any other action necessary to permit the creation and registration of Liens on the Collateral to secure Permitted *Pari Passu* Secured Indebtedness in accordance with this paragraph and the terms of the Indenture (including, without limitation, the appointment of any collateral agent under the Intercreditor Agreement to hold the Collateral on behalf of the Holders, the holders of the September 2020 Notes, the holders of the January 2021 Notes, the holders of the April 2023 Notes, the holders of the June 2022 Notes and any holders of other Permitted *Pari Passu* Secured Indebtedness).

Except for certain Permitted Liens and the Permitted *Pari Passu* Secured Indebtedness, the Company and its Restricted Subsidiaries will not be permitted to issue or Incur any other Indebtedness secured by all or any portion of the Collateral without the consent of each Holder of the Notes then outstanding.

Intercreditor Agreement

The Company, the Collateral Agent, the trustee with respect to the January 2021 Notes (the “January 2021 Notes Trustee”), the trustee with respect to the September 2020 Notes (the “September 2020 Notes Trustee”), the trustee with respect to the April 2023 Notes (the “April 2023 Notes Trustee”), the trustee with respect to the June 2022 Notes (the “June 2022 Notes Trustee”), among others, have entered into an intercreditor agreement dated April 23, 2013 (as supplemented or amended from time to time, the “Intercreditor Agreement”), to which the Trustee for the benefit of the Holders will accede on the Original Issue Date. The Intercreditor Agreement provides, among other things, that (1) the Secured Parties share equal priority and pro rata entitlement in and to the Collateral; (2) the Collateral shall only be substituted or released and Liens only be granted on the Collateral to the extent permitted under the Debt Documents; (3) holders of any future Permitted Pari Passu Secured Indebtedness (or their respective representatives) that are secured by the Collateral shall also appoint the Collateral Agent to act as their collateral agent with respect to the Collateral; and (4) the conditions under which the Collateral Agent shall enforce the rights of the Secured Parties with respect to the Collateral and the Indebtedness secured thereby as described in “– Enforcement of Security” below. The Intercreditor Agreement also contains terms with respect to rights, duties, liabilities and expenses of the Trustee, the September 2020 Notes Trustee, the January 2021 Notes Trustee, the April 2023 Notes Trustee, the June 2022 Notes Trustee and any other Creditor Representative and the Collateral Agent that are satisfactory to such parties.

The Intercreditor Agreement also provides that in connection with any future Permitted Pari Passu Secured Indebtedness (other than Additional Notes), the holders of such Permitted Pari Passu Secured Indebtedness (or their representative) will accede to the Intercreditor Agreement and become parties to it.

By accepting the Notes, each Holder shall be deemed to have consented to the accession to, and terms of, the Intercreditor Agreement, any supplements, amendments or modifications thereto, and any future intercreditor agreement that may be required under the terms of the Indenture.

Enforcement of Security

The Liens securing the Notes and the Subsidiary Guarantees of the Subsidiary Guarantor Pledgors will be granted to the Collateral Agent. The Collateral Agent, subject to the Intercreditor Agreement, will hold such Liens over the Collateral granted pursuant to the Security Documents with sole authority as directed by the written instruction of the Trustee and any other Creditor Representatives to exercise remedies under the Security Documents (subject to the terms of the Intercreditor Agreement). The Collateral Agent has agreed to act as secured party on behalf of the creditors under the Debt Documents under the applicable Security Documents, to follow instructions provided to it by one or more of the Creditor Representatives under the Indenture, the Security Documents and/or the Intercreditor Agreement and to carry out certain other duties.

The Indenture and/or the Security Documents principally provide that, at any time while the Notes are outstanding, the Collateral Agent has the right, subject to the Intercreditor Agreement, to manage, perform and enforce the terms of the Security Documents relating to the Collateral and to exercise and enforce all privileges, rights and remedies thereunder according to its direction, including to take or retake control or possession of such Collateral and to hold, prepare for sale, process, lease, dispose of or liquidate such Collateral, including, without limitation, following the occurrence of an Event of Default under the Indenture.

The Intercreditor Agreement provides, among other things, that any Secured Party may instruct the Collateral Agent to enforce the Collateral and to deliver a notice of enforcement to the Company and the applicable Subsidiary Guarantor Pledgor (such instructions, the “Enforcement Instructions”). Upon receipt of an Enforcement Instruction from any Secured Party, the Collateral Agent will provide a copy of such Enforcement Instruction and notice of enforcement to the Company and the other Secured Parties. If (a) the Collateral Agent identifies a conflict (i) between Secured Parties’ interests in connection with any Enforcement Instruction or (ii) in the event that more than one of the Secured Parties issues Enforcement Instructions, between those Enforcement Instructions, and (b) the Collateral Agent believes in its sole discretion that the interests of the Secured Parties would be in conflict upon the

exercise of those Enforcement Instructions, or that compliance with an Enforcement Instruction would cause the Collateral Agent to contravene another Enforcement Instruction, the Collateral Agent shall notify each Secured Party in writing not more than five Business Days after it becomes aware of such conflict. In such circumstances, the Collateral Agent is not obligated to take any action if it identifies such conflict and will not take any action with respect to which the instructions or interests of the Secured Parties are in conflict until such conflict has been resolved in accordance with the Intercreditor Agreement.

The Intercreditor Agreement provides that any proceeds from any sale, collection, liquidation or enforcement of the Collateral shall be distributed by the Collateral Agent in accordance with the terms of the Intercreditor Agreement and subject to the conditions of the relevant Security Document. Such proceeds shall be applied as follows:

first, to the Collateral Agent to the extent necessary to reimburse the Collateral Agent for any expenses (including properly incurred expenses of its counsel) incurred in connection with the collection or distribution of such amounts held or realized or in connection with expenses incurred in enforcing remedies under the Intercreditor Agreement and the Security Documents and preserving the Collateral and all amounts for which the Collateral Agent is entitled to indemnification under the Indenture, Intercreditor Agreement or the Security Documents;

second, to the extent not reimbursed under the above paragraph, to the Trustee, the Agents, the September 2020 Notes Trustee, the January 2021 Notes Trustee, the April 2023 Notes Trustee, the June 2022 Notes Trustee and any other Creditor Representatives, to the extent necessary to reimburse the foregoing persons ratably for any expenses (including properly incurred expenses of counsel) incurred in connection with the collection or distribution of such amounts held or realized or in connection with expenses incurred in enforcing remedies under the Debt Documents, Intercreditor Agreement and the Security Documents and preserving the Collateral and all amounts for which the foregoing persons are entitled to indemnification under the Debt Documents, Intercreditor Agreement and the Security Documents;

third, ratably to each of the Trustee for the benefit of the Holders to satisfy outstanding obligations under the Notes and the Indenture, the September 2020 Notes Trustee for the benefit of holders of the September 2020 Notes to satisfy outstanding obligations under the September 2020 Notes and the September 2020 Notes Indenture, the January 2021 Notes Trustee for the benefit of holders of the January 2021 Notes to satisfy outstanding obligations under the January 2021 Notes and the January 2021 Notes Indenture, the April 2023 Notes Trustee for the benefit of holders of the April 2023 Notes to satisfy outstanding obligations under the April 2023 Notes and the April 2023 Notes Indenture, the June 2022 Notes Trustee for the benefit of holders of the June 2022 Notes to satisfy outstanding obligation under the June 2022 Notes and the June 2022 Notes Indenture and, to the extent applicable, to other Creditor Representatives for the benefit of the holders of any Permitted Pari Passu Secured Indebtedness to satisfy outstanding obligations thereunder (in each case, to the extent not paid pursuant to the paragraphs above), in accordance with the terms of the relevant Debt Documents; and

fourth, any surplus remaining after such payments will be paid to the Company, the Subsidiary Guarantor Pledgors or to whomever may be lawfully entitled thereto.

The Collateral Agent may refrain from acting in accordance with the instructions of the Holders and the holders of any Permitted Pari Passu Indebtedness Parties and may decline to expend its own funds, foreclose on the Collateral or exercise remedies available if it does not receive indemnification and/or security to its satisfaction. In addition, the Collateral Agent's ability to foreclose on the Collateral may be subject to lack of perfection, the consent of third parties, prior Liens and practical problems associated with the realization of the Collateral Agent's Liens on the Collateral. Neither the Trustee, the Collateral Agent nor any of their respective officers, directors, employees, attorneys or agents will be responsible or liable for the existence, genuineness, value or protection of any Collateral securing the Notes, for the legality, existence, genuineness, value, adequacy or protection of any Collateral securing the Notes, for the legality, enforceability, effectiveness or sufficiency of the Security Documents or the Intercreditor Agreement, for the creation, perfection, continuation, priority, sufficiency or protection of any of the Liens, or for any defect or deficiency as to any such matters, or for any failure to demand, collect, foreclose or realize upon or otherwise enforce any of the Liens or Security Documents or any delay in doing so.

The Security Documents provide that the Company and the Subsidiary Guarantor Pledgors will indemnify the Collateral Agent for all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind imposed against the Collateral Agent arising out of the Security Documents except to the extent that any of the foregoing are finally judicially determined to have resulted from the gross negligence or willful misconduct of the Collateral Agent.

This section, “– Enforcement of Security,” shall be subject to any amendments to the Security Documents or the Indenture to permit the creation of Liens on the Collateral to secure Permitted Pari Passu Secured Indebtedness in accordance with “– Permitted Pari Passu Secured Indebtedness” above.

Release of Security

Subject to the provisions of the Intercreditor Agreement, the security created in respect of the Collateral granted under the Security Documents may be released in relation to the Notes and the Subsidiary Guarantees in certain circumstances, including:

- upon repayment in full of the Notes;
- upon defeasance and discharge of the Notes as provided below under the caption “– Defeasance – Defeasance and Discharge”;
- upon certain dispositions of the Collateral in compliance with the covenants described under the captions “– Limitation on Sales and Issuances of Capital Stock in Restricted Subsidiaries” or “– Limitation on Asset Sales” or in accordance with the provision under the caption “– Consolidation, Merger and Sale of Assets”;
- with respect to security granted by a Subsidiary Guarantor Pledgor, upon the release of the Subsidiary Guarantee of such Subsidiary Guarantor Pledgor in accordance with the terms of the Indenture;
- in connection with and upon execution of a JV Subsidiary Guarantee to replace a Subsidiary Guarantee, with respect to all pledges of Capital Stock granted by such JV Subsidiary Guarantor in its direct and indirect Subsidiaries, and in accordance with the terms of the Indenture;
- with respect to a Restricted Subsidiary that becomes an Unrestricted Subsidiary in accordance with the terms of the Indenture, the release of any pledge of Capital Stock made by the Company or any Subsidiary Guarantor over the shares it owns in such Unrestricted Subsidiary; or
- with respect to a Subsidiary Guarantor that becomes an Offshore Non-Guarantor Subsidiary or an Exempted Subsidiary, the release of the pledge of Capital Stock made by the Company or any Subsidiary Guarantor over the shares it owns in such Offshore Non-Guarantor Subsidiary or Exempted Subsidiary.

Further Issues

Subject to the covenants described below and in accordance with the terms of the Indenture, the Company may, from time to time, without notice to or the consent of the Holders, create and issue Additional Notes having the same terms and conditions as the Notes (including the benefit of the Subsidiary Guarantees and JV Subsidiary Guarantees) in all respects (or in all respects except for the issue date, issue price and the first payment of interest on them and, to the extent necessary, certain temporary securities law transfer restrictions) (a “Further Issue”) so that such Additional Notes may be consolidated and form a single class with the previously outstanding Notes and vote together as one class on all matters with respect to the Notes; provided that the issuance of any such Additional Notes shall then be permitted under the “Limitation on Indebtedness and Preferred Stock” covenant described below.

Optional Redemption

At any time prior to August 12, 2024, the Company may at its option redeem the Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Notes plus the Applicable Premium as of, and accrued and unpaid interest, if any, to (but not including), the redemption date. Neither the Trustee nor any of the Agents shall be responsible for calculating or verifying the Applicable Premium.

At any time and from time to time prior to August 12, 2024, the Company may redeem up to 35% of the aggregate principal amount of the Notes with the Net Cash Proceeds of one or more sales of Common Stock of the Company in an Equity Offering at a redemption price of 106% the principal amount of the Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date; *provided* that at least 65% of the aggregate principal amount of the Notes originally issued on the Original Issue Date remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related Equity Offering.

The Company will give not less than 30 days' nor more than 60 days' notice of any redemption to the Holders and the Trustee. If less than all of the Notes are to be redeemed at any time, the Notes for redemption will be selected as follows:

- (1) if the Notes are listed on any recognized securities exchange, in compliance with the requirements of the principal recognized securities exchange on which the Notes are listed or in compliance with the requirements of the clearing systems through which the Notes are held; or
- (2) if the Notes are not listed on any recognized securities exchange and/or held through any clearing system on a pro rata basis, by lot or by such method as the Trustee in its sole and absolute discretion deems fair and appropriate, unless otherwise required by law.

A Note of US\$200,000 in principal amount or less shall not be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption relating to such Note will state the portion of the principal amount to be redeemed. A new Note in principal amount equal to the unredeemed portion will be issued upon cancellation of the original Note. On and after the redemption date, interest will cease to accrue on Notes or portions of them called for redemption.

Repurchase of Notes Upon a Change of Control Triggering Event

Not later than 30 days following a Change of Control Triggering Event, the Company will make an Offer to Purchase all outstanding Notes (a "Change of Control Offer") at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to (but not including) the Offer to Purchase Payment Date.

The Company has agreed in the Indenture that it will timely repay all Indebtedness or obtain consents as necessary under, or terminate, agreements or instruments that would otherwise prohibit a Change of Control Offer required to be made pursuant to the Indenture. Notwithstanding this agreement of the Company, it is important to note that if the Company is unable to repay (or cause to be repaid) all of the Indebtedness, if any, that would prohibit repurchase of the Notes or is unable to obtain the requisite consents of the holders of such Indebtedness, or terminate any agreements or instruments that would otherwise prohibit a Change of Control Offer, it would continue to be prohibited from purchasing the Notes. In that case, the Company's failure to purchase tendered Notes would constitute an Event of Default under the Indenture.

Certain of the events constituting a Change of Control Triggering Event under the Notes will also constitute an event of default under certain other debt instruments of the Company and its Subsidiaries. Future debt of the Company may also (1) prohibit the Company from purchasing Notes in the event of a Change of Control Triggering Event; (2) provide that a Change of Control Triggering Event is a default; or (3) require repurchase of such debt upon a Change of Control Triggering Event. Moreover, the exercise by the Holders of their right to require the Company to purchase the Notes could cause a default under

other Indebtedness, even if the Change of Control Triggering Event itself does not, due to the financial effect of the purchase on the Company. The Company's ability to pay cash to the Holders following the occurrence of a Change of Control Triggering Event may be limited by the Company's and the Subsidiary Guarantors' then-existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make the required purchase of the Notes. See "Risk Factors – Risks Relating to the Notes – We may not be able to repurchase the Notes, the September 2020 Notes, the January 2021 Notes, the April 2023 Notes, the June 2022 Notes and the August 2023 Guaranteed Senior Notes upon the occurrence of certain event."

The phrase "all or substantially all", as used with respect to the assets of the Company in the definition of "Change of Control," will likely be interpreted under applicable law of the relevant jurisdictions and will be dependent upon particular facts and circumstances. As a result, there may be a degree of uncertainty in ascertaining whether a sale or transfer of "all or substantially all" the assets of the Company has occurred.

Notwithstanding the above, the Company will not be required to make a Change of Control Offer following a Change of Control if a third party makes the Change of Control Offer in the same manner, at the same times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Company and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer.

The Trustee shall not be required to take any steps to ascertain whether a Change of Control Triggering Event or any event which could lead to the occurrence of a Change of Control Triggering Event has occurred and shall not be liable to any person for any failure to do so.

Except as described above with respect to a Change of Control Triggering Event, the Indenture does not contain provisions that permit the Holders to require that the Company purchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction.

No Mandatory Redemption or Sinking Fund

There will be no mandatory redemption or sinking fund payments for the Notes.

Additional Amounts

All payments of principal of, and premium (if any) and interest on the Notes or under the Subsidiary Guarantees and JV Subsidiary Guarantees will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or within any jurisdiction in which the Company, a Surviving Person (as defined under the caption "– Consolidation, Merger and Sale of Assets") or an applicable Subsidiary Guarantor or JV Subsidiary Guarantor is organized or resident for tax purposes (or any political subdivision or taxing authority thereof or therein), including, without limitation, if applicable, the PRC (each, as applicable, a "Relevant Jurisdiction"), or any jurisdiction through which payments are made by or on behalf of the Company, a Surviving Person or an applicable Subsidiary Guarantor or JV Subsidiary Guarantor, unless such withholding or deduction is required by law or by regulation or governmental policy having the force of law. In the event that any such withholding or deduction is so required, the Company, a Surviving Person or the applicable Subsidiary Guarantor or JV Subsidiary Guarantor, as the case may be, will pay such additional amounts ("Additional Amounts") as will result in receipt by the Holder of each Note of such amounts as would have been received by such Holder had no such withholding or deduction been required, except that no Additional Amounts shall be payable:

- (1) for or on account of:
 - (a) any tax, duty, assessment or other governmental charge that would not have been imposed but for:
 - (i) the existence of any present or former connection between the Holder or beneficial owner of such Note and the Relevant Jurisdiction or the jurisdiction through which payments are made, other than merely holding such Note or the receipt of payments thereunder or under a Subsidiary Guarantee or JV Subsidiary

Guarantee, including, without limitation, such Holder or beneficial owner being or having been a national, domiciliary or resident of such Relevant Jurisdiction or treated as a resident thereof or being or having been physically present or engaged in a trade or business therein or having or having had a permanent establishment therein;

- (ii) the presentation of such Note (in cases in which presentation is required) more than 30 days after the later of the date on which the payment of the principal of, premium, if any, and interest on, such Note became due and payable pursuant to the terms thereof or was made or duly provided for, except to the extent that the Holder thereof would have been entitled to such Additional Amounts if it had presented such Note for payment on any date within such 30-day period;
 - (iii) the failure of the Holder or beneficial owner to comply with a timely request of the Company, a Surviving Person, any Subsidiary Guarantor or any JV Subsidiary Guarantor addressed to the Holder, to provide information concerning such Holder's or its beneficial owner's nationality, residence, identity or connection with any Relevant Jurisdiction or the jurisdiction through which payments are made, if and to the extent that due and timely compliance with such request is required under the tax laws of such jurisdiction in order to reduce or eliminate any withholding or deduction as to which Additional Amounts would have otherwise been payable to such Holder; or
 - (iv) the presentation of such Note (in cases in which presentation is required) for payment in the Relevant Jurisdiction or the jurisdiction through which payments are made, unless such Note could not have been presented for payment elsewhere;
- (b) any estate, inheritance, gift, sale, transfer, personal property or similar tax, assessment or other governmental charge;
 - (c) any tax, assessment, withholding or deduction required by sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended ("FATCA"), any current or future Treasury Regulations or rulings promulgated thereunder, any intergovernmental agreement between the United States and any other jurisdiction to implement FATCA, any law, regulation or other official guidance enacted in any jurisdiction implementing FATCA or such intergovernmental agreement or any agreement with the U.S. Internal Revenue Service under FATCA; or
 - (d) any combination of taxes, duties, assessments or other governmental charges referred to in the preceding clauses (a), (b) and (c); or
- (2) to a Holder that is a fiduciary, partnership or person other than the sole beneficial owner of any payment to the extent that such payment would be required to be included in the income under the laws of a Relevant Jurisdiction or the jurisdiction through which payments are made, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, or a member of that partnership or a beneficial owner who would not have been entitled to such Additional Amounts had that beneficiary, settlor, partner or beneficial owner been the Holder thereof.

Whenever there is mentioned in any context the payment of principal of, and any premium or interest on, any Note or under any Subsidiary Guarantee or JV Subsidiary Guarantee, such mention shall be deemed to include payment of Additional Amounts provided for in the Indenture to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

Redemption for Taxation Reasons

The Notes may be redeemed, at the option of the Company or a Surviving Person with respect to the Company, as a whole but not in part, upon giving not less than 30 days' nor more than 60 days' notice to the Holders (which notice shall be irrevocable) and the Trustee, at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest (including any Additional Amounts), if any, to the date fixed by the Company or the Surviving Person, as the case may be, for redemption (the "Tax Redemption Date") if, as a result of:

- (1) any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of a Relevant Jurisdiction affecting taxation; or
- (2) any change in the existing official position or the stating of an official position regarding the application or interpretation of such laws, regulations or rulings (including a holding, judgment or order by a court of competent jurisdiction),

which change or amendment is proposed and becomes effective (i) with respect to the Company or any initial Subsidiary Guarantor on or after the Original Issue Date, or (ii) with respect to any Future Subsidiary Guarantor, JV Subsidiary Guarantor or Surviving Person, on or after the date such Future Subsidiary Guarantor, JV Subsidiary Guarantor or Surviving Person becomes a Subsidiary Guarantor, JV Subsidiary Guarantor or Surviving Person, with respect to any payment due or to become due under the Notes or the Indenture, the Company, a Subsidiary Guarantor, a JV Subsidiary Guarantor or a Surviving Person, as the case may be, is, or on the next Interest Payment Date would be, required to pay Additional Amounts, and such requirement cannot be avoided by the taking of reasonable measures by the Company, a Subsidiary Guarantor, a JV Subsidiary Guarantor or a Surviving Person, as the case may be; provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Company, a Subsidiary Guarantor, a JV Subsidiary Guarantor or a Surviving Person, as the case may be, would be obligated to pay such Additional Amounts if a payment in respect of the Notes were then due.

Prior to the mailing of any notice of redemption of the Notes pursuant to the foregoing, the Company, a Subsidiary Guarantor, a JV Subsidiary Guarantor or a Surviving Person, as the case may be, will deliver to the Trustee at least 30 days but not more than 60 days before a redemption date:

- (1) an Officers' Certificate stating that such change or amendment referred to in the prior paragraph has occurred, describing the facts related thereto and stating that such requirement cannot be avoided by the Company, a Subsidiary Guarantor, a JV Subsidiary Guarantor or a Surviving Person as the case may be, taking reasonable measures available to it; and
- (2) an Opinion of Counsel or an opinion of a tax consultant, in either case of recognized standing with respect to tax matters of the Relevant Jurisdiction, stating that the requirement to pay such Additional Amounts results from such change or amendment referred to in the prior paragraph.

The Trustee shall be entitled to conclusively rely on and accept such Officers' Certificate and Opinion of Counsel as sufficient evidence of the satisfaction of the conditions precedent described above, in which event it shall be conclusive and binding on the Holders.

Any Notes that are redeemed will be cancelled.

Certain Covenants

Set forth below are summaries of certain covenants contained in the Indenture.

Limitation on Indebtedness and Preferred Stock

- (1) The Company will not, and will not permit any Restricted Subsidiary to, Incur any Indebtedness (including Acquired Indebtedness), and the Company will not permit any Restricted Subsidiary to issue Preferred Stock; *provided* that the Company, any Subsidiary

Guarantor, any Finance Subsidiary or any JV Subsidiary Guarantor may Incur Indebtedness (including Acquired Indebtedness) and any Restricted Subsidiary that is a Non-Guarantor Subsidiary or a Finance Subsidiary may Incur Permitted Subsidiary Indebtedness if, after giving effect to the Incurrence of such Indebtedness and the receipt and application of the proceeds therefrom, (x) no Default has occurred and is continuing and (y) the Fixed Charge Coverage Ratio would be not less than 2.25 to 1.0. Notwithstanding the foregoing, the Company will not permit any Restricted Subsidiary to Incur any Disqualified Stock (other than Disqualified Stock held by the Company or a Subsidiary Guarantor, so long as it is so held).

- (2) Notwithstanding the foregoing, the Company and, to the extent provided below, any Restricted Subsidiary may Incur each and all of the following (“Permitted Indebtedness”):
 - (a) Indebtedness under the Notes (excluding any Additional Notes and any Permitted *Pari Passu* Secured Indebtedness of the Company) and each Subsidiary Guarantee and JV Subsidiary Guarantee;
 - (b) any *Pari Passu* Subsidiary Guarantees by any Subsidiary Guarantor or any JV Subsidiary Guarantor;
 - (c) Indebtedness of the Company or any Restricted Subsidiary outstanding on the Original Issue Date excluding Indebtedness permitted under clause (d) below; *provided* that such Indebtedness of Restricted Subsidiaries that are Non-Guarantor Subsidiaries (other than any Finance Subsidiary) shall be included in the calculation of Permitted Subsidiary Indebtedness (other than any such Indebtedness excluded from the definition of Permitted Subsidiary Indebtedness by the terms thereof);
 - (d) Indebtedness of the Company or any Restricted Subsidiary owed to the Company or any Restricted Subsidiary; *provided* that (i) any event which results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary or any subsequent transfer of such Indebtedness (other than to the Company or any Restricted Subsidiary) shall be deemed, in each case, to constitute an Incurrence of such Indebtedness not permitted by this clause (d) and (ii) if the Company is the obligor on such Indebtedness, such Indebtedness must expressly be subordinated in right of payment to the Notes, and if a Subsidiary Guarantor or a JV Subsidiary Guarantor is the obligor on such Indebtedness and the Company or a Finance Subsidiary is not the obligee, such Indebtedness must be expressly subordinated in right of payment to the Subsidiary Guarantee of such Subsidiary Guarantor or the JV Subsidiary Guarantee of such JV Subsidiary Guarantor, as the case may be;
 - (e) Indebtedness (“Permitted Refinancing Indebtedness”) issued in exchange for, or the net proceeds of which are used to refinance or refund, replace, exchange, renew, repay, defease, discharge or extend (collectively, “refinance” and “refinances” and “refinanced” shall have a correlative meaning), then outstanding Indebtedness (or Indebtedness that is no longer outstanding but that is refinanced substantially concurrently with the Incurrence of such Permitted Refinancing Indebtedness) Incurred under the immediately preceding paragraph (1) or clauses (a), (b), (c), (h), (p), (q), (r), (t) or (u) of this paragraph (2) and any refinancings thereof in an amount not to exceed the amount so refinanced (plus premiums, accrued interest, fees and expenses); *provided* that (i) Indebtedness the proceeds of which are used to refinance the Notes or Indebtedness that is *pari passu* with, or subordinated in right of payment to, the Notes or a Subsidiary Guarantee or a JV Subsidiary Guarantee shall only be permitted under this clause (e) if (A) in case the Notes are refinanced in part or the Indebtedness to be refinanced is *pari passu* with the Notes or a Subsidiary Guarantee or a JV Subsidiary Guarantee, such new Indebtedness, by its terms or by the terms of any agreement or instrument pursuant to which such new Indebtedness is issued or remains outstanding, is expressly made *pari passu* with, or subordinate in right of payment to, the remaining Notes or such Subsidiary Guarantee or such JV Subsidiary Guarantee, as the case may be, or (B) in case the Indebtedness to be refinanced is subordinated in right of payment to the Notes or a Subsidiary Guarantee or a JV Subsidiary Guarantee, (i) such new

Indebtedness, by its terms or by the terms of any agreement or instrument pursuant to which such new Indebtedness is issued or remains outstanding, is expressly made subordinate in right of payment to the Notes or such Subsidiary Guarantee or such JV Subsidiary Guarantee, as the case may be, at least to the extent that the Indebtedness to be refinanced is subordinated to the Notes or such Subsidiary Guarantee or such JV Subsidiary Guarantee, (ii) such new Indebtedness, determined as of the date of Incurrence of such new Indebtedness, does not mature prior to the Stated Maturity of the Indebtedness to be refinanced, and the Average Life of such new Indebtedness is at least equal to the remaining Average Life of the Indebtedness to be refinanced, (iii) in no event may Indebtedness of the Company, any Subsidiary Guarantor or any JV Subsidiary Guarantor be refinanced pursuant to this clause by means of any Indebtedness of any Restricted Subsidiary that is not Seazen Holdings Co., Ltd. (新城控股集團股份有限公司), NEW METRO GLOBAL LIMITED (新城環球有限公司), a Subsidiary Guarantor or a JV Subsidiary Guarantor (or Indebtedness of a Finance Subsidiary that is not Guaranteed by the Company, a Subsidiary Guarantor or a JV Subsidiary Guarantor), and (iv) in no event may Indebtedness of the Company or any Subsidiary Guarantor be refinanced pursuant to this clause by means of any Indebtedness of any JV Subsidiary Guarantor;

- (f) Indebtedness Incurred by the Company or any Restricted Subsidiary pursuant to Hedging Obligations designed solely to protect the Company or any Restricted Subsidiary from fluctuations in interest rates, currencies or the price of commodities and not for speculation;
- (g) Pre-Registration Mortgage Guarantees by the Company or any Restricted Subsidiary;
- (h) Indebtedness Incurred by the Company or any Restricted Subsidiary for the purpose of financing (x) all or any part of the purchase price of assets, real or personal property (including the lease purchase price of land use rights) or equipment to be used in the ordinary course of business by the Company or a Restricted Subsidiary in the Permitted Business, including any such purchase through the acquisition of Capital Stock of any Person that owns such real or personal property or equipment which will, upon acquisition, become a Restricted Subsidiary, or (y) all or any part of the purchase price or the cost of development, construction or improvement of assets, real or personal property (including the lease purchase price of land use rights) or equipment to be used in the ordinary course of business by the Company or such Restricted Subsidiary in the Permitted Business; *provided* that in the case of clauses (x) and (y), (A) the aggregate principal amount of such Indebtedness shall not exceed such purchase price or cost, (B) such Indebtedness shall be Incurred no later than 180 days after the acquisition of such asset, property or equipment or completion of such development, construction or improvement and (C) on the date of the Incurrence of such Indebtedness and after giving effect thereto, the sum of (1) the aggregate principal amount outstanding of all such Indebtedness permitted by this clause (h) (together with refinancings thereof, but excluding any Contractor Guarantee Incurred under this clause (h) to the extent the amount of such Contractor Guarantee is otherwise reflected in such aggregate principal amount) plus (2) the aggregate amount outstanding of all Indebtedness permitted and then outstanding under clauses (p), (q), (r) and (u) below (together with any refinancings thereof) does not exceed an amount equal to 35% of Total Assets;
- (i) Indebtedness Incurred by the Company or any Restricted Subsidiary constituting reimbursement obligations with respect to workers' compensation claims or self-insurance obligations or bid, performance or surety bonds (in each case other than for an obligation for borrowed money);
- (j) Indebtedness Incurred by the Company or any Restricted Subsidiary constituting reimbursement obligations with respect to letters of credit or trade guarantees issued in the ordinary course of business to the extent that such letters of credit or trade guarantees are not drawn upon or, if drawn upon, to the extent such drawing is reimbursed no later than the 30 days following receipt by the Company or such Restricted Subsidiary of a demand for reimbursement;

- (k) Indebtedness arising from agreements providing for indemnification, adjustment of purchase price or similar obligations, or from Guarantees or letters of credit, surety bonds or performance bonds securing any obligation of the Company or any Restricted Subsidiary pursuant to such agreements, in any case, Incurred in connection with the disposition of any business, assets or Restricted Subsidiary, other than Guarantees of Indebtedness Incurred by any Person acquiring all or any portion of such business, assets or Restricted Subsidiary for the purpose of financing such acquisition; *provided* that the maximum aggregate liability in respect of all such Indebtedness shall at no time exceed the gross proceeds actually received by the Company or any Restricted Subsidiary from the disposition of such business, assets or Restricted Subsidiary;
- (l) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business *provided, however*, that such Indebtedness is extinguished within five Business Days of Incurrence;
- (m) (i) Guarantees by the Company or any Subsidiary Guarantor of Indebtedness of the Company or any Restricted Subsidiary that was permitted to be Incurred by another provision of this covenant (other than Guarantees of such Indebtedness of any Offshore Non-Guarantor Subsidiary), (ii) Guarantees by any Restricted Subsidiary of Indebtedness of another Restricted Subsidiary that was permitted to be Incurred by another provision of this covenant, or (iii) Guarantees by any JV Subsidiary Guarantor of Indebtedness of any other JV Subsidiary Guarantor that is a direct or indirect Subsidiary or parent of such JV Subsidiary Guarantor, which Indebtedness was permitted to be Incurred by another provision of this covenant;
- (n) Indebtedness of the Company or any Restricted Subsidiary maturing within one year; *provided* that the aggregate principal amount of Indebtedness permitted by this clause at any time outstanding does not exceed US\$35.0 million (or the Dollar Equivalent thereof);
- (o) Indebtedness of the Company or any Restricted Subsidiary constituting an obligation to pay the deferred purchase price of Capital Stock of a Restricted Subsidiary pursuant to a Staged Acquisition Agreement, to the extent that such deferred purchase price is paid within 12 months after the date the Company or such Restricted Subsidiary enters into such Staged Acquisition Agreement;
- (p) Indebtedness Incurred by the Company or any Restricted Subsidiary arising from any Investment made by a Trust Company Investor in a PRC Project Company; *provided* that on the date of Incurrence of all such Indebtedness and after giving effect thereto, the sum of (1) the aggregate amount outstanding of all Indebtedness permitted under this clause (p) (together with any refinancings thereof) plus (2) the aggregate principal amount outstanding of all Indebtedness permitted under clause (h) above and clauses (q), (r) and (u) below (together with refinancings thereof, but excluding any Contractor Guarantee Incurred under clause (h) above to the extent the amount of such Contractor Guarantee is otherwise reflected in such aggregate principal amount) does not exceed an amount equal to 35% of Total Assets;
- (q) Indebtedness Incurred by any Restricted Subsidiary which is secured by Investment Properties; *provided* that on the date of the Incurrence of all such Indebtedness and after giving effect thereto, the sum of (1) the aggregate principal amount outstanding of all such Indebtedness Incurred pursuant to this clause (q) (together with any refinancings thereof), plus (2) the aggregate principal amount outstanding of all such Indebtedness Incurred pursuant to clauses (h) and (p) above and clauses (r) and (u) below (together with any refinancings thereof, but excluding any Contractor Guarantee Incurred under clause (h) above to the extent the amount of such Contractor Guarantee is otherwise reflected in such aggregate principal amount), does not exceed an amount equal to 35% of Total Assets;

- (r) Bank Deposit Secured Indebtedness Incurred by the Company or any Restricted Subsidiary; *provided* that on the date of the Incurrence of such Indebtedness and after giving effect thereto, the sum of (1) the aggregate principal amount outstanding of all such Indebtedness Incurred pursuant to this clause (r) (together with any refinancings thereof), plus (2) the aggregate principal amount outstanding of all such Indebtedness Incurred pursuant to clauses (h), (p) and (q) above and (u) below (together with any refinancings thereof, but excluding any Contractor Guarantee Incurred under clause (h) above to the extent the amount of such Contractor Guarantee is otherwise reflected in such aggregate principal amount), does not exceed an amount equal to 35% of Total Assets;
 - (s) Indebtedness Incurred by the Company or a Restricted Subsidiary constituting a Subordinated Shareholder Loan;
 - (t) Indebtedness of the Company or any Restricted Subsidiary in an aggregate principal amount outstanding at any time (together with refinancings thereof) not to exceed US\$30.0 million (or the Dollar Equivalent thereof); and
 - (u) Indebtedness Incurred by the Company or any Restricted Subsidiary constituting a Guarantee of Indebtedness of any Person (other than the Company or a Restricted Subsidiary) by the Company or such Restricted Subsidiary; *provided* that on the date of the Incurrence of all such Indebtedness and after giving effect thereto, the sum of (1) the aggregate principal amount of all such Indebtedness Incurred under this clause (u) (together with any refinancings thereof), plus (2) the aggregate principal amount outstanding of Indebtedness that was permitted to be Incurred under clauses (h), (p), (q) and (r) above (together with any refinancings thereof, but excluding any Contractor Guarantee Incurred under clause (h) above to the extent the amount of such Contractor Guarantee is otherwise reflected in such aggregate principal amount), does not exceed an amount equal to 35% of Total Assets.
- (3) For purposes of determining compliance with this “Limitation on Indebtedness and Preferred Stock” covenant, in the event that an item of Indebtedness meets the criteria of more than one of the types of Indebtedness described above, including under the proviso in paragraph (1) above, the Company, in its sole discretion, shall classify, and from time to time may reclassify, such item of Indebtedness as one or more of such types.
 - (4) Notwithstanding any other provision of this covenant, the maximum amount of Indebtedness that may be Incurred pursuant to this covenant will not be deemed to be exceeded with respect to any outstanding Indebtedness due solely to the result of fluctuations in the exchange rates of currencies.

Limitation on Restricted Payments

The Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly (the payments or any other actions described in clauses (1) through (4) below being collectively referred to as “Restricted Payments”):

- (1) declare or pay any dividend or make any distribution on or with respect to the Company’s or any Restricted Subsidiary’s Capital Stock (other than dividends or distributions payable or paid in shares of the Company’s or any Restricted Subsidiary’s Capital Stock (other than Disqualified Stock or Preferred Stock) or in options, warrants or other rights to acquire shares of such Capital Stock) held by Persons other than the Company or any Restricted Subsidiary;
- (2) purchase, call for redemption or redeem, retire or otherwise acquire for value any shares of Capital Stock of the Company or any Restricted Subsidiary (including options, warrants or other rights to acquire such shares of Capital Stock) or any direct or indirect parent of the Company held by any Persons other than the Company or any Restricted Subsidiary other than the purchase of Capital Stock of a Restricted Subsidiary pursuant to a Staged Acquisition Agreement;

- (3) make any voluntary or optional principal payment, or voluntary or optional redemption, repurchase, defeasance, or other acquisition or retirement for value, of Indebtedness that is subordinated in right of payment to the Notes or any Subsidiary Guarantee or JV Subsidiary Guarantee (excluding any intercompany Indebtedness between or among the Company and any Restricted Subsidiary); or
- (4) make any Investment, other than a Permitted Investment;

if, at the time of, and after giving effect to, the proposed Restricted Payment:

- (a) a Default has occurred and is continuing or would occur as a result of such Restricted Payment;
- (b) the Company could not Incur at least US\$1.00 of Indebtedness under the proviso in paragraph (1) of the covenant described under the caption “– Limitation on Indebtedness and Preferred Stock”; or
- (c) such Restricted Payment, together with the aggregate amount of all Restricted Payments made by the Company and its Restricted Subsidiaries after the Measurement Date (excluding Restricted Payments permitted by clauses (2), (3), (4), (6), (7), (8), (9), (10) and (12) of the immediately following paragraph), shall exceed the sum (without duplication) of:
 - (i) 50% of the aggregate amount of the Consolidated Net Income of the Company (or, if the Consolidated Net Income is a loss, minus 100% of the amount of such loss) accrued on a cumulative basis during the period (taken as one accounting period) beginning on January 1, 2012 and ending on the last day of the Company’s most recently ended fiscal quarter for which consolidated financial statements of the Company (which the Company shall use its reasonable best efforts to compile in a timely manner) are available (which may include internal consolidated financial statements); plus
 - (ii) 100% of the aggregate Net Cash Proceeds received by the Company after the Measurement Date a capital contribution to its common equity or from the issuance and sale of its Capital Stock (other than Disqualified Stock) to a Person who is not a Subsidiary of the Company, including any such Net Cash Proceeds received upon (A) the conversion of any Indebtedness (other than Subordinated Indebtedness) of the Company into Capital Stock (other than Disqualified Stock) of the Company, or (B) the exercise by a Person who is not a Subsidiary of the Company of any options, warrants or other rights to acquire Capital Stock of the Company (other than Disqualified Stock) in each case excluding the amount of any such Net Cash Proceeds used to redeem, repurchase, defease or otherwise acquire or retire for value any Subordinated Indebtedness or Capital Stock of the Company; plus
 - (iii) the amount by which Indebtedness of the Company or any Restricted Subsidiary is reduced on the Company’s consolidated statement of financial position upon the conversion or exchange (other than by a Subsidiary of the Company) subsequent to the Measurement Date of any Indebtedness of the Company or any Restricted Subsidiary convertible or exchangeable into Capital Stock (other than Disqualified Stock) of the Company (less the amount of any cash, or the Fair Market Value of any other property, distributed by the Company upon such conversion or exchange); plus
 - (iv) an amount equal to the net reduction in Investments (other than reductions in Permitted Investments) that were made after the Measurement Date in any Person resulting from (A) payments of interest on Indebtedness, dividends or repayments of loans or advances by such Person, in each case to the Company or any

Restricted Subsidiary (except, in each case, to the extent any such payment or proceeds are included in the calculation of Consolidated Net Income) after the Measurement Date, (B) the unconditional release of a Guarantee provided by the Company or a Restricted Subsidiary after the Measurement Date of an obligation of another Person, (C) to the extent that an Investment made after the Measurement Date was, after such date, or is sold or otherwise liquidated or repaid for cash, the lesser of (x) cash return of capital with respect to such Investment (less the cost of disposition, if any) and (y) the initial amount of such Investment, or (D) from redesignations of Unrestricted Subsidiaries as Restricted Subsidiaries, not to exceed, in each case, the amount of Investments (other than Permitted Investments) made by the Company or a Restricted Subsidiary after the Measurement Date in any such Person; plus

(v) US\$20.0 million (or the Dollar Equivalent thereof).

The foregoing provision shall not be violated by reason of:

- (1) the payment of any dividend or redemption of any Capital Stock within 60 days after the related date of declaration or call for redemption if, at said date of declaration or call for redemption, such payment or redemption would comply with the preceding paragraph;
- (2) the redemption, repurchase, defeasance or other acquisition or retirement for value of Subordinated Indebtedness of the Company or any Subsidiary Guarantor or JV Subsidiary Guarantor with the Net Cash Proceeds of, or in exchange for, a substantially concurrent Incurrence of Permitted Refinancing Indebtedness;
- (3) the redemption, repurchase or other acquisition of Capital Stock of the Company or any Subsidiary Guarantor or JV Subsidiary Guarantor (or options, warrants or other rights to acquire such Capital Stock) in exchange for, or out of the Net Cash Proceeds of a substantially concurrent capital contribution or a sale (other than to a Subsidiary of the Company) of, shares of Capital Stock (other than Disqualified Stock) of the Company, or for the redemption, repurchase or other acquisition of Capital Stock of any Subsidiary Guarantor only, of any Subsidiary Guarantor, or for the redemption, repurchase or other acquisition of Capital Stock of any JV Subsidiary Guarantor only, of any JV Subsidiary Guarantor (or options, warrants or other rights to acquire such Capital Stock); *provided* that the amount of any such Net Cash Proceeds that are utilized for any such Restricted Payment will be excluded from clause (c)(ii) of the preceding paragraph;
- (4) the redemption, repurchase, defeasance or other acquisition or retirement for value of Subordinated Indebtedness of the Company or any Subsidiary Guarantor or JV Subsidiary Guarantor in exchange for, or out of the Net Cash Proceeds of, a substantially concurrent capital contribution or sale (other than to a Subsidiary of the Company) of, shares of Capital Stock (other than Disqualified Stock) of the Company, or for the redemption, repurchase, defeasance or other acquisition or retirement for value of Subordinated Indebtedness of any Subsidiary Guarantor only, of any Subsidiary Guarantor, or for the redemption, repurchase, defeasance or other acquisition or retirement for value of Subordinated Indebtedness of any JV Subsidiary Guarantor only, of any JV Subsidiary Guarantor (or options, warrants or other rights to acquire such Capital Stock); *provided* that the amount of any such Net Cash Proceeds that are utilized for any such Restricted Payment will be excluded from clause (c)(ii) of the preceding paragraph;
- (5) the payment of any dividends or distributions declared, paid or made by a Restricted Subsidiary payable, on a pro rata basis or on a basis more favorable to the Company, to all holders of any class of Capital Stock of such Restricted Subsidiary, a majority of which is held, directly or indirectly through Restricted Subsidiaries, by the Company;
- (6) payments made under a Staged Acquisition Agreement to acquire the Capital Stock of a Person, *provided* that such Person becomes a Restricted Subsidiary on or before the last date in the period stipulated in such Staged Acquisition Agreement for which the purchase price

can be made (such date not to exceed 12 months from the date the Staged Acquisition Agreement was entered into) (the “Deadline Date”); *provided further* that in the event such Person does not become a Restricted Subsidiary on or before the Deadline Date, all payments previously made under this clause (6) shall be aggregated and constitute Restricted Payments made on the Deadline Date and such Restricted Payments must satisfy the other conditions under this “Limitations on Restricted Payments” covenant;

- (7) the repurchase, redemption or other acquisition of Capital Stock of the Company from employees, former employees, directors or former directors of the Company or any Restricted Subsidiary (or their estate or authorized representatives) upon the death, disability or termination of employment of such employees or directors pursuant to agreements or plans (including employment agreements and share option plans) approved by the board of directors of the Company in an aggregate amount not to exceed US\$1.0 million (or the Dollar Equivalent thereof) in any fiscal year of the Company;
- (8) repurchases of Capital Stock deemed to occur upon the exercise of stock options if such Capital Stock represents a portion of the exercise price thereof;
- (9) dividends paid to, or the purchase of Capital Stock of any PRC Project Company held by, any Trust Company Investor in respect of any Indebtedness permitted to be Incurred under clause (2)(p) of the covenant described under the caption “– Limitation on Indebtedness and Preferred Stock”;
- (10) an Investment in the Capital Stock of a Restricted Subsidiary held by a minority shareholder which Investment increases the proportion of the Capital Stock of such Restricted Subsidiary held, directly or indirectly, by the Company;
- (11) the declaration and payment of dividends on the Common Stock of the Company by the Company with respect to any financial year in an aggregate amount not to exceed 20% of the Company’s consolidated net profit in such financial year; or
- (12) payments, including distributions, made under or in connection with any Perpetual Bond Obligation pursuant to the terms thereof or in connection with a repurchase or redemption thereof;

provided that, in the case of clause (2), (3), (4) or (11) of the preceding paragraph, no Default shall have occurred and be continuing or would occur as a consequence of the actions or payments set forth therein.

The amount of any Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Company or the Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The value of any assets or securities that are required to be valued by this covenant will be the Fair Market Value. The Board of Directors’ determination of the Fair Market Value of a Restricted Payment or any such assets or securities must be based upon an opinion or appraisal issued by an appraisal or investment banking firm of recognized international standing if the Fair Market Value exceeds US\$10.0 million (or the Dollar Equivalent thereof).

Not later than the date of making any Restricted Payment in excess of US\$10.0 million (or the Dollar Equivalent thereof) (other than any Restricted Payment set forth in clauses (5) through (12) above), the Company will deliver to the Trustee an Officers’ Certificate stating that such Restricted Payment is permitted and setting forth the basis upon which the calculations required by this “– Limitation on Restricted Payments” covenant were computed, together with a copy of any fairness opinion or appraisal required by the Indenture.

Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries

- (1) Except as provided below, the Company will not, and will not permit any Restricted Subsidiary to, create or otherwise cause or permit to exist or become effective any encumbrance or restriction on the ability of any Restricted Subsidiary to:
- (a) pay dividends or make any other distribution on any Capital Stock of such Restricted Subsidiary owned by the Company or any other Restricted Subsidiary;
 - (b) pay any Indebtedness or other obligation owed to the Company or any other Restricted Subsidiary;
 - (c) make loans or advances to the Company or any other Restricted Subsidiary; or
 - (d) sell, lease or transfer any of its property or assets to the Company or any other Restricted Subsidiary;

provided that for the avoidance of doubt the following shall not be deemed to constitute such an encumbrance or restriction: (i) the priority of any Preferred Stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions being paid on Common Stock; (ii) the subordination of loans or advances made to the Company or any Restricted Subsidiary to other Indebtedness Incurred by the Company or any Restricted Subsidiary; and (iii) the provisions contained in documentation governing Indebtedness requiring transactions between or among the Company and any Restricted Subsidiary or between or among any Restricted Subsidiary to be on fair and reasonable terms or on an arm's length basis.

- (2) The provisions of paragraph (1) do not apply to any encumbrances or restrictions:
- (a) existing in agreements as in effect on the Original Issue Date, or in the Notes, the Subsidiary Guarantees, the JV Subsidiary Guarantees, the Indenture, the Security Documents, or under any Permitted Pari Passu Secured Indebtedness of the Company or any Subsidiary Guarantor Pledgor or Pari Passu Subsidiary Guarantee of any Subsidiary Guarantor or any JV Subsidiary Guarantor, and any extensions, refinancings, renewals or replacements of any of the foregoing agreements; *provided* that the encumbrances and restrictions in any such extension, refinancing, renewal or replacement, taken as a whole, are no more restrictive in any material respect to the Holders than those encumbrances or restrictions that are then in effect and that are being extended, refinanced, renewed or replaced;
 - (b) existing under or by reason of applicable law, rule, regulation or order;
 - (c) with respect to any Person or the property or assets of such Person acquired by the Company or any Restricted Subsidiary, existing at the time of such acquisition and not incurred in contemplation thereof, which encumbrances or restrictions are not applicable to any Person or the property or assets of any Person other than such Person or the property or assets of such Person so acquired, and any extensions, refinancings, renewals or replacements thereof; *provided* that the encumbrances and restrictions in any such extension, refinancing, renewal or replacement, taken as a whole, are no more restrictive in any material respect to the Holders than those encumbrances or restrictions that are then in effect and that are being extended, refinanced, renewed or replaced;
 - (d) that otherwise would be prohibited by the provision described in clause (1)(d) of this covenant if they arise, or are agreed to, in the ordinary course of business and, that (i) restrict in a customary manner the subletting, assignment or transfer of any property or asset that is subject to a lease or license, (ii) exist by virtue of any Lien on, or agreement to transfer, option or similar right with respect to any property or assets of

the Company or any Restricted Subsidiary not otherwise prohibited by the Indenture or (iii) do not relate to any Indebtedness, and that do not, individually or in the aggregate, detract from the value of property or assets of the Company or any Restricted Subsidiary in any manner material to the Company or any Restricted Subsidiary;

- (e) with respect to a Restricted Subsidiary and imposed pursuant to an agreement that has been entered into for the sale or disposition of all or substantially all of the Capital Stock of, or property and assets of, such Restricted Subsidiary that is permitted by the “– Limitation on Sales and Issuances of Capital Stock in Restricted Subsidiaries,” “– Limitation on Indebtedness and Preferred Stock” and “– Limitation on Asset Sales” covenants;
- (f) with respect to any Restricted Subsidiary and imposed pursuant to an agreement that has been entered into for the Incurrence of Indebtedness of the type described under clause (2)(h), (2)(n), (2)(o), (2)(p), (2)(q), (2)(r), (2)(t) or 2(u) of the “– Limitation on Indebtedness and Preferred Stock” covenant if, as determined by the Board of Directors, the encumbrances or restrictions are (i) customary for such types of agreements and (ii) would not, at the time agreed to, be expected to materially and adversely affect the ability of the Company to make required payment on the Notes and any extensions, refinancings, renewals or replacements of any of the foregoing agreements; *provided* that the encumbrances and restrictions in any such extension, refinancing, renewal or replacement, taken as a whole, are no more restrictive in any material respect to the Holders than those encumbrances or restrictions that are then in effect and that are being extended, refinanced, renewed or replaced;
- (g) existing in customary provisions in joint venture agreements and other similar agreements, to the extent such encumbrance or restriction relates to the activities or assets of the Company or a Restricted Subsidiary that is a party to such joint venture and if (as determined in good faith by the Board of Directors) (i) the encumbrances or restrictions are customary for a joint venture or similar agreement of that type and (ii) the encumbrances or restrictions would not, at the time agreed to, be expected to materially and adversely affect (x) the ability of the Company to make the required payments on the Notes, or (y) any Subsidiary Guarantor or JV Subsidiary Guarantor to make required payments under its Subsidiary Guarantee or JV Subsidiary Guarantee; or
- (h) existing with respect to any Unrestricted Subsidiary or the property or assets of such Unrestricted Subsidiary that is designated as a Restricted Subsidiary in accordance with the terms of the Indenture at the time of such designation and not incurred in contemplation of such designation, which encumbrances or restrictions are not applicable to any Person or the property or assets of any Person other than such Subsidiary or its subsidiaries or the property or assets of such Subsidiary or its subsidiaries, and any extensions, refinancing, renewals or replacements thereof; *provided* that the encumbrances and restrictions in any such extension, refinancing, renewal or replacement, taken as a whole, are no more restrictive in any material respect to the Holders than those encumbrances or restrictions that are then in effect and that are being extended, refinanced, renewed or replaced.

Limitation on Sales and Issuances of Capital Stock in Restricted Subsidiaries

The Company will not sell, and will not permit any Restricted Subsidiary, directly or indirectly, to issue or sell any shares of Capital Stock of a Restricted Subsidiary (including options, warrants or other rights to purchase shares of such Capital Stock) except:

- (1) to the Company or a Wholly Owned Restricted Subsidiary, or in the case of a Restricted Subsidiary that is not Wholly Owned, pro rata to its shareholders or incorporators or on a basis more favorable to the Company and its Restricted Subsidiaries;
- (2) to the extent such Capital Stock represents director’s qualifying shares or is required by applicable law to be held by a Person other than the Company or a Wholly Owned Restricted Subsidiary;

- (3) the sale or issuance of Capital Stock of a Restricted Subsidiary if, immediately after giving effect to such sale or issuance, such Restricted Subsidiary would no longer constitute a Restricted Subsidiary and any remaining Investment in such Person would have been permitted to be made under the “Limitation on Restricted Payments” covenant if made on the date of such sale or issuance and *provided* that the Company complies with the “– Limitation on Asset Sales” covenant; or
- (4) the issuance or sale of Capital Stock of a Restricted Subsidiary (which remains a Restricted Subsidiary after any such issuance or sale); *provided* that the Company or such Restricted Subsidiary applies the Net Cash Proceeds of such issuance or sale in accordance with the “– Limitation on Asset Sales” covenant.

Limitation on Issuances of Guarantees by Restricted Subsidiaries

The Company will not permit any Restricted Subsidiary which is not a Subsidiary Guarantor or a JV Subsidiary Guarantor, directly or indirectly, to Guarantee any Indebtedness (“Guaranteed Indebtedness”) of the Company, any Subsidiary Guarantor or any JV Subsidiary Guarantor, unless (1) (a) such Restricted Subsidiary simultaneously executes and delivers a supplemental indenture to the Indenture providing for an unsubordinated Subsidiary Guarantee (in the case of a Subsidiary Guarantor) or JV Subsidiary Guarantee (in the case of a JV Subsidiary Guarantor) of payment of the Notes by such Restricted Subsidiary and (b) such Restricted Subsidiary waives and will not in any manner whatsoever claim or take the benefit or advantage of, any rights of reimbursement, indemnity or subrogation or any other rights against the Company or any other Restricted Subsidiary as a result of any payment by such Restricted Subsidiary under its Subsidiary Guarantee or JV Subsidiary Guarantee, as the case may be, until the Notes have been paid in full or (2) such Guarantee is permitted by clauses (2)(c), (d), (m)(ii) or (r) (in the case of (2)(r), with respect to the Guarantee provided by any Restricted Subsidiary that is not a Subsidiary Guarantor or a JV Subsidiary Guarantor through the pledge of cash deposits, bank accounts or other assets to secure (or the use of any Guarantee, letter of credit or similar instrument to Guarantee), directly, or indirectly, any Bank Deposit Secured Indebtedness of the Company or any Subsidiary Guarantor or JV Subsidiary Guarantor), under the “– Limitation on Indebtedness and Preferred Stock” covenant.

If the Guaranteed Indebtedness (1) ranks *pari passu* in right of payment with the Notes, any Subsidiary Guarantee or any JV Subsidiary Guarantee, then the Guarantee of such Guaranteed Indebtedness shall rank *pari passu* in right of payment with, or subordinated to, the Subsidiary Guarantee or the JV Subsidiary Guarantee, as the case may be, or (2) is subordinated in right of payment to the Notes, any Subsidiary Guarantee or any JV Subsidiary Guarantee, then the Guarantee of such Guaranteed Indebtedness shall be subordinated in right of payment to the Subsidiary Guarantee or the JV Subsidiary Guarantee, as the case may be, at least to the extent that the Guaranteed Indebtedness is subordinated to the Notes, the Subsidiary Guarantee or the JV Subsidiary Guarantee.

The Company will not permit any JV Subsidiary Guarantor, directly or indirectly, to Guarantee any Indebtedness of the Company or any Restricted Subsidiary unless the aggregate claims of the creditor under such Guarantee will be limited to the JV Entitlement Amount. If any JV Subsidiary Guarantor Guarantees any Indebtedness of the Company or any Restricted Subsidiary where the aggregate claims of the creditor under such Guarantee exceeds the JV Entitlement Amount, such JV Subsidiary Guarantee shall be replaced with a Subsidiary Guarantee given by a Subsidiary Guarantor.

Limitation on Transactions with Shareholders and Affiliates

The Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly, enter into, renew or extend any transaction or arrangement (including, without limitation, the purchase, sale, lease or exchange of property or assets, or the rendering of any service) with (x) any holder (or any Affiliate of such holder) of 10.0% or more of any class of Capital Stock of the Company or (y) any Affiliate of the Company (each an “Affiliate Transaction”), unless:

- (1) the Affiliate Transaction is on fair and reasonable terms that are no less favorable to the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable arm’s length transaction by the Company or the relevant Restricted Subsidiary with a Person that is not an Affiliate of the Company; and

- (2) the Company delivers to the Trustee:
- (a) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US\$5.0 million (or the Dollar Equivalent thereof), a Board Resolution set forth in an Officers' Certificate certifying that such Affiliate Transaction complies with this covenant and such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors; and
 - (b) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US\$10.0 million (or the Dollar Equivalent thereof), in addition to the Board Resolution required in clause 2(a) above, an opinion as to the fairness to the Company or the relevant Restricted Subsidiary of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of recognized standing that complies with the requirements of The Stock Exchange of Hong Kong Limited regarding accounting, appraisal or investment banking firms delivering fairness or similar opinions for connected transactions.

The foregoing limitation does not limit, and shall not apply to:

- (1) the payment of reasonable and customary regular fees to directors of the Company or any Restricted Subsidiary who are not employees of the Company or any Restricted Subsidiary;
- (2) transactions between or among the Company and any of its Wholly Owned Restricted Subsidiaries or between or among Wholly Owned Restricted Subsidiaries;
- (3) any Restricted Payment of the type described in clauses (1), (2) or (3) of the first paragraph of the covenant described under the caption “– Limitation on Restricted Payments” if permitted by that covenant;
- (4) any sale of Capital Stock (other than Disqualified Stock) of the Company;
- (5) the payment of compensation to officers and directors of the Company or any Restricted Subsidiary pursuant to an employee benefit, or share option or similar schemes, for so long as such scheme is in compliance with the listing rules of The Stock Exchange of Hong Kong Limited, which as of the Original Issue Date require a majority shareholder approval of any such scheme;
- (6) loans or advances to employees, officers or directors in the ordinary course of business not to exceed US\$5.0 million in the aggregate at any one time outstanding;
- (7) any employment, consulting, service or termination agreement, or reasonable and customary indemnification arrangements, entered into by the Company or any of its Restricted Subsidiaries with directors, officers, employees and consultants in the ordinary course of business and the payment of compensation pursuant thereto;
- (8) any sale of apartment units by the Company or a Restricted Subsidiary in the ordinary course of business to employees, officers, directors or their respective family members at a discount from the listed price not greater than that applicable generally to all employees of the Company and its Subsidiaries with respect to those apartment units; *provided* that (x) revenues from all such sales in any fiscal year shall not exceed 2.0% of the revenues for that year as shown in the consolidated financial statements of the Company for that period in accordance with GAAP, and (y) any such discount shall not be in excess of 15.0% of the Fair Market Value of the relevant apartment unit;
- (9) any transaction between (A) the Company or any Restricted Subsidiary and (B) any entity in the Restructuring Group entered into in connection with the Restructuring, including but not limited to transactions entered into for purposes of any reorganization in connection with the Restructuring and the entry into, and the performance thereof, of any underwriting agreement or other transaction documents in connection with the Restructuring; and

- (10) any transaction between (A) the Company or any Restricted Subsidiary and (B) any entity in the Restructuring Group entered into on arm's length basis and on fair and reasonable terms and disclosed in the offering document issued in connection with the proposed Restructuring, or any amendment or modification or extension or replacement thereof, so long as such amendment, modification or replacement is not more disadvantageous to the Company and its Restricted Subsidiaries than the original transaction described in the offering document issued in connection with the proposed Restructuring and in compliance with the rules of The Stock Exchange of Hong Kong Limited or any other recognized exchange on which the Company's ordinary shares are then listed for trading.

In addition, the requirements of clause (2) of the first paragraph of this covenant shall not apply to (i) Investments (other than Permitted Investments) not prohibited by the "– Limitation on Restricted Payments" covenant, (ii) transactions pursuant to agreements in effect on the Original Issue Date and described in this offering memorandum, or any amendment or modification or replacement thereof, so long as such amendment, modification or replacement is not more disadvantageous to the Company and its Restricted Subsidiaries than the original agreement in effect on the Original Issue Date, (iii) any Affiliate Transaction that is conducted in accordance with the relevant rules and regulations of The Stock Exchange of Hong Kong Limited, for as long as the Capital Stock of the Company remains listed on The Stock Exchange of Hong Kong Limited, and (iv) any transaction between or among (A) the Company, any Wholly Owned Restricted Subsidiary and any Restricted Subsidiary that is not a Wholly Owned Restricted Subsidiary or between or among Restricted Subsidiaries that are not Wholly Owned Restricted Subsidiaries or (B) the Company or a Restricted Subsidiary and any Minority Joint Venture or Unrestricted Subsidiary; *provided* that in the case of clause (iv) (a) such transaction is entered into in the ordinary course of business and (b) none of the minority or other shareholders or minority or other partners of or in such Restricted Subsidiary that is not a Wholly Owned Restricted Subsidiary, Minority Joint Venture or Unrestricted Subsidiary, as the case may be, is a Person described in clauses (x) or (y) of the first paragraph of this covenant (other than by reason of such minority or other shareholder or minority or other partner being an officer or director of such Restricted Subsidiary, Minority Joint Venture or Unrestricted Subsidiary, as the case may be).

Limitation on Liens

The Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly, incur, assume or permit to exist any Lien on the Collateral (other than Permitted Liens).

The Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly, incur, assume or permit to exist any Lien of any nature whatsoever on any of its assets or properties of any kind (other than the Collateral), whether owned at the Original Issue Date or thereafter acquired, except Permitted Liens, unless the Notes are secured equally and ratably with (or, if the obligation or liability to be secured by such Lien is subordinated in right of payment to the Notes, prior to) the obligation or liability secured by such Lien, for so long as such obligation or liability is secured by such Lien.

Limitation on Sale and Leaseback Transactions

The Company will not, and will not permit any Restricted Subsidiary to, enter into any Sale and Leaseback Transaction; *provided* that the Company or any Restricted Subsidiary may enter into a Sale and Leaseback Transaction if:

- (1) the Company or such Restricted Subsidiary could have (a) incurred Indebtedness in an amount equal to the Attributable Indebtedness relating to such Sale and Leaseback Transaction under the covenant described under the caption "– Limitation on Indebtedness and Preferred Stock" and (b) incurred a Lien to secure such Indebtedness pursuant to the covenant described under the caption "– Limitation on Liens," in which case, the corresponding Indebtedness and Lien will be deemed incurred pursuant to those provisions;
- (2) the gross cash proceeds of such Sale and Leaseback Transaction are at least equal to the Fair Market Value of the property that is the subject of such Sale and Leaseback Transaction; and
- (3) the transfer of assets in such Sale and Leaseback Transaction is permitted by, and the Company or such Restricted Subsidiary applies the proceeds of such transaction in compliance with, the covenant described under the caption "– Limitation on Asset Sales."

Limitation on Asset Sales

The Company will not, and will not permit any Restricted Subsidiary to, consummate any Asset Sale, unless:

- (1) no Default shall have occurred and be continuing or would occur as a result of such Asset Sale;
- (2) the consideration received by the Company or such Restricted Subsidiary, as the case may be, is at least equal to the Fair Market Value of the assets sold or disposed of; and
- (3) at least 75% of the consideration received consists of cash, Temporary Cash Investments or Replacement Assets; *provided* that in the case of an Asset Sale in which the Company or such Restricted Subsidiary receives Replacement Assets involving aggregate consideration in excess of US\$10.0 million (or the Dollar Equivalent thereof), the Company shall deliver to the Trustee an opinion as to the fairness to the Company or such Restricted Subsidiary of such Asset Sale from a financial point of view issued by an accounting, appraisal or investment banking firm of recognized international standing. For purposes of this provision, each of the following will be deemed to be cash:
 - (a) any liabilities, as shown on the Company's most recent consolidated statement of financial position, of the Company or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the Notes, any Subsidiary Guarantee or any JV Subsidiary Guarantee) that are assumed by the transferee of any such assets pursuant to a customary assumption, assignment, novation or similar agreement that releases the Company or such Restricted Subsidiary from further liability; and
 - (b) any securities, notes or other obligations received by the Company or any Restricted Subsidiary from such transferee that are promptly, but in any event within 30 days of closing, converted by the Company or such Restricted Subsidiary into cash, to the extent of the cash received in that conversion.

Within 360 days after the receipt of any Net Cash Proceeds from an Asset Sale, the Company (or any Restricted Subsidiary) may apply such Net Cash Proceeds to:

- (1) permanently repay Senior Indebtedness of the Company or a Subsidiary Guarantor or any Indebtedness of a Restricted Subsidiary that is not a Subsidiary Guarantor (and, if such Senior Indebtedness repaid is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto) in each case owing to a Person other than the Company or a Restricted Subsidiary; or
- (2) acquire properties and assets that replace the properties and assets that were the subject of such Asset Sale or in properties or assets that will be used in the Permitted Businesses ("Replacement Assets").

Any Net Cash Proceeds from Asset Sales that are not applied or invested as provided in clauses (1) and (2) in the immediately preceding paragraph will constitute "Excess Proceeds." Excess Proceeds of less than US\$10.0 million (or the Dollar Equivalent thereof) will be carried forward and accumulated. When accumulated Excess Proceeds exceeds US\$10.0 million (or the Dollar Equivalent thereof), within 10 days thereof, the Company must make an Offer to Purchase Notes having a principal amount equal to:

- (1) accumulated Excess Proceeds, multiplied by
- (2) a fraction (x) the numerator of which is equal to the outstanding principal amount of the Notes and (y) the denominator of which is equal to the outstanding principal amount of the Notes and all *pari passu* Indebtedness similarly required to be repaid, redeemed or tendered for in connection with the Asset Sale, rounded down to the nearest US\$1,000.

The offer price in any Offer to Purchase will be equal to 100% of the principal amount plus accrued and unpaid interest to the date of purchase, and will be payable in cash.

If any Excess Proceeds remain after consummation of an Offer to Purchase, the Company may use such Excess Proceeds for any purpose not otherwise prohibited by the Indenture. If the aggregate principal amount of Notes (and any other *pari passu* Indebtedness) tendered in (or required to be prepaid or redeemed in connection with) such Offer to Purchase exceeds the amount of Excess Proceeds, the Trustee will select the Notes (and such other *pari passu* Indebtedness) to be purchased on a pro rata basis based on the principal amount of Notes and such other *pari passu* Indebtedness tendered (or required to be prepaid or redeemed). Upon completion of each Offer to Purchase, the amount of Excess Proceeds will be reset at zero.

Limitation on the Company's Business Activities

The Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly, engage in any business other than Permitted Businesses; provided, however, that the Company or any Restricted Subsidiary may own Capital Stock of an Unrestricted Subsidiary or joint venture or other entity that is engaged in a business other than Permitted Businesses as long as any Investment therein was not prohibited when made by the covenant described under the caption “– Limitation on Restricted Payments.”

Use of Proceeds

The Company will not, and will not permit any Restricted Subsidiary to, use the net proceeds from the sale of the Notes, in any amount, for any purpose other than (1) as specified under the caption “Use of Proceeds” in this offering memorandum (or in the case of Additional Notes, the offering memorandum relating to the sale of such Additional Notes) and (2) pending the application of all of such net proceeds in such manner, to invest the portion of such net proceeds not yet so applied in Temporary Cash Investments.

Designation of Restricted and Unrestricted Subsidiaries

The Board of Directors may designate any Restricted Subsidiary to be an Unrestricted Subsidiary; *provided* that (1) no Default shall have occurred and be continuing at the time of or after giving effect to such designation; (2) neither the Company nor any Restricted Subsidiary provides credit support for the Indebtedness of such Restricted Subsidiary; (3) such Restricted Subsidiary does not own any Disqualified Stock of the Company or Disqualified or Preferred Stock of another Restricted Subsidiary or hold any Indebtedness of, or any Lien on any property of, the Company or any Restricted Subsidiary, if such Disqualified or Preferred Stock or Indebtedness could not be Incurred under the covenant described under the caption “– Limitation on Indebtedness and Preferred Stock” or such Lien would violate the covenant described under the caption “– Limitation on Liens;” (4) such Restricted Subsidiary does not own any Voting Stock of another Restricted Subsidiary, and all of its Subsidiaries are Unrestricted Subsidiaries or are being concurrently designated to be Unrestricted Subsidiaries in accordance with this paragraph; and (5) the Investment deemed to have been made thereby in such newly-designated Unrestricted Subsidiary and each other newly-designated Unrestricted Subsidiary being concurrently redesignated would be permitted to be made by the covenant described under the caption “– Limitation on Restricted Payments” other than any Investment deemed to have been made by the Company or any Restricted Subsidiary in the Restructuring Group upon the designation of the Subsidiaries in the Restructuring Group as Unrestricted Subsidiaries in connection with the Restructuring, *provided* that (A) the Board of Directors has determined in good faith that the designation of such Subsidiaries as Unrestricted Subsidiaries is necessary to obtain approval from a Qualified Exchange for the Restructuring and (B) immediately prior to the designation of the Restructuring Group as Unrestricted Subsidiaries, the Consolidated Assets of the Restructuring Group shall be no more than 10% of the Total Assets of the Company.

The Board of Directors may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided* that (1) no Default shall have occurred and be continuing at the time of or after giving effect to such designation; (2) any Indebtedness of such Unrestricted Subsidiary outstanding at the time of such designation which will be deemed to have been Incurred by such newly-designated Restricted Subsidiary as a result of such designation would be permitted to be Incurred by the covenant described under the caption “– Limitation on Indebtedness and Preferred Stock;” (3) any Lien on the property of such Unrestricted Subsidiary at the time of such designation which will be deemed to have been incurred by such newly-designated Restricted Subsidiary as a result of such designation would be permitted to be incurred by the covenant described under the caption “– Limitation on Liens;” (4) such Unrestricted Subsidiary is not a Subsidiary of another Unrestricted Subsidiary (that is not concurrently being designated as a Restricted Subsidiary); (5) if such Restricted Subsidiary is not organized under the laws of the PRC and is not an Offshore Non-Guarantor Subsidiary, such Restricted Subsidiary shall upon such designation execute and deliver to the Trustee a supplemental indenture to the Indenture by which such Restricted Subsidiary shall become a Subsidiary Guarantor or a JV Subsidiary Guarantor in accordance with the terms under the Indenture; and (6) if such Restricted Subsidiary is not organized under the laws of the PRC and is not an Offshore Non-Guarantor Subsidiary or a subsidiary of a JV Subsidiary Guarantor, all Capital Stock of such Restricted Subsidiary owned by the Company or any other Restricted Subsidiary shall be pledged as required under “– Security”.

Government Approvals and Licenses; Compliance with Law

The Company will, and will cause each Restricted Subsidiary to, (1) obtain and maintain in full force and effect all governmental approvals, authorizations, consents, permits, concessions and licenses as are necessary to engage in the Permitted Businesses; (2) preserve and maintain good and valid title to its properties and assets (including land-use rights) free and clear of any Liens other than Permitted Liens; and (3) comply with all laws, regulations, orders, judgments and decrees of any governmental body, except to the extent that failure so to obtain, maintain, preserve and comply would not reasonably be expected to have a material adverse effect on (a) the business, results of operations or prospects of the Company and its Restricted Subsidiaries, taken as a whole, or (b) the ability of the Company, any Subsidiary Guarantor or any JV Subsidiary Guarantor to perform its obligations under the Notes, the relevant Subsidiary Guarantee, the relevant JV Subsidiary Guarantee or the Indenture.

Anti-Layering

The Company will not Incur, and will not permit any Subsidiary Guarantor or JV Subsidiary Guarantor to Incur, any Indebtedness if such Indebtedness is contractually subordinated in right of payment to any other Indebtedness of the Company, such Subsidiary Guarantor or such JV Subsidiary Guarantor, as the case may be, unless such Indebtedness is also contractually subordinated in right of payment to the Notes, the applicable Subsidiary Guarantee or the applicable JV Subsidiary Guarantee, on substantially identical terms. This does not apply to distinctions between categories of Indebtedness that exist by reason of any Liens or Guarantees securing or in favor of some but not all of such Indebtedness.

Suspension of Certain Covenants

If, on any date following the date of the Indenture, the Notes have a rating of Investment Grade from the Rating Agency and no Default has occurred and is continuing (a “Suspension Event”), then, beginning on that day and continuing until such time, if any, at which the Notes cease to have a rating of Investment Grade from the Rating Agency, the provisions of the Indenture summarized under the following captions will be suspended:

- (1) “– Certain Covenants – Limitation on Indebtedness and Preferred Stock”;
- (2) “– Certain Covenants – Limitation on Restricted Payments”;
- (3) “– Certain Covenants – Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries”;
- (4) “– Certain Covenants – Limitation on Sales and Issuances of Capital Stock in Restricted Subsidiaries”;

- (5) “– Certain Covenants – Limitation on Issuances of Guarantees by Restricted Subsidiaries”;
- (6) “– Certain Covenants – Limitation on the Company’s Business Activities;
- (7) “– Certain Covenants – Limitation on Sale and Leaseback Transactions”; and
- (8) “– Certain Covenants – Limitation on Asset Sales”.

During any period that the foregoing covenants have been suspended, the Board of Directors may not designate any Restricted Subsidiary as an Unrestricted Subsidiary pursuant to the covenant described under the caption “– Certain Covenants – Designation of Restricted and Unrestricted Subsidiaries” or the definition of “Unrestricted Subsidiary.”

Such covenants will be reinstituted and apply according to their terms as of and from the first day on which a Suspension Event ceases to be in effect. Such covenants will not, however, be of any effect with regard to actions of the Company or any Restricted Subsidiary properly taken in compliance with the provisions of the Indenture during the continuance of the Suspension Event, and following reinstatement the calculations under the covenant described under the caption “– Certain Covenants – Limitation on Restricted Payments” will be made as if such covenant had been in effect since the date of the Indenture except that no Default will be deemed to have occurred solely by reason of a Restricted Payment made while that covenant was suspended. There can be no assurance that the Notes will ever achieve a rating of Investment Grade or that any such rating will be maintained.

Provision of Financial Statements and Reports

- (1) So long as any of the Notes remain outstanding, the Company will file with the Trustee and furnish to the Holders upon request, as soon as they are available but in any event not more than 10 calendar days after they are filed with The Stock Exchange of Hong Kong Limited or any other recognized securities exchange on which the Company’s ordinary shares are at any time listed for trading, true and correct copies of any financial or other report in the English language filed with such exchange; *provided* that if at any time the Common Stock of the Company ceases to be listed for trading on a recognized securities exchange, the Company will file with the Trustee and furnish to the Holders:
 - (a) as soon as they are available, but in any event within 90 calendar days after the end of the fiscal year of the Company, copies of its financial statements (on a consolidated basis and in the English language) in respect of such financial year (including a statement of income, statement of financial position and cash flow statement) audited by a member firm of an internationally-recognized firm of independent accountants;
 - (b) as soon as they are available, but in any event within 45 calendar days after the end of the second fiscal quarter of the Company, copies of its financial statements (on a consolidated basis and in the English language) in respect of such half-year period (including a statement of income, statement of financial position and cash flow statement) reviewed by a member firm of an internationally-recognized firm of independent accountants; and
 - (c) as soon as they are available, but in any event within 45 calendar days after the end of each of the first and third fiscal quarters of the Company, copies of its unaudited financial statements (on a consolidated basis and in the English language) in respect of such fiscal quarter, including a statement of income, statement of financial position and cash flow statement, prepared on a basis consistent with the audited financial statements of the Company together with a certificate signed by the person then authorized to sign financial statements on behalf of the Company to the effect that such financial statements are true in all material respects and present fairly the financial position of the Company as at the end of, and the results of its operations for, the relevant quarterly period.

- (2) In addition, so long as any of the Notes remain outstanding, the Company will provide to the Trustee (a) within 120 days after the close of each fiscal year ending after the Original Issue Date, an Officers' Certificate stating the Fixed Charge Coverage Ratio with respect to the four most recent fiscal quarter periods and showing in reasonable detail the calculation of the Fixed Charge Coverage Ratio, including the arithmetic computations of each component of the Fixed Charge Coverage Ratio, with a certificate from the Company's external auditors verifying the accuracy and correctness of the calculation and arithmetic computation; *provided*, that, the Company shall not be required to provide such auditor certificate if its external auditors refuse to provide such certificate as a result of a policy of such external auditors; and (b) as soon as possible and in any event within 10 days after the Company becomes aware or should reasonably become aware of the occurrence of a Default, an Officers' Certificate setting forth the details of the Default, and the action which the Company proposes to take with respect thereto.

Events of Default

The following events will be defined as "Events of Default" in the Indenture:

- (1) default in the payment of principal of (or premium, if any, on) the Notes when the same becomes due and payable at maturity, upon acceleration, redemption or otherwise;
- (2) default in the payment of interest on any Note when the same becomes due and payable, and such default continues for a period of 30 consecutive days;
- (3) default in the performance or breach of the provisions of the covenants described under the caption "– Consolidation, Merger and Sale of Assets," the failure by the Company to make or consummate an Offer to Purchase in the manner described under the captions "– Repurchase of Notes upon a Change of Control Triggering Event" or "– Certain Covenants – Limitation on Asset Sales," or the failure by the Company to create, or cause its Restricted Subsidiaries to create, a Lien on the Collateral (subject to any Permitted Liens and the Intercreditor Agreement) in accordance with the covenant described under the caption "– Security";
- (4) the Company or any Restricted Subsidiary defaults in the performance of or breaches any other covenant or agreement in the Indenture or under the Notes (other than a default specified in clause (1), (2) or (3) above) and such default or breach continues for a period of 30 consecutive days after written notice by the Trustee or the Holders of 25% or more in aggregate principal amount of the Notes;
- (5) there occurs with respect to any Indebtedness of the Company or any Restricted Subsidiary having an outstanding principal amount of US\$20.0 million (or the Dollar Equivalent thereof) or more in the aggregate for all such Indebtedness of all such Persons, whether such Indebtedness now exists or shall hereafter be created, (a) an event of default that has caused the holder thereof to declare such Indebtedness to be due and payable prior to its Stated Maturity and/or (b) the failure to make a principal payment when due;
- (6) one or more final judgments or orders for the payment of money are rendered against the Company or any Restricted Subsidiary and are not paid or discharged, and there is a period of 60 consecutive days following entry of the final judgment or order that causes the aggregate amount for all such final judgments or orders outstanding and not paid or discharged against all such Persons to exceed US\$20.0 million (or the Dollar Equivalent thereof) (in excess of amounts which the Company's insurance carriers have agreed to pay under applicable policies) during which a stay of enforcement, by reason of a pending appeal or otherwise, is not in effect;
- (7) an involuntary case or other proceeding is commenced against the Company or any Significant Restricted Subsidiary with respect to it or its debts under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect seeking the

appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Company or any Significant Restricted Subsidiary or for any substantial part of the property and assets of the Company or any Significant Restricted Subsidiary and such involuntary case or other proceeding remains undismissed and unstayed for a period of 60 consecutive days; or an order for relief is entered against the Company or any Significant Restricted Subsidiary under any applicable bankruptcy, insolvency or other similar law as now or hereafter in effect;

- (8) the Company or any Significant Restricted Subsidiary (a) commences a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consents to the entry of an order for relief in an involuntary case under any such law, (b) consents to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Company or any Significant Restricted Subsidiary or for all or substantially all of the property and assets of the Company or any Significant Restricted Subsidiary or (c) effects any general assignment for the benefit of creditors;
- (9) any Subsidiary Guarantor or JV Subsidiary Guarantor denies or disaffirms its obligations under its Subsidiary Guarantee or JV Subsidiary Guarantee or, except as permitted by the Indenture, any Subsidiary Guarantee or JV Subsidiary Guarantee is determined to be unenforceable or invalid or shall for any reason cease to be in full force and effect;
- (10) any default by the Company or any Subsidiary Guarantor Pledgor in the performance of any of its obligations under the Security Documents, which adversely affects the enforceability, validity, perfection or priority of the applicable Lien on the Collateral or which adversely affects the condition or value of the Collateral, taken as a whole, in any material respect; or
- (11) the Company or any Subsidiary Guarantor Pledgor denies or disaffirms its obligations under any Security Document or, other than in accordance with the Indenture and the Security Documents, any Security Document ceases to be or is not in full force and effect or the Collateral Agent ceases to have a security interest in the Collateral (subject to any Permitted Liens and the Intercreditor Agreement).

If an Event of Default (other than an Event of Default specified in clause (7) or (8) above) occurs and is continuing under the Indenture, the Trustee or the Holders of at least 25% in aggregate principal amount of the Notes then outstanding, by written notice to the Company (and to the Trustee if such notice is given by the Holders), may, and the Trustee at the request of such Holders (subject to being indemnified and/or secured to its satisfaction) shall, declare the principal of, premium, if any, and accrued and unpaid interest on the Notes to be immediately due and payable or to enforce the performance of any provision of the Notes or the Indenture. Upon a declaration of acceleration, such principal of, premium, if any, and accrued and unpaid interest on the Notes shall be immediately due and payable. If an Event of Default specified in clause (7) or (8) above occurs with respect to the Company or any Restricted Subsidiary, the principal of, premium, if any, and accrued and unpaid interest on the Notes then outstanding shall automatically become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder.

The Holders of at least a majority in principal amount of the outstanding Notes by written notice to the Company and to the Trustee may on behalf of the Holders of Notes waive all past defaults and rescind and annul a declaration of acceleration and its consequences if:

- (1) all existing Events of Default, other than the nonpayment of the principal of, premium, if any, and interest on the Notes that have become due solely by such declaration of acceleration, have been cured or waived, and
- (2) the rescission would not conflict with any judgment or decree of a court of competent jurisdiction.

Upon such waiver, the Default will cease to exist, and any Event of Default arising therefrom will be deemed to have been cured, but no such waiver will extend to any subsequent or other Default or impair any right consequent thereon.

If an Event of Default occurs and is continuing, the Trustee may pursue, in its own name or as trustee of an express trust, any available remedy by proceeding at law or in equity to collect the payment of principal of and interest on the Notes or enforce the performance of any provision of the Notes or the Indenture, subject to the terms of the Intercreditor Agreement. The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. In addition, if an Event of Default occurs and is continuing, the Trustee may, and shall (subject to being indemnified and/or secured to its satisfaction) upon written request of Holders of at least 25% in aggregate principal amount of outstanding Notes, subject to the terms of the Indenture and Intercreditor Agreement, instruct the Collateral Agent to foreclose on the Collateral in accordance with the terms of the Security Documents and take such further action on behalf of the Holders of the Notes with respect to the Collateral as the Trustee deems appropriate, subject to the terms of the Indenture, the Security Documents and Intercreditor Agreement. See “– Security.”

The Holders of at least a majority in aggregate principal amount of the outstanding Notes may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee. However, the Trustee may refuse to follow any direction that conflicts with law, the Indenture, that may involve the Trustee in personal liability, or that the Trustee determines in good faith may be unduly prejudicial to the rights of Holders not joining in the giving of such direction and may take any other action it deems proper that is not inconsistent with any such direction received from Holders.

A Holder of Notes may not institute any proceeding, judicial or otherwise, with respect to the Indenture or the Notes, or for the appointment of a receiver or trustee, or for any other remedy under the Indenture or the Notes, unless:

- (1) the Holder has previously given the Trustee written notice of a continuing Event of Default;
- (2) the Holders of at least 25% in aggregate principal amount of outstanding Notes make a written request to the Trustee to pursue the remedy;
- (3) such Holder or Holders offer the Trustee indemnity and/or security satisfactory to the Trustee against any costs, liability or expense to be incurred in compliance with such request;
- (4) the Trustee does not comply with the request within 60 days after receipt of the written request and the offer of indemnity and/or security satisfactory to it; and
- (5) during such 60-day period, the Holders of a majority in aggregate principal amount of the outstanding Notes do not give the Trustee a written direction that is inconsistent with the request.

However, such limitations do not apply to the right of any Holder to receive payment of the principal of, premium, if any, or interest on, such Note, or to bring suit for the enforcement of any such payment, on or after the due date expressed in the Notes, which right shall not be impaired or affected without the consent of the Holder.

Officers of the Company must certify, on or before a date not more than 120 days after the end of each fiscal year, that a review has been conducted of the activities of the Company and its Restricted Subsidiaries and the Company’s and its Restricted Subsidiaries’ performance under the Indenture and the Security Documents that the Company and its Restricted Subsidiaries have fulfilled all obligations thereunder, or, if there has been a default in the fulfillment of any such obligation, specifying each such default and the nature and status thereof. The Company will also be obligated to notify the Trustee in writing of any default or defaults in the performance of any covenants or agreements under the Indenture and the Security Documents. See “– Provision of Financial Statements and Reports.”

The Trustee and the Agents need not do anything to ascertain whether any Default or Event of Default has occurred or is continuing and may assume that no such Default or Event of Default has occurred and that the Company and the Subsidiary Guarantors are performing all of their respective obligations under the Indenture and the Notes unless a Responsible Officer of the Trustee has received written notice of the occurrence of such Default or Event of Default.

Consolidation, Merger and Sale of Assets

The Company will not consolidate with, merge with or into another Person, permit any Person to merge with or into it, or sell, convey, transfer, lease or otherwise dispose of all or substantially all of its and its Restricted Subsidiaries' properties and assets (computed on a consolidated basis) (as an entirety or substantially an entirety in one transaction or a series of related transactions) to another Person, unless:

- (1) the Company shall be the continuing Person, or the Person (if other than it) formed by such consolidation or merger or that acquired or leased such property and assets (the "Surviving Person") shall be a corporation organized and validly existing under the laws of the Cayman Islands, the British Virgin Islands or Hong Kong and shall expressly assume, by a supplemental indenture to the Indenture, executed and delivered to the Trustee, all the obligations of the Company under the Indenture, the Notes and the Security Documents, as the case may be, including the obligation to pay Additional Amounts with respect to any jurisdiction in which it is organized or resident for tax purposes or through which it makes payments, and the Indenture, the Notes and the Security Documents, as the case may be, shall remain in full force and effect;
- (2) immediately after giving effect to such transaction, no Default shall have occurred and be continuing;
- (3) immediately after giving effect to such transaction on a pro forma basis, the Company or the Surviving Person, as the case may be, shall have a Consolidated Net Worth equal to or greater than the Consolidated Net Worth of the Company immediately prior to such transaction;
- (4) immediately after giving effect to such transaction on a pro forma basis the Company or the Surviving Person, as the case may be, could Incur at least US\$1.00 of Indebtedness under paragraph (1) of the covenant described under the caption "– Limitation on Indebtedness and Preferred Stock";
- (5) the Company delivers to the Trustee (x) an Officers' Certificate (attaching the arithmetic computations to demonstrate compliance with clauses (3) and (4)) and (y) an Opinion of Counsel, in each case stating that such consolidation, merger or transfer and the relevant supplemental indenture complies with this provision and that all conditions precedent provided for in the Indenture relating to such transaction have been complied with;
- (6) each Subsidiary Guarantor and JV Subsidiary Guarantor, unless such Subsidiary Guarantor or JV Subsidiary Guarantor is the Person with which the Company has entered into a transaction described under the caption "– Consolidation, Merger and Sale of Assets," shall execute and deliver a supplemental indenture to the Indenture confirming that its Subsidiary Guarantee or JV Subsidiary Guarantee, as applicable, shall apply to the obligations of the Company or the Surviving Person in accordance with the Notes and the Indenture; and
- (7) no Rating Decline shall have occurred.

No Subsidiary Guarantor or JV Subsidiary Guarantor will consolidate with, merge with or into another Person, permit any Person to merge with or into it, or sell, convey, transfer, lease or otherwise dispose of all or substantially all of its and its Restricted Subsidiaries' properties and assets (computed on a consolidated basis) (as an entirety or substantially an entirety in one transaction or a series of related transactions) to another Person (other than the Company or another Subsidiary Guarantor or, in the case of a JV Subsidiary Guarantor, other than to another JV Subsidiary Guarantor, the Company or a Subsidiary Guarantor), unless:

- (1) such Subsidiary Guarantor or JV Subsidiary Guarantor shall be the continuing Person, or the Person (if other than it) formed by such consolidation or merger or that acquired or leased such property and assets shall be the Company, another Subsidiary Guarantor or shall become a Subsidiary Guarantor concurrently with the transaction (or, in the case of a JV Subsidiary

Guarantor, another JV Subsidiary Guarantor, the Company or a Subsidiary Guarantor); and shall expressly assume, by a supplemental indenture to the Indenture, executed and delivered to the Trustee, all the obligations of such Subsidiary Guarantor or JV Subsidiary Guarantor under the Indenture, the Notes and the Security Documents, as the case may be, including the obligation to pay Additional Amounts with respect to any jurisdiction in which it is organized or resident for tax purposes or through which it makes payments, and the Indenture, the Notes and the Security Documents, as the case may be, shall remain in full force and effect;

- (2) immediately after giving effect to such transaction, no Default shall have occurred and be continuing;
- (3) immediately after giving effect to such transaction on a pro forma basis, the Company shall have a Consolidated Net Worth equal to or greater than the Consolidated Net Worth of the Company immediately prior to such transaction;
- (4) immediately after giving effect to such transaction on a pro forma basis, the Company could Incur at least US\$1.00 of Indebtedness under paragraph (1) of the covenant described under the caption “– Limitation on Indebtedness and Preferred Stock;”
- (5) the Company delivers to the Trustee (x) an Officers’ Certificate (attaching the arithmetic computations to demonstrate compliance with clauses (3) and (4)) and (y) an Opinion of Counsel, in each case stating that such consolidation, merger or transfer and the relevant supplemental indenture complies with this provision and that all conditions precedent provided for in the Indenture relating to such transaction have been complied with; and
- (6) no Rating Decline shall have occurred;

provided that this paragraph shall not apply to any sale or other disposition that complies with the “– Limitation on Asset Sales” covenant or any Subsidiary Guarantor or JV Subsidiary Guarantor whose Subsidiary Guarantee or JV Subsidiary Guarantee, as the case may be, is unconditionally released in accordance with the provisions described under “– The Subsidiary Guarantees – Release of the Subsidiary Guarantees.”

Although there is a limited body of case law interpreting the phrase “substantially all,” there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve “all or substantially all” of the property or assets of a Person.

The foregoing requirements shall not apply to a consolidation or merger of any Subsidiary Guarantor or JV Subsidiary Guarantor with and into the Company or any other Subsidiary Guarantor or JV Subsidiary Guarantor, so long as the Company or such Subsidiary Guarantor or JV Subsidiary Guarantor survives such consolidation or merger.

The foregoing provisions would not necessarily afford Holders protection in the event of highly-leveraged or other transactions involving the Company that may adversely affect Holders.

No Payments for Consents

The Company will not, and shall not permit any of its Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration, whether by way of interest, fee or otherwise, to any Holder for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of the Indenture or the Notes unless such consideration is offered to be paid or is paid to all Holders that consent, waive or agree to amend such term or provision within the time period set forth in the solicitation documents relating to such consent, waiver or amendment.

Notwithstanding the foregoing, in any offer or payment of consideration for, or as an inducement to, any consent, waiver or amendment of any of the terms or provisions of the Indenture or the Notes in connection with an exchange or tender offer, the Company and any Restricted Subsidiary may exclude

(i) Holders or beneficial owners of the Notes that are not institutional “accredited investors” as defined in Rule 501 under the Securities Act, and (ii) Holders or beneficial owners of the Notes in any jurisdiction where the inclusion of such Holders or beneficial owners would require the Company or any Restricted Subsidiary to comply with the registration requirements or other similar requirements under any securities laws of such jurisdiction, or the solicitation of such consent, waiver or amendment from, or the granting of such consent or waiver, or the approval of such amendment by, Holders or beneficial owners in such jurisdiction would be unlawful, in each case as determined by the Company in its sole discretion.

Defeasance

Defeasance and Discharge

The Indenture will provide that the Company will be deemed to have paid and will be discharged from any and all obligations in respect of the Notes on the 183rd day after the deposit referred to below, and the provisions of the Indenture and the Security Documents will no longer be in effect with respect to the Notes (except for, among other matters, certain obligations to register the transfer or exchange of the Notes, to replace stolen, lost or mutilated Notes, to maintain paying agencies, to pay Additional Amounts and to hold monies for payment in trust) if, among other things:

- (1) the Company (a) has deposited with the Trustee (or its agent), in trust, money and/or U.S. Government Obligations that through the payment of interest and principal in respect thereof in accordance with their terms will provide money in an amount sufficient to pay the principal of, premium, if any, and accrued interest on the Notes on the Stated Maturity for such payments in accordance with the terms of the Indenture and the Notes and (b) has delivered to the Trustee an Opinion of Counsel or a certificate of an internationally-recognized firm of independent accountants to the effect that the amount deposited by the Company is sufficient to provide payment for the principal of, premium, if any, and accrued interest on, the Notes on the Stated Maturity for such payment in accordance with the terms of the Indenture;
- (2) the Company has delivered to the Trustee an Opinion of Counsel of recognized international standing to the effect that the creation of the defeasance trust does not violate the U.S. Investment Company Act of 1940, as amended, and after the passage of 123 days following the deposit, the trust fund will not be subject to the effect of Section 547 of the United States Bankruptcy Code or Section 15 of the New York Debtor and Creditor Law; and
- (3) immediately after giving effect to such deposit on a pro forma basis, no Event of Default, or event that after the giving of notice or lapse of time or both would become an Event of Default, shall have occurred and be continuing on the date of such deposit or during the period ending on the 183rd day after the date of such deposit, and such defeasance shall not result in a breach or violation of, or constitute a default under, any other agreement or instrument to which the Company or any Restricted Subsidiary is a party or by which the Company or any Restricted Subsidiary is bound.

In the case of either discharge or defeasance of the Notes, the Subsidiary Guarantees and the JV Subsidiary Guarantees will terminate.

Defeasance of Certain Covenants

The Indenture further will provide that the provisions of the Indenture applicable to the Notes will no longer be in effect with respect to clauses (3), (4), (5)(x) and (7) under the first paragraph, and clauses (3), (4), (5)(x) and (6) under the second paragraph under “– Consolidation, Merger and Sale of Assets” and all the covenants described herein under “– Certain Covenants,” other than as described under “– Certain Covenants – Government Approvals and Licenses; Compliance with Law” and “– Certain Covenants – Anti-Layering,” clause (3) under “Events of Default” with respect to clauses (3), (4), (5)(x) and (7) under the first paragraph, and clauses (3), (4), (5)(x) and (6) under the second paragraph under “Consolidation, Merger and Sale of Assets” and with respect to the other events set forth in such clause,

clause (4) under “Events of Default” with respect to such other covenants and clauses (5) and (6) under “Events of Default” shall be deemed not to be Events of Default upon, among other things, the deposit with the Trustee (or its agent), in trust, of money, U.S. Government Obligations or a combination thereof that through the payment of interest and principal in respect thereof in accordance with their terms will provide money in an amount sufficient to pay the principal of, premium, if any, and accrued interest on the Notes on the Stated Maturity of such payments in accordance with the terms of the Indenture and the Notes and the satisfaction of the provisions described in clause (2) of the preceding paragraph.

Defeasance and Certain Other Events of Default

In the event that the Company exercises its option to omit compliance with certain covenants and provisions of the Indenture as described in the immediately preceding paragraph and the Notes are declared due and payable because of the occurrence of an Event of Default that remains applicable, the amount of money and/or U.S. Government Obligations on deposit with the Trustee will be sufficient to pay amounts due on the Notes at the time of their Stated Maturity but may not be sufficient to pay amounts due on the Notes at the time of the acceleration resulting from such Event of Default. However, the Company, the Subsidiary Guarantors and the JV Subsidiary Guarantors will remain liable for such payments.

Amendments and Waiver

Amendments Without Consent of Holders

The Indenture, the Notes, the Intercreditor Agreement, the Subsidiary Guarantee, the JV Subsidiary Guarantee or any Security Document may be amended, without the consent of any Holder, to:

- (1) cure any ambiguity, defect, omission or inconsistency in the Indenture, the Notes, the Intercreditor Agreement or any Security Document;
- (2) comply with the provisions described under “– Consolidation, Merger and Sale of Assets”;
- (3) evidence and provide for the acceptance of appointment by a successor Trustee or Collateral Agent;
- (4) add any Subsidiary Guarantor, JV Subsidiary Guarantor, any Subsidiary Guarantee or JV Subsidiary Guarantee, or release any Subsidiary Guarantor or JV Subsidiary Guarantor from any Subsidiary Guarantee or JV Subsidiary Guarantee, as the case may be, as provided or permitted by the terms of the Indenture;
- (5) provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture;
- (6) add any Subsidiary Guarantor Pledgor or release any Subsidiary Guarantor Pledgor and the corresponding Collateral as provided or permitted by the terms of the Indenture;
- (7) add additional Collateral to secure the Notes, any Subsidiary Guarantee or any JV Subsidiary Guarantee;
- (8) in any other case where a supplemental indenture to the Indenture is required or permitted to be entered into pursuant to the provisions of the Indenture without the consent of any Holder;
- (9) effect any changes to the Indenture in a manner necessary to comply with the procedures of Euroclear or Clearstream or any applicable clearing system;

- (10) permit Permitted Pari Passu Secured Indebtedness (including, without limitation, permitting the Trustee and the Collateral Agent to enter into, supplement or amend the Intercreditor Agreement, the Security Documents or the Indenture permitting the holders of Permitted Pari Passu Secured Indebtedness (or their representatives) to accede to the Intercreditor Agreement, as applicable, and take any other action necessary to permit the creation and registration of Liens on the Collateral to secure Permitted Pari Passu Secured Indebtedness, in accordance with the Indenture);
- (11) make any other change that does not materially and adversely affect the rights of any Holder; or
- (12) conform the text of the Indenture, the Notes, the Subsidiary Guarantees or the JV Subsidiary Guarantees to any provision of this “Description of the Notes” to the extent that such provision in this “Description of the Notes” was intended to be a verbatim recitation of a provision in the Indenture, the Notes, the Subsidiary Guarantees or the JV Subsidiary Guarantees.

Amendments With Consent of Holders

The Indenture, the Notes, the Intercreditor Agreement, the Subsidiary Guarantees, the JV Subsidiary Guarantees or any Security Document may be amended with the consent of the Holders of not less than a majority in aggregate principal amount of the outstanding Notes and the Holders of not less than a majority in aggregate principal amount of the outstanding Notes may amend or waive future compliance by the Company with any provision thereof; *provided, however*, that no such amendment or waiver may, without the consent of each Holder affected thereby:

- (1) change the Stated Maturity of the principal of, or any installment of interest on, any Note;
- (2) reduce the principal amount of, or premium, if any, or interest on, any Note;
- (3) change the currency, time or place of payment of principal of, or premium, if any, or interest on, any Note;
- (4) impair the right to institute suit for the enforcement of any payment on or after the Stated Maturity (or, in the case of a redemption, on or after the redemption date) of any Note;
- (5) reduce the above-stated percentage of outstanding Notes the consent of whose Holders is necessary to modify or amend the Indenture;
- (6) waive a default in the payment of principal of, premium, if any, or interest on the Notes;
- (7) release any Subsidiary Guarantor or JV Subsidiary Guarantor from its Subsidiary Guarantee or JV Subsidiary Guarantee, as the case may be, except as provided in the Indenture;
- (8) release any Collateral, except as provided in the Indenture, the Intercreditor Agreement and the Security Documents;
- (9) reduce the percentage or aggregate principal amount of outstanding Notes the consent of whose Holders is necessary for waiver of compliance with certain provisions of the Indenture or for waiver of certain defaults;
- (10) amend, change or modify any Subsidiary Guarantee or JV Subsidiary Guarantee in a manner that adversely affects the Holders;
- (11) amend, change or modify any provision of the Indenture, the Intercreditor Agreement or any Security Document relating to the Collateral, in a manner that adversely affects the Holders, except in accordance with the other provisions of the Indenture;

- (12) reduce the amount payable upon a Change of Control Offer or an Offer to Purchase with the Excess Proceeds from any Asset Sale or change the time or manner by which a Change of Control Offer or an Offer to Purchase with the Excess Proceeds or other proceeds from any Asset Sale may be made or by which the Notes must be repurchased pursuant to a Change of Control Offer or an Offer to Purchase with the Excess Proceeds or other proceeds from any Asset Sale;
- (13) change the redemption date or the redemption price of the Notes from that stated under the caption “– Optional Redemption” or “– Redemption for Taxation Reasons;”
- (14) amend, change or modify the obligation of the Company, any Subsidiary Guarantor or any JV Subsidiary Guarantor to pay Additional Amounts; or
- (15) amend, change or modify any provision of the Indenture or the related definition affecting the ranking of the Notes, any Subsidiary Guarantee or any JV Subsidiary Guarantee in a manner which adversely affects the Holders.

Unclaimed Money

Claims against the Company for the payment of principal of, premium, if any, or interest, on the Notes will become void unless presentation for payment is made as required in the Indenture within a period of six years.

No Personal Liability of Incorporators, Stockholders, Officers, Directors or Employees

No recourse for the payment of the principal of, premium, if any, or interest on any of the Notes or for any claim based thereon or otherwise in respect thereof, and no recourse under or upon any obligation, covenant or agreement of the Company, any Subsidiary Guarantor or any JV Subsidiary Guarantor in the Indenture, or in any of the Notes, the Subsidiary Guarantees or the JV Subsidiary Guarantees, or because of the creation of any Indebtedness represented thereby, shall be had against any incorporator, stockholder, officer, director, employee or controlling person of the Company, any Subsidiary Guarantor or any JV Subsidiary Guarantor, or of any successor Person thereof. Each Holder, by accepting the Notes, waives and releases all such liability. The waiver and release are part of the consideration for the issuance of the Notes, the Subsidiary Guarantees and the JV Subsidiary Guarantees. Such waiver may not be effective to waive liabilities under the federal securities laws.

Concerning the Trustee, the Collateral Agent and the Agents

The Bank of New York Mellon, London Branch is to be appointed as trustee (the “Trustee”) and as paying agent (the “Paying Agent”) under the Indenture. The Bank of New York Mellon SA/NV, Luxembourg Branch, a banking corporation organized and existing under the laws of the State of New York with limited liability and operating through its branch in Luxembourg at Vertigo Building – Polaris, 2-4 rue Eugène Ruppert, L-2453 Luxembourg, is to be appointed as note registrar (the “Registrar”) and transfer agent (the “Transfer Agent” and, together with the Paying Agent and the Registrar, the “Agents”) with regard to the Notes. Except during the continuance of an Event of Default, the Trustee undertakes to perform such duties and only such duties as are specifically set forth in the Indenture, and no implied covenant or obligation shall be read into the Indenture against the Trustee. If an Event of Default has occurred and is continuing, the Trustee will use the same degree of care and skill in its exercise of the rights and powers vested in it under the Indenture as a prudent person would exercise under the circumstances in the conduct of such person’s own affairs.

The Indenture contains limitations on the rights of the Trustee, should it become a creditor of the Company or any of the Subsidiary Guarantors, to obtain payment of claims in certain cases or to realize on certain property received by it in respect of any such claims, as security or otherwise. The Trustee is permitted to engage in other transactions, including normal banking and trustee relationships, with the Company and its Affiliates; *provided, however*, that if it acquires any conflicting interest, it must eliminate such conflict or resign.

The Bank of New York Mellon will initially act as the Collateral Agent under the Security Documents in respect of the security over the Collateral. The Collateral Agent, acting in its capacity as

such, shall have such duties with respect to the Collateral pledged, assigned or granted pursuant to the Security Documents as are set forth in the Indenture, the Intercreditor Agreement and the Security Documents. Under certain circumstances, the Collateral Agent may have obligations under the Security Documents, the Indenture or the Intercreditor Agreement that are in conflict with the interests of the Holders and the holders (or their representatives) of Permitted Pari Passu Secured Indebtedness. Neither the Trustee nor the Collateral Agent will be under any obligation to exercise any rights or powers conferred under the Indenture, the Intercreditor Agreement or any Security Document for the benefit of the Holders or the holders (or their representatives) of Permitted Pari Passu Secured Indebtedness, unless such Holders and/or the holders (or their representatives) of Permitted Pari Passu Secured Indebtedness have instructed the Trustee or as the case may be the Collateral Agent in writing and have offered to the Trustee and/or the Collateral Agent indemnity and/or security satisfactory to it against any loss, liability or expense. Furthermore, each Holder, by accepting the Notes will agree, for the benefit of the Trustee, the other Agents and the Collateral Agent, that it is solely responsible for its own independent appraisal of and investigation into all risks arising under or in connection with the Security Documents and has not relied on and will not at any time rely on the Trustee, the other Agents or the Collateral Agent in respect of such risks.

Book-Entry; Delivery and Form

The Notes will be represented by one or more global notes in registered form without interest coupons attached (each a “Global Note”). On the Original Issue Date, the Global Note will be deposited with a common depositary and registered in the name of the common depositary or its nominee for the accounts of Euroclear and Clearstream.

Global Note

Ownership of beneficial interests in the Global Note (the “book-entry interests”) will be limited to persons that have accounts with Euroclear and/or Clearstream or persons that may hold interests through such participants. Book-entry interests will be shown on, and transfers thereof will be effected only through, records maintained in book-entry form by Euroclear and Clearstream and their participants.

Except as set forth below under “– Individual Definitive Notes,” the book-entry interests will not be held in definitive form. Instead, Euroclear and/or Clearstream will credit on their respective book-entry registration and transfer systems a participant’s account with the interest beneficially owned by such participant. The laws of some jurisdictions may require that certain purchasers of securities take physical delivery of such securities in definitive form. The foregoing limitations may impair the ability to own, transfer or pledge book-entry interests.

So long as the Notes are held in global form, the common depositary for Euroclear and/or Clearstream (or its nominee) will be considered the sole holder of the Global Note for all purposes under the Indenture and “holders” of book-entry interests will not be considered the owners or “Holders” of Notes for any purpose. As such, participants must rely on the procedures of Euroclear and Clearstream and indirect participants must rely on the procedures of the participants through which they own book-entry interests in order to transfer their interests in the Notes or to exercise any rights of Holders under the Indenture.

None of the Company, the Subsidiary Guarantors, the JV Subsidiary Guarantors (if any), the Trustee or any of their respective agents will have any responsibility or be liable for any aspect of the records relating to the book-entry interests. The Notes are not issuable in bearer form.

Payments on the Global Note

Payments of any amounts owing in respect of the Global Note (including principal, premium, interest and additional amounts) will be made to the Paying Agent. The Paying Agent will, in turn, make such payments to the common depositary for Euroclear and Clearstream, which will distribute such payments to participants in accordance with their procedures. The Company will make payments of all such amounts without deduction or withholding for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature, except as may be required by law in which case the Company will pay Additional Amounts to the extent described above under “– Additional Amounts.”

Under the terms of the Indenture, the Company, the Agents and the Trustee will treat the registered holder of the Global Note (i.e., the common depositary or its nominee) as the owner thereof for the purpose of receiving payments and for all other purposes. Consequently, none of the Company, the Trustee or any of their respective agents has or will have any responsibility or liability for:

- any aspect of the records of Euroclear, Clearstream or any participant or indirect participant relating to or payments made on account of a book-entry interest, for any such payments made by Euroclear, Clearstream or any participant or indirect participants, or for maintaining, supervising or reviewing any of the records of Euroclear, Clearstream or any participant or indirect participant relating to or payments made on account of a book-entry interest; or
- any action or failure to take any action by Euroclear, Clearstream or any participant or indirect participant.

Payments by participants to owners of book-entry interests held through participants are the responsibility of such participants.

Redemption of Global Note

In the event the Global Note, or any portion thereof, is redeemed, the common depositary will distribute the amount received by it in respect of the Global Note so redeemed to Euroclear and/or Clearstream, as applicable, who will distribute such amount to the holders of the book-entry interests in such Global Note. The redemption price payable in connection with the redemption of such book-entry interests will be equal to the amount received by the common depositary, Euroclear or Clearstream, as applicable, in connection with the redemption of such Global Note (or any portion thereof). The Company understands that under existing practices of Euroclear and Clearstream, if fewer than all of the Notes are to be redeemed at any time, Euroclear and Clearstream will credit their respective participants' accounts on a proportionate basis (with adjustments to prevent fractions) or by lot or on such other basis as they deem fair and appropriate; provided, however, that no book-entry interest of US\$200,000 principal amount, or less, as the case may be, will be redeemed in part.

Action by Owners of Book-Entry Interests

Euroclear and Clearstream have advised that they will take any action permitted to be taken by a Holder only at the direction of one or more participants to whose account the book-entry interests in the Global Note are credited and only in respect of such portion of the aggregate principal amount of Notes as to which such participant or participants has or have given such direction. Euroclear and Clearstream will not exercise any discretion in the granting of consents, waivers or the taking of any other action in respect of the Global Note.

Transfers

Transfers between participants in Euroclear and Clearstream will be effected in accordance with Euroclear and Clearstream's rules and will be settled in immediately available funds. If a Holder requires physical delivery of individual definitive notes for any reason, including to sell the Notes to persons in jurisdictions which require physical delivery of such securities or to pledge such securities, such Holder must transfer its interest in the Global Note in accordance with the normal procedures of Euroclear and Clearstream and in accordance with the provisions of the Indenture.

Book-entry interests in the Global Note will be subject to the restrictions on transfer discussed under "Transfer Restrictions."

Any book-entry interest in a Global Note that is transferred to a person who takes delivery in the form of a book-entry interest in another Global Note will, upon transfer, cease to be a book-entry interest in the first-mentioned Global Note and become a book-entry interest in the other Global Note and, accordingly, will thereafter be subject to all transfer restrictions, if any, and other procedures applicable to book-entry interests in such other Global Note for as long as it retains such a book-entry interest.

Global Clearance and Settlement Under the Book-Entry System

Book-entry interests owned through Euroclear or Clearstream accounts will follow the settlement procedures applicable. Book-entry interests will be credited to the securities custody accounts of Euroclear and Clearstream holders on the business day following the settlement date against payment for value on the settlement date.

The book-entry interests will trade through participants of Euroclear or Clearstream, and will settle in immediately available funds. Since the purchaser determines the place of delivery, it is important to establish at the time of trading of any book-entry interests where both the purchaser's and seller's accounts are located to ensure that settlement can be made on the desired value date.

Information Concerning Euroclear and Clearstream

The Company understands as follows with respect to Euroclear and Clearstream:

Euroclear and Clearstream hold securities for participating organizations and facilitate the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream provide to their participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream interface with domestic securities markets. Euroclear and Clearstream participants are financial institutions, such as underwriters, securities brokers and dealers, banks and trust companies, and certain other organizations. Indirect access to Euroclear or Clearstream is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodian relationship with a Euroclear or Clearstream participant, either directly or indirectly.

Although the foregoing sets out the procedures of Euroclear and Clearstream in order to facilitate the original issue and subsequent transfers of interests in the Notes among participants of Euroclear and Clearstream, neither Euroclear nor Clearstream is under any obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time.

None of the Company, the Trustee or any of their respective agents will have responsibility for the performance of Euroclear or Clearstream or their respective participants of their respective obligations under the rules and procedures governing their operations, including, without limitation, rules and procedures relating to book-entry interests.

Individual Definitive Notes

If (1) the common depositary or any successor to the common depositary is at any time unwilling or unable to continue as a depositary for the reasons described in the Indenture and a successor depositary is not appointed within 90 days (2) either Euroclear or Clearstream, or a successor clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention to permanently cease business or does in fact do so, or (3) any of the Notes has become immediately due and payable in accordance with “– Events of Default” and the Company has received a written request from a Holder, the Company will issue individual definitive notes in registered form in exchange for the Global Note. Upon receipt of such notice from the common depositary or the Trustee, as the case may be, the Company will use its best efforts to make arrangements with the common depositary for the exchange of interests in the Global Note for individual definitive notes and cause the requested individual definitive notes to be executed and delivered to the Registrar in sufficient quantities and authenticated by the Registrar for delivery to Holders. Persons exchanging interests in the Global Note for individual definitive notes will be required to provide the Registrar, through the relevant clearing system, with written instruction and other information required by the Company and the Registrar to complete, execute and deliver such individual definitive notes. In all cases, individual definitive notes delivered in exchange for any Global Note or beneficial interests therein will be registered in the names, and issued in any approved denominations, requested by the relevant clearing system.

Individual definitive notes will not be eligible for clearing and settlement through Euroclear or Clearstream.

Notices

All notices or demands required or permitted by the terms of the Notes or the Indenture to be given to or by the Holders are required to be in writing and may be given or served by being sent by prepaid courier or first-class mail (if intended for the Company or any Subsidiary Guarantor) addressed to the Company or such Subsidiary Guarantor at the registered office of the Company; if intended for the Trustee, at the corporate trust office of the Trustee; and (if intended for any Holder) addressed to such Holder at such Holder's last address as it appears in the Note register.

Any such notice or demand will be deemed to have been sufficiently given or served when so sent or deposited and, if to the Holders, when delivered in accordance with the applicable rules and procedures of Euroclear or Clearstream, as the case may be. Any such notice shall be deemed to have been delivered on the day such notice is delivered to Euroclear or Clearstream, as the case may be, or if by mail, when so sent or deposited.

Consent to Jurisdiction; Service of Process

The Company and each of the Subsidiary Guarantors will irrevocably (1) submit to the non-exclusive jurisdiction of any U.S. federal or New York state court located in the Borough of Manhattan, The City of New York in connection with any suit, action or proceeding arising out of, or relating to, the Notes, any Subsidiary Guarantee, any JV Subsidiary Guarantee, the Indenture or any transaction contemplated thereby and (2) designate and appoint Cogency Global Inc. for receipt of service of process in any such suit, action or proceeding.

Governing Law

Each of the Notes, the Subsidiary Guarantees, the JV Subsidiary Guarantees and the Indenture provides that such instrument will be governed by, and construed in accordance with, the laws of the State of New York. The relevant pledge agreements pursuant to which the Capital Stock of the Subsidiary Guarantors are pledged as described under “– Security” will be governed under the laws of the jurisdiction in which the relevant Subsidiary Guarantor is incorporated.

Definitions

Set forth below are defined terms used in the covenants and other provisions of the Indenture. Reference is made to the Indenture for other capitalized terms used in this “Description of the Notes” for which no definition is provided.

“Acquired Indebtedness” means Indebtedness of a Person existing at the time such Person becomes a Restricted Subsidiary or Indebtedness of a Restricted Subsidiary assumed in connection with an Asset Acquisition by such Restricted Subsidiary whether or not Incurred in connection with, or in contemplation of, the Person merging with or into or becoming a Restricted Subsidiary.

“Adjusted Treasury Rate” means, with respect to any redemption date, (i) the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated “H.15(519)” or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under “Treasury Constant Maturities,” for the maturity corresponding to the Comparable Treasury Issue (if no maturity is within three (3) months before or after August 12, 2024, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue shall be determined and the Adjusted Treasury Rate shall be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month) or (ii) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per year equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date, in each case calculated on the third Business Day immediately preceding the redemption date.

“Affiliate” means, with respect to any Person, any other Person (1) directly or indirectly controlling, controlled by, or under direct or indirect common control with, such Person; (2) who is a director or officer of such Person or any Subsidiary of such Person or of any Person referred to in clause (1) of this definition; or (3) who is a spouse or any person cohabiting as a spouse, child or step-child, parent or step-parent, brother, sister, step-brother or step-sister, parent-in-law, grandchild, grandparent, uncle, aunt, nephew and niece of a Person described in clause (1) or (2). For purposes of this definition, “control” (including, with correlative meanings, the terms “controlling,” “controlled by” and “under common control with”), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

“Applicable Premium” means with respect to any Note at any redemption date, the greater of (1) 1.00% of the principal amount of such Note and (2) the excess of (A) the present value at such redemption date of the principal amount of such Note on August 12, 2024, plus all required remaining scheduled interest payments due on such Note through August 12, 2024 (but excluding accrued and unpaid interest to the redemption date), computed using a discount rate equal to the Adjusted Treasury Rate plus 100 basis points, over (B) the principal amount of such Note on such redemption date.

“April 2023 Notes” means the 6.15% Senior Notes due 2023 issued by the Company.

“April 2023 Notes Indenture” means the indenture dated April 15, 2019 (as supplemented and amended from time to time), under which the April 2023 Notes were issued.

“Asset Acquisition” means (1) an investment by the Company or any Restricted Subsidiary in any other Person pursuant to which such Person shall become a Restricted Subsidiary or shall be merged into or consolidated with the Company or any Restricted Subsidiary; or (2) an acquisition by the Company or any Restricted Subsidiary of the property and assets of any Person other than the Company or any Restricted Subsidiary that constitute substantially all of a division or line of business of such Person.

“Asset Disposition” means the sale or other disposition by the Company or any Restricted Subsidiary (other than to the Company or another Restricted Subsidiary) of (1) all or substantially all of the Capital Stock of any Restricted Subsidiary; or (2) all or substantially all of the assets that constitute a division or line of business of the Company or any Restricted Subsidiary.

“Asset Sale” means any sale, transfer or other disposition (including by way of merger, consolidation or Sale and Leaseback Transaction) of any of its property or assets (including any sale of Capital Stock of a Subsidiary or issuance of Capital Stock by a Restricted Subsidiary) in one transaction or a series of related transactions by the Company or any Restricted Subsidiary to any Person; provided that “Asset Sale” shall not include:

- (1) sales, transfers or other dispositions of inventory, receivables and other current assets (including properties under development for sale and completed properties for sale) in the ordinary course of business;
- (2) sales, transfers or other dispositions of assets constituting a Permitted Investment or Restricted Payment permitted to be made under the “– Limitation on Restricted Payments” covenant;
- (3) sales, transfers or other dispositions of assets with a Fair Market Value not in excess of US\$1.0 million (or the Dollar Equivalent thereof) in any transaction or series of related transactions;
- (4) any sale, transfer, assignment or other disposition of any property, or equipment that has become damaged, worn out, obsolete or otherwise unsuitable for use in connection with the business of the Company and its Restricted Subsidiaries;
- (5) any transfer, assignment or other disposition deemed to occur in connection with creating or granting any Permitted Lien;

- (6) a transaction covered by the “– Consolidation, Merger and Sale of Assets” covenant; and
- (7) any sale, transfer or other disposition by the Company or any Restricted Subsidiary, including the sale or issuance by the Company or any Restricted Subsidiary of any Capital Stock of any Restricted Subsidiary, to the Company or any Restricted Subsidiary.

“Attributable Indebtedness” means, in respect of a Sale and Leaseback Transaction, at the time of determination, the present value, discounted at the interest rate implicit in the Sale and Leaseback Transaction, of the total obligations of the lessee for rental payments during the remaining term of the lease in the Sale and Leaseback Transaction, including any period for which such lease has been extended or may, at the option of the lessor, be extended.

“Average Life” means, at any date of determination with respect to any Indebtedness, the quotient obtained by dividing (1) the sum of the products of (a) the number of years from such date of determination to the dates of each successive scheduled principal payment of such Indebtedness and (b) the amount of such principal payment by (2) the sum of all such principal payments.

“Bank Deposit Secured Indebtedness” means Indebtedness of the Company or any Restricted Subsidiary that is (A)(1) secured by a pledge of cash deposits, bank accounts or other assets of the Company or a Restricted Subsidiary and/or (2) Guaranteed by a Guarantee or a letter of credit (or similar instruments) from or arranged by the Company or a Restricted Subsidiary and (B) is used by the Company and its Restricted Subsidiaries to in effect exchange foreign currencies or remit money onshore or offshore.

“Board of Directors” means the board of directors elected or appointed by the stockholders of the Company to manage the business of the Company or any committee of such board duly authorized to take the action purported to be taken by such committee.

“Board Resolution” means any resolution of the Board of Directors taking an action which it is authorized to take and adopted at a meeting duly called and held at which a quorum of disinterested members (if so required) was present and acting throughout or adopted by written resolution executed by every member of the Board of Directors.

“Business Day” means any day which is not a Saturday, Sunday, legal holiday or other day on which banking institutions in The City of New York, London or Hong Kong (or in any other place in which payments on the Notes are to be made) are authorized by law or governmental regulation to close.

“Capital Stock” means, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) in equity of such Person, whether outstanding on the Original Issue Date or issued thereafter, including, without limitation, all Common Stock and Preferred Stock, but excluding debt securities convertible into such equity.

“Capitalized Lease” means, with respect to any Person, any lease of any property (whether real, personal or mixed) which, in conformity with GAAP, is required to be capitalized on the balance sheet or statement of financial position of such Person, *provided* that Capitalized Lease shall not include any lease which would have been classified as an “operating lease” before the adoption of GAAP 16.

“Capitalized Lease Obligations” means the discounted present value of the rental obligations under a Capitalized Lease.

“Change of Control” means the occurrence of one or more of the following events:

- (1) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Company and its Restricted Subsidiaries, taken as a whole, to any “person” (within the meaning of Section 13(d) of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”)), other than one or more Permitted Holders;

- (2) the Company consolidates with, or merges with or into, any Person (other than one or more Permitted Holders), or any Person consolidates with, or merges with or into, the Company, in any such event pursuant to a transaction in which any of the outstanding Voting Stock of the Company or such other Person is converted into or exchanged for cash, securities or other property, other than any such transaction where the Voting Stock of the Company outstanding immediately prior to such transaction is converted into or exchanged for (or continues as) Voting Stock (other than Disqualified Stock) of the surviving or transferee Person constituting a majority of the outstanding shares of Voting Stock of such surviving or transferee Person (immediately after giving effect to such issuance) and in substantially the same proportion as before the transaction;
- (3) (a) the Permitted Holders are the beneficial owners of less than 50.1% of the total voting power of the Voting Stock of the Company and (b) Mr. Wang Xiaosong ceases to be the chairman of the board of directors of the Company;
- (4) individuals who on the Original Issue Date constituted the board of directors of the Company, together with any new directors whose election was approved by a vote of at least two-thirds of the directors then still in office who were either directors or whose election was previously so approved, cease for any reason to constitute a majority of the board of directors of the Company then in office; or
- (5) the adoption of a plan relating to the liquidation or dissolution of the Company.

“Change of Control Triggering Event” means the occurrence of both a Change of Control and a Rating Decline.

“Clearstream” means Clearstream Banking S.A.

“Collateral” means all collateral securing, or purported to be securing, directly or indirectly, the Notes, any Subsidiary Guarantee or any JV Subsidiary Guarantee pursuant to the Security Documents, and shall initially consist of the Capital Stock of the initial Subsidiary Guarantors.

“Collateral Agent” means The Bank of New York Mellon.

“Commodity Agreement” means any spot, forward or option commodity price protection agreements or other similar agreement or arrangement designed to protect against fluctuations in commodity prices.

“Common Stock” means, with respect to any Person, any and all shares, interests or other participations in, and other equivalents (however designated and whether voting or non-voting) of such Person’s common stock or ordinary shares, whether or not outstanding on the Original Issue Date, and include, without limitation, all series and classes of such common stock or ordinary shares.

“Comparable Treasury Issue” means the U.S. Treasury security having a maturity comparable to the remaining term of the Notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Notes from the redemption date to August 12, 2024.

“Comparable Treasury Price” means, with respect to any redemption date if clause (ii) of the Adjusted Treasury Rate is applicable, the average of three (or such lesser number as is obtained by the Company) Reference Treasury Dealer Quotations for such redemption date.

“Consolidated Assets” means, with respect to any Restricted Subsidiary at any date of determination, the Company and its Restricted Subsidiaries’ proportionate interest in the total consolidated assets of such Restricted Subsidiary and its Restricted Subsidiaries measured in accordance with GAAP as of the last day of the most recent fiscal quarter period for which consolidated financial statements of the Company and its Restricted Subsidiaries (which the Company shall use its reasonable best efforts to compile in a timely manner) are available (which may be internal consolidated financial statements).

“Consolidated EBITDA” means, for any period, Consolidated Net Income for such period plus, to the extent such amount was deducted in calculating such Consolidated Net Income:

- (1) Consolidated Interest Expense,
- (2) income taxes (other than income taxes attributable to extraordinary and non-recurring gains (or losses) or sales of assets), and
- (3) depreciation expense, amortization expense and all other non-cash items reducing Consolidated Net Income (other than non-cash items in a period which reflect cash expenses paid or to be paid in another period), less all non-cash items increasing Consolidated Net Income (other than gains on Investment Properties arising from fair value adjustments made in conformity with GAAP),

all as determined on a consolidated basis for the Company and its Restricted Subsidiaries in conformity with GAAP; *provided* that (1) if any Restricted Subsidiary is not a Wholly Owned Restricted Subsidiary (other than any Restricted Subsidiary that is a Listed Subsidiary) and its directly and indirectly held Subsidiaries), Consolidated EBITDA shall be reduced (to the extent not otherwise reduced in accordance with GAAP) by an amount equal to (A) the amount of the Consolidated Net Income attributable to such Restricted Subsidiary multiplied by (B) the percentage ownership interest in the income of such Restricted Subsidiary not owned on the last day of such period by the Company or any Restricted Subsidiary; (2) in the case of any Restricted Subsidiary that is a Listed Subsidiary (consolidated in accordance with GAAP), Consolidated EBITDA shall be reduced (to the extent not already reduced in accordance with GAAP) by any payments, distributions or amounts (including the Fair Market Value of any non-cash payments, distributions or amounts) declared or paid by such Restricted Subsidiary that is a Listed Subsidiary to its shareholders other than the Company or any other Restricted Subsidiary; and (3) in the case of any PRC CJV (consolidated in accordance with GAAP), Consolidated EBITDA shall be reduced (to the extent not already reduced in accordance with GAAP) by any payments, distributions or amounts (including the Fair Market Value of any non-cash payments, distributions or amounts) required to be made or paid by such PRC CJV to the PRC CJV Partner, or to which the PRC CJV Partner otherwise has a right or is entitled, pursuant to the joint venture agreement governing such PRC CJV.

“Consolidated Fixed Charges” means, for any period, the sum (without duplication) of (1) Consolidated Interest Expense for such period and (2) all cash and non-cash dividends paid, declared, accrued or accumulated during such period on any Disqualified Stock or Preferred Stock of the Company or any Restricted Subsidiary held by Persons other than the Company or any Wholly Owned Restricted Subsidiary, except for dividends payable in the Company’s Capital Stock (other than Disqualified Stock) or paid to the Company or a Wholly Owned Restricted Subsidiary.

“Consolidated Interest Expense” means, for any period, the amount that would be included in gross interest expense on a consolidated income statement prepared in accordance with GAAP for such period of the Company and its Restricted Subsidiaries, plus, to the extent not included in such gross interest expense, and to the extent incurred, accrued or payable during such period by the Company and its Restricted Subsidiaries, without duplication, (1) interest expense attributable to Capitalized Lease Obligations and imputed interest with respect to Attributable Indebtedness, (2) amortization of debt issuance costs and original issue discount expense and non-cash interest payments in respect of any Indebtedness, (3) the interest portion of any deferred payment obligation, (4) all commissions, discounts and other fees and charges with respect to letters of credit or similar instruments issued for financing purposes or in respect of any Indebtedness, (5) the net costs associated with Hedging Obligations (including the amortization of fees), (6) interest accruing on Indebtedness of any other Person that is Guaranteed by the Company or any Restricted Subsidiary (other than Pre-Registration Mortgage Guarantees), only to the extent such interest has become payable by the Company or any Restricted Subsidiary, and (7) any capitalized interest, *provided* that Consolidated Interest Expense shall not include (x) interest expense attributable to leases which would have been classified as “operating leases” before the adoption of GAAP 16 and (y) interest expense accruing on pre-sale receipts in advance from customers; and *provided* further that interest expense attributable to interest on any Indebtedness bearing a floating interest rate will be computed on a pro forma basis as if the rate in effect on the date of determination had been the applicable rate for the entire relevant period, and provided further that, for the avoidance of doubt, distributions (incurred or accrued) or payments on any Perpetual Bond Obligation shall not be included in the calculation of Consolidated Interest Expense.

“Consolidated Net Income” means, with respect to any specified Person for any period, the aggregate of the net income (or loss) of such Person and its Restricted Subsidiaries for such period, on a consolidated basis and, solely for the purposes of clause (c)(i) of the first paragraph of the covenant described under “– Certain Covenants – Limitation on Restricted Payments,” attributable to equity holders of such Person (which excludes net income attributable to non-controlling interests), determined in conformity with GAAP; *provided* that the following items shall be excluded in computing Consolidated Net Income (without duplication):

- (1) the net income (or loss) of any Person that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting except that:
 - (a) subject to the exclusion contained in clause (5) below, the Company’s equity in the net income of any such Person for such period shall be included in such Consolidated Net Income up to the aggregate amount of cash actually distributed by such Person during such period to the Company or a Restricted Subsidiary as a dividend or other distribution (subject, in the case of a dividend or other distribution paid to a Restricted Subsidiary, to the limitations contained in clause (3) below); and
 - (b) the Company’s equity in a net loss of any such Person for such period shall be included in determining such Consolidated Net Income to the extent funded with cash or other assets of the Company or Restricted Subsidiaries;
- (2) the net income (or loss) of any Person accrued prior to the date it becomes a Restricted Subsidiary or is merged into or consolidated with the Company or any Restricted Subsidiary or all or substantially all of the property and assets of such Person are acquired by the Company or any Restricted Subsidiary;
- (3) the net income (but not loss) of any Restricted Subsidiary to the extent that the declaration or payment of dividends or similar distributions by such Restricted Subsidiary of such net income is not at the time permitted by the operation of the terms of its charter, articles of association or other similar constitutive documents, or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to such Restricted Subsidiary;
- (4) the cumulative effect of a change in accounting principles;
- (5) any net after tax gains realized on the sale or other disposition of (a) any property or assets of the Company or any Restricted Subsidiary which is not sold in the ordinary course of its business or (b) any Capital Stock of any Person (including any gains by the Company realized on sales of Capital Stock of the Company or other Restricted Subsidiaries);
- (6) any translation gains and losses due solely to fluctuations in currency values and related tax effects; and
- (7) any net after-tax extraordinary or non-recurring gains;

provided that (A) solely for purposes of calculating Consolidated EBITDA and the Fixed Charge Coverage Ratio, any net after tax gains derived from direct or indirect sales by the Company or any Restricted Subsidiary of (i) Capital Stock of a Restricted Subsidiary primarily engaged in the holding of Investment Property or (ii) an interest in any Investment Property arising from the difference between the current book value and the cash sale price shall not be excluded from Consolidated Net Income; (B) for purposes of the Consolidated Net Income calculation (but not for purposes of calculating Consolidated EBITDA and the Fixed Charge Coverage Ratio) any net after tax gains derived from direct or indirect sale by the Company or any Restricted Subsidiary of (i) Capital Stock of a Restricted Subsidiary primarily engaged in the holding of Investment Property or (ii) an interest in any Investment

Property arising from the difference between the original cost basis and the cash sale price shall be added to Consolidated Net Income to the extent not already included in the net income for such period as determined in conformity with GAAP and Consolidated Net Income; and (C) solely for the purposes of calculating Consolidated EBITDA and the Fixed Charge Coverage Ratio, any net after tax gains on Investment Properties arising from fair value adjustments made in conformity with GAAP shall not be excluded from Consolidated Net Income.

“Consolidated Net Worth” means, at any date of determination, stockholders’ equity as set forth on the most recently available semi-annual or annual consolidated statement of financial position of the Company and its Restricted Subsidiaries, plus, to the extent not included, any Preferred Stock of the Company, less any amounts attributable to Disqualified Stock or any equity security convertible into or exchangeable for Indebtedness, the cost of treasury stock and the principal amount of any promissory notes receivable from the sale of the Capital Stock of the Company or any Restricted Subsidiary, each item to be determined in conformity with GAAP.

“Contractor Guarantees” means any Guarantee by the Company or any Restricted Subsidiary of Indebtedness of any contractor, builder or other similar Person engaged by the Company or such Restricted Subsidiary in connection with the development, construction or improvement of real or personal property or equipment to be used in a Permitted Business by the Company or any Restricted Subsidiary in the ordinary course of business, which Indebtedness was Incurred by such contractor, builder or other similar Person to finance the cost of such development, construction or improvement.

“Corporate Trust Office” means the office of the Trustee at which the corporate trust business of the Trustee is principally administered, which shall initially be located at One Canada Square, London E14 5AL, United Kingdom, attention: Global Corporate Trust – Seazen Group Limited and shall include a reference to the Specified Corporate Trust Office.

“Creditor Representatives” means, collectively, the Trustee, the September 2020 Notes Trustee, the January 2021 Notes Trustee, the April 2023 Notes Trustee, the June 2022 Notes Trustee and holders (or their trustee representatives or agents) of any other Permitted Pari Passu Secured Indebtedness.

“Currency Agreement” means any foreign exchange forward contract, currency swap agreement or other similar agreement or arrangement designed to protect against fluctuations in foreign exchange rates.

“Debt Documents” means, collectively, the Indenture, the September 2020 Notes Indenture, the January 2021 Notes Indenture, the April 2023 Notes Indenture, the June 2022 Notes Indenture and the documents evidencing any other Permitted Pari Passu Secured Indebtedness.

“Default” means any event that is, or after notice or passage of time or both would be, an Event of Default.

“Disqualified Stock” means any class or series of Capital Stock of any Person that by its terms or otherwise is (1) required to be redeemed prior to the date that is 183 days after the Stated Maturity of the Notes, (2) redeemable at the option of the holder of such class or series of Capital Stock at any time prior to the date that is 183 days after the Stated Maturity of the Notes or (3) convertible into or exchangeable for Capital Stock referred to in clause (1) or (2) above or Indebtedness having a scheduled maturity prior to the Stated Maturity of the Notes; *provided* that any Capital Stock that would not constitute Disqualified Stock but for provisions thereof giving holders thereof the right to require such Person to repurchase or redeem such Capital Stock upon the occurrence of an “asset sale” or “change of control” occurring prior to the Stated Maturity of the Notes shall not constitute Disqualified Stock if the “asset sale” or “change of control” provisions applicable to such Capital Stock are no more favorable to the holders of such Capital Stock than the provisions contained in the “– Limitation on Asset Sales” and “– Repurchase of Notes upon a Change of Control Triggering Event” covenants and such Capital Stock specifically provides that such Person will not repurchase or redeem any such stock pursuant to such provision prior to the Company’s repurchase of such Notes as are required to be repurchased pursuant to the “– Limitation on Asset Sales” and “– Repurchase of Notes upon a Change of Control Triggering Event” covenants.

“Dollar Equivalent” means, with respect to any monetary amount in a currency other than U.S. dollars, at any time for the determination thereof, the amount of U.S. dollars obtained by converting such foreign currency involved in such computation into U.S. dollars at the base rate for the purchase of U.S. dollars with the applicable foreign currency as quoted by the Federal Reserve Bank of New York on the date of determination.

“Entrusted Loans” means borrowings by a PRC Restricted Subsidiary from a bank that are secured by a pledge of deposits made by another PRC Restricted Subsidiary to the lending bank as security for such borrowings, *provided* that such borrowings are not reflected on the consolidated statement of financial position of the Company.

“Equity Offering” means (i) any underwritten primary public offering or private placement of Common Stock of the Company after the Original Issue Date or (ii) any underwritten secondary public offering or secondary private placement of Common Stock of the Company beneficially owned by a Permitted Holder, after the Original Issue Date, to the extent that a Permitted Holder or a company controlled by a Permitted Holder concurrently with such public offering or private placement purchases in cash an equal amount of Common Stock from the Company at the same price as the public offering or private placement price; *provided* that any offering or placement referred to in (A) clause (i), (B) clause (ii), or (C) a combination of clauses (i) and (ii) result in the aggregate gross cash proceeds received by the Company being no less than US\$20.0 million (or the Dollar Equivalent thereof).

“Euroclear” means Euroclear Bank SA/NV.

“Exempted Subsidiary” means (a) any Restricted Subsidiary organized in any jurisdiction other than the PRC that is prohibited by applicable law or regulation from providing a Subsidiary Guarantee or a JV Subsidiary Guarantee or creating any Lien over its Capital Stock to secure any of the secured obligations subject to the Intercreditor Agreement; *provided* that (x) the Company shall have failed, upon using commercially reasonable efforts, to obtain any required governmental or regulatory approval or registration with respect to such Subsidiary Guarantee, JV Subsidiary Guarantee or Lien over its Capital Stock, to the extent that such approval or registration may be available under any applicable law or regulation and (y) such Restricted Subsidiary shall cease to be an Exempted Subsidiary immediately upon such prohibition ceasing to be in force or ceasing to apply to such Restricted Subsidiary or upon the Company having obtained applicable approval or registration; or (b) any Restricted Subsidiary organized in any jurisdiction other than the PRC that is or becomes a Listed Subsidiary or Subsidiary of a Listed Subsidiary.

“Fair Market Value” means the price that would be paid in an arm’s-length transaction between an informed and willing seller under no compulsion to sell and an informed and willing buyer under no compulsion to buy, as determined in good faith by the Board of Directors, whose determination shall be conclusive if evidenced by a Board Resolution, except in the case of a determination of Fair Market Value of total assets for the purposes of determining a JV Entitlement Amount, in which case such price shall be determined by an accounting, appraisal or investment banking firm of recognized international standing appointed by the Company.

“Finance Subsidiary” means a Subsidiary of the Company or another Finance Subsidiary (i) whose operations are comprised of Incurring Indebtedness to Persons other than the Company, any Restricted Subsidiary or their respective Affiliates from time to time to finance the operations of the Company and/or its Subsidiaries and (ii) which conducts no business and owns no material assets other than any equity interests in a Finance Subsidiary or intercompany Indebtedness incurred in connection with the Indebtedness described in clause (i).

“Fitch” means Fitch Ratings Ltd., a subsidiary of the Fitch Group, a jointly owned subsidiary of Fimalae, S.A. and Hearst Corporation, and its successors.

“Fixed Charge Coverage Ratio” means, on any Transaction Date, the ratio of (1) the aggregate amount of Consolidated EBITDA for the then most recent four fiscal quarters prior to such Transaction Date for which consolidated financial statements of the Company (which the Company shall use its reasonable best efforts to compile in a timely manner) are available (which may be internal consolidated financial statements) (the “Four Quarter Period”) to (2) the aggregate Consolidated Fixed Charges during such Four Quarter Period. In making the foregoing calculation:

- (a) pro forma effect shall be given to any Indebtedness or Preferred Stock Incurred, repaid or redeemed during the period (the “Reference Period”) commencing on and including the first day of the Four Quarter Period and ending on and including the Transaction Date (other than Indebtedness Incurred or repaid under a revolving credit or similar arrangement (or under any predecessor revolving credit or similar arrangement) in effect on the last day of such Four Quarter Period), in each case as if such Indebtedness or Preferred Stock had been Incurred, repaid or redeemed on the first day of such Reference Period; provided that, in the event of any such repayment or redemption, Consolidated EBITDA for such period shall be calculated as if the Company or such Restricted Subsidiary had not earned any interest income actually earned during such period in respect of the funds used to repay or redeem such Indebtedness or Preferred Stock;
- (b) Consolidated Interest Expense attributable to interest on any Indebtedness (whether existing or being Incurred) computed on a pro forma basis and bearing a floating interest rate shall be computed as if the rate in effect on the Transaction Date (taking into account any Interest Rate Agreement applicable to such Indebtedness if such Interest Rate Agreement has a remaining term in excess of 12 months or, if shorter, at least equal to the remaining term of such Indebtedness) had been the applicable rate for the entire period;
- (c) pro forma effect shall be given to the creation, designation or redesignation of Restricted and Unrestricted Subsidiaries as if such creation, designation or redesignation had occurred on the first day of such Reference Period;
- (d) pro forma effect shall be given to Asset Dispositions and Asset Acquisitions (including giving pro forma effect to the application of proceeds of any Asset Disposition) that occur during such Reference Period as if they had occurred and such proceeds had been applied on the first day of such Reference Period; and
- (e) pro forma effect shall be given to asset dispositions and asset acquisitions (including giving pro forma effect to the application of proceeds of any asset disposition) that have been made by any Person that has become a Restricted Subsidiary or has been merged with or into the Company or any Restricted Subsidiary during such Reference Period and that would have constituted Asset Dispositions or Asset Acquisitions had such transactions occurred when such Person was a Restricted Subsidiary as if such asset dispositions or asset acquisitions were Asset Dispositions or Asset Acquisitions that occurred on the first day of such Reference Period;

provided that to the extent that clause (d) or (e) of this paragraph requires that pro forma effect be given to an Asset Acquisition or Asset Disposition (or asset acquisition or asset disposition), such pro forma calculation shall be based upon the four full fiscal quarters immediately preceding the Transaction Date of the Person, or division or line of business of the Person, that is acquired or disposed for which financial information is available.

“GAAP” means Hong Kong Financial Reporting Standards as in effect from time to time. All ratios and computations contained or referred to in the Indenture shall be computed in conformity with GAAP applied on a consistent basis.

“Guarantee” means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness or other obligation of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (1) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or

other obligation of such other Person (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise) or (2) entered into for purposes of assuring in any other manner the obligee of such Indebtedness or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part), *provided* that the term “Guarantee” shall not include endorsements for collection or deposit in the ordinary course of business. The term “Guarantee” used as a verb has a corresponding meaning.

“Hedging Obligation” of any Person means the obligations of such Person pursuant to any Commodity Agreement, Currency Agreement or Interest Rate Agreement.

“Holder” means the Person in whose name a Note is registered in the Note register.

“Incur” means, with respect to any Indebtedness or Capital Stock, to incur, create, issue, assume, Guarantee or otherwise become liable for or with respect to, or become responsible for, the payment of, contingently or otherwise, such Indebtedness or Capital Stock; *provided* that (1) any Indebtedness and Capital Stock of a Person existing at the time such Person becomes a Restricted Subsidiary (or fails to meet the qualifications necessary to remain an Unrestricted Subsidiary) will be deemed to be Incurred by such Restricted Subsidiary at the time it becomes a Restricted Subsidiary and (2) the accretion of original issue discount shall not be considered an Incurrence of Indebtedness. The terms “Incurrence,” “Incurred” and “Incurring” have meanings correlative with the foregoing.

“Indebtedness” means, with respect to any Person at any date of determination (without duplication):

- (1) all indebtedness of such Person for borrowed money;
- (2) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;
- (3) all obligations of such Person in respect of letters of credit, bankers’ acceptances or other similar instruments;
- (4) all obligations of such Person to pay the deferred and unpaid purchase price of property or services, except Trade Payables;
- (5) all Capitalized Lease Obligations and Attributable Indebtedness;
- (6) all Indebtedness of other Persons secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person; *provided* that the amount of such Indebtedness shall be the lesser of (a) the Fair Market Value of such asset at such date of determination and (b) the amount of such Indebtedness;
- (7) all Indebtedness of other Persons Guaranteed by such Person to the extent such Indebtedness is Guaranteed by such Person;
- (8) to the extent not otherwise included in this definition, Hedging Obligations; and
- (9) all Disqualified Stock issued by such Person valued at the greater of its voluntary or involuntary liquidation preference and its maximum fixed repurchase price plus accrued dividends.

For the avoidance of doubt, a mandatory put option granted to a Person that obligates the Company or any Restricted Subsidiary to repurchase the Capital Stock of any Restricted Subsidiary or any other Person shall be deemed to be “Indebtedness.”

Notwithstanding the foregoing, Indebtedness shall not include any (1) capital commitments, pre-sale receipts in advance from customers, deferred payment obligations, or similar obligations incurred in the ordinary course of business in connection with the acquisition, development, construction or improvement of real or personal property (including land use rights) to be used in a Permitted Business; (2) Entrusted Loans; (3) Perpetual Bond Obligations; or (4) any lease liabilities arising from leases which would have been classified as “operating leases” before the adoption of GAAP 16; *provided* that such Indebtedness is not reflected as borrowings on the consolidated statement of financial position of the Company (contingent obligations and commitments referred to in a footnote to financial statements and not otherwise reflected on the statement of financial position will not be deemed to be reflected on such statement of financial position).

The amount of Indebtedness of any Person at any date shall be the outstanding balance at such date of all unconditional obligations as described above and, with respect to contingent obligations, the maximum liability upon the occurrence of the contingency giving rise to the obligation; *provided* that:

- (1) the amount outstanding at any time of any Indebtedness issued with original issue discount is the face amount of such Indebtedness less the remaining unamortized portion of the original issue discount of such Indebtedness at such time as determined in conformity with GAAP,
- (2) money borrowed and set aside at the time of the Incurrence of any Indebtedness in order to prefund the payment of the interest on such Indebtedness shall not be deemed to be “Indebtedness” so long as such money is held to secure the payment of such interest, and
- (3) the amount of Indebtedness with respect to any Hedging Obligation shall be: (i) zero if Incurred pursuant to clause 2(f) of the covenant under “– Limitation on Indebtedness and Preferred Stock”, and (ii) equal to the net amount payable by such Person if such Hedging Obligation terminated at or prior to that time if not Incurred pursuant to such clause.

“Independent Third Party” means any Person that is not an Affiliate of the Company. “Intercreditor Agreement” has the meaning set forth under “– Security.”

“Interest Rate Agreement” means any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement, option or future contract or other similar agreement or arrangement designed to protect against fluctuations in interest rates.

“Investment” means:

- (1) any direct or indirect advance, loan or other extension of credit to another Person;
- (2) any capital contribution to another Person (by means of any transfer of cash or other property to others or any payment for property or services for the account or use of others);
- (3) any purchase or acquisition of Capital Stock, Indebtedness, bonds, notes, debentures or other similar instruments or securities issued by another Person; or
- (4) any Guarantee of any obligation of another Person to the extent such obligation is outstanding and to the extent guaranteed by such Person.

For the purposes of the provisions of the “Designation of Restricted and Unrestricted Subsidiaries” and “Limitation on Restricted Payments” covenants: (1) the Company will be deemed to have made an Investment in an Unrestricted Subsidiary in an amount equal to the Company’s proportional interest in the Fair Market Value of the assets (net of the Company’s proportionate interest in the liabilities owed to any Person other than the Company or a Restricted Subsidiary and that are not Guaranteed by the Company or a Restricted Subsidiary) of a Restricted Subsidiary that is designated an Unrestricted Subsidiary at the time of such designation and (2) any property transferred to or from any Person shall be valued at its Fair Market Value at the time of such transfer, as determined in good faith by the Board of Directors.

“Investment Grade” means a rating of “AAA”, “AA”, “A” or “BBB”, as modified by a “+” or “-” indication, or an equivalent rating representing one of the four highest Rating Categories, by Fitch, or any of its successors or assigns or the equivalent ratings of any internationally recognized rating agency or agencies, as the case may be, which shall have been designated by the Company as having been substituted for Fitch.

“Investment Property” means any property that is owned and held by any PRC Restricted Subsidiary for long-term rental yield or for capital appreciation or both, or any hotel owned by the Company or any Restricted Subsidiary from which the Company or any Restricted Subsidiary derives or expects to derive operating income.

“January 2021 Notes” means the 7.5% Senior Notes due 2021 issued by the Company.

“January 2021 Notes Indenture” means the indenture dated January 22, 2019 (as supplemented and amended from time to time), under which the January 2021 Notes were issued.

“June 2022 Notes” means the 6.45% Senior Notes due 2022 issued by the Company.

“June 2022 Notes Indenture” means the indenture dated June 11, 2020 (as supplemented and amended from time to time), under which the June 2022 Notes were issued.

“JV Entitlement Amount” means, with respect to any JV Subsidiary Guarantor and its Subsidiaries, an amount that is equal to the product of (i) the Fair Market Value of the total assets of such JV Subsidiary and its Subsidiaries, on a consolidated basis (without deducting any Indebtedness or other liabilities of such JV Subsidiary Guarantor and its subsidiaries) as of the date of the last fiscal year end of the Company and (ii) a percentage equal to the direct equity ownership percentage of the Company and/or its Restricted Subsidiaries in the Capital Stock of such JV Subsidiary Guarantor and its Subsidiaries.

“JV Subsidiary Guarantee” has the meaning set forth under the caption “– The Subsidiary Guarantees.”

“JV Subsidiary Guarantor” means a Restricted Subsidiary that executes a JV Subsidiary Guarantee. “Lien” means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including, without limitation, any conditional sale or other title retention agreement or lease in the nature thereof or any agreement to create any mortgage, pledge, security interest, lien, charge, easement or encumbrance of any kind).

“Listed Subsidiary” means any Subsidiary of the Company, the shares of which are at the relevant time listed on any nationally recognized securities exchange, including but not limited to, The Stock Exchange of Hong Kong Limited and the Shanghai Stock Exchange.

“Measurement Date” means January 31, 2013.

“Minority Joint Venture” means any corporation, association or other business entity that is accounted for by the equity method of accounting in accordance with GAAP by the Company or a Restricted Subsidiary and primarily engaged in the Permitted Businesses, and such Minority Joint Venture’s Subsidiaries.

“Moody’s” means Moody’s Investors Service, Inc. and its successors.

“Net Cash Proceeds” means:

- (1) with respect to any Asset Sale, the proceeds of such Asset Sale in the form of cash or cash equivalents, including payments in respect of deferred payment obligations (to the extent corresponding to the principal, but not interest, component thereof) when received in the form of cash or cash equivalents and proceeds from the conversion of other property received when converted to cash or cash equivalents, net of:
 - (a) brokerage commissions and other fees and expenses (including fees and expenses of counsel and investment banks) related to such Asset Sale;

- (b) provisions for all taxes (whether or not such taxes will actually be paid or are payable) as a result of such Asset Sale without regard to the consolidated results of operations of the Company and its Restricted Subsidiaries, taken as a whole;
 - (c) payments made to repay Indebtedness or any other obligation outstanding at the time of such Asset Sale that either (x) is secured by a Lien on the property or assets sold or (y) is required to be paid as a result of such sale;
 - (d) appropriate amounts to be provided by the Company or any Restricted Subsidiary as a reserve against any liabilities associated with such Asset Sale, including, without limitation, pension and other post-employment benefit liabilities, liabilities related to environmental matters and liabilities under any indemnification obligations associated with such Asset Sale, all as determined in conformity with GAAP; and
- (2) with respect to any issuance or sale of Capital Stock, the proceeds of such issuance or sale in the form of cash or cash equivalents, including payments in respect of deferred payment obligations (to the extent corresponding to the principal, but not interest, component thereof) when received in the form of cash or cash equivalents and proceeds from the conversion of other property received when converted to cash or cash equivalents, net of attorneys' fees, accountants' fees, underwriters' or placement agents' fees, discounts or commissions and brokerage, consultant and other fees incurred in connection with such issuance or sale and net of taxes paid or payable as a result thereof.

“Offer to Purchase” means an offer to purchase the Notes by the Company from the Holders commenced by mailing a notice by first class mail, postage prepaid, to the Trustee, the Paying Agent and each Holder at its last address appearing in the Note register stating:

- (1) the covenant pursuant to which the offer is being made and that all Notes validly tendered will be accepted for payment on a pro rata basis;
- (2) the purchase price and the date of purchase (which shall be a Business Day no earlier than 30 days nor later than 60 days from the date such notice is mailed) (the “Offer to Purchase Payment Date”);
- (3) that any Note not tendered will continue to accrue interest pursuant to its terms;
- (4) that, unless the Company defaults in the payment of the purchase price, any Note accepted for payment pursuant to the Offer to Purchase shall cease to accrue interest on and after the Offer to Purchase Payment Date;
- (5) that Holders electing to have a Note purchased pursuant to the Offer to Purchase will be required to surrender the Note, together with the form entitled “Option of the Holder to Elect Purchase” on the reverse side of the Note completed, to the Paying Agent at the address specified in the notice prior to the close of business on the Business Day immediately preceding the Offer to Purchase Payment Date;
- (6) that Holders will be entitled to withdraw their election if the Paying Agent receives, not later than the close of business on the third Business Day immediately preceding the Offer to Purchase Payment Date, a facsimile transmission or letter setting forth the name of such Holder, the principal amount of Notes delivered for purchase and a statement that such Holder is withdrawing his election to have such Notes purchased; and
- (7) that Holders whose Notes are being purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered; provided that each Note purchased and each new Note issued shall be in a principal amount of US\$200,000 or integral multiples of US\$1,000.

On one Business Day prior to Offer to Purchase Payment Date, the Company shall deposit with the Paying Agent money sufficient to pay the purchase price of all Notes or portions thereof so accepted. On the Offer to Purchase Payment Date, the Company shall (a) accept for payment on a pro rata basis Notes or portions thereof tendered pursuant to an Offer to Purchase; and (b) deliver, or cause to be delivered, to the Trustee all Notes or portions thereof so accepted together with an Officers' Certificate specifying the Notes or portions thereof accepted for payment by the Company. The Paying Agent shall promptly mail to the Holders of Notes so accepted payment in an amount equal to the purchase price, and the Registrar shall promptly authenticate and mail to such Holders a new Note equal in principal amount to any unpurchased portion of the Note surrendered; *provided* that each Note purchased and each new Note issued shall be in a principal amount of US\$200,000 or integral multiples of US\$1,000. The Company will publicly announce the results of an Offer to Purchase as soon as practicable after the Offer to Purchase Payment Date. The Company will comply with all applicable securities laws and regulations, in the event that the Company is required to repurchase Notes pursuant to an Offer to Purchase.

The materials used in connection with an Offer to Purchase are required to contain or incorporate by reference information concerning the business of the Company and its Subsidiaries which the Company in good faith believes will assist such Holders to make an informed decision with respect to the Offer to Purchase, including a brief description of the events requiring the Company to make the Offer to Purchase, and any other information required by applicable law to be included therein. The offer is required to contain all instructions and materials necessary to enable such Holders to tender Notes pursuant to the Offer to Purchase.

"Officer" means one of the executive officers of the Company or, in the case of a Subsidiary Guarantor or JV Subsidiary Guarantor, one of the directors or officers of such Subsidiary Guarantor or JV Subsidiary Guarantor, as the case may be.

"Officers' Certificate" means a certificate signed by two Officers; *provided, however*, with respect to the Officers' Certificate required to be delivered by any Subsidiary Guarantor or any JV Subsidiary Guarantor under the Indenture, Officers' Certificate means a certificate signed by one Officer if there is only one Officer in such Subsidiary Guarantor or JV Subsidiary Guarantor at the time such certificate is required to be delivered.

"Opinion of Counsel" means a written opinion from legal counsel who is acceptable to the Trustee.

"Original Issue Date" means the date on which the Notes are originally issued under the Indenture.

"Pari Passu Subsidiary Guarantee" means a guarantee by any Subsidiary Guarantor or any JV Subsidiary Guarantor of Indebtedness of the Company (including Additional Notes), any Finance Subsidiary or another Subsidiary Guarantor; *provided* that (1) the Company, such Finance Subsidiary or such Subsidiary Guarantor was permitted to Incur such Indebtedness under the covenant described under the caption "– Limitation on Indebtedness and Preferred Stock" and (2) such guarantee ranks *pari passu* with any outstanding Subsidiary Guarantee of such Subsidiary Guarantor, or with any outstanding JV Subsidiary Guarantee of such JV Subsidiary Guarantor, as the case may be.

"Permitted Businesses" means any business which is the same as or related, ancillary or complementary to, or which has the aim or effect of enhancing the value or flexibility of or adding value or services to the customers in, any of the businesses of the Company and its Restricted Subsidiaries on the Original Issue Date, including, without limitation, real estate acquisition, development, leasing, operation and management (including residential and commercial properties, hotels, leisure facilities and other infrastructure), financing, microfinance and cultural-, entertainment- or marketing-related businesses.

“Permitted Holders” means any or all of the following:

- (1) Mr. Wang Zhenhua;
- (2) any Affiliate (other than an Affiliate as defined in clause (2) or (3) of the definition of Affiliate) of the Person specified in clause (1);
- (3) the trust of the Person specified in clause (1) or the legal representative thereof; and
- (4) any Person both the Capital Stock and the Voting Stock of which (or in the case of a trust, the beneficial interests in which) are owned 80% or more by Persons specified in clauses (1) or (2).

“Permitted Investment” means:

- (1) any Investment in the Company or a Restricted Subsidiary that is primarily engaged in a Permitted Business or a Person which will, upon the making of such Investment, become a Restricted Subsidiary that is primarily engaged in a Permitted Business or be merged or consolidated with or into or transfer or convey all or substantially all its assets to, the Company or a Restricted Subsidiary that is primarily engaged in a Permitted Business;
- (2) Temporary Cash Investments;
- (3) payroll, travel and similar advances to cover matters that are expected at the time of such advances ultimately to be treated as expenses in accordance with GAAP;
- (4) stock, obligations or securities received in satisfaction of judgments;
- (5) an Investment in an Unrestricted Subsidiary consisting solely of an Investment in another Unrestricted Subsidiary;
- (6) any Investment pursuant to a Hedging Obligation designed solely to protect the Company or any Restricted Subsidiary against fluctuations in commodity prices, interest rates or foreign currency exchange rates and not for speculation;
- (7) receivables owing to the Company or any Restricted Subsidiary, if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms;
- (8) Investments made by the Company or any Restricted Subsidiary consisting of consideration received in connection with an Asset Sale made in compliance with the covenant described under the caption “– Limitation on Asset Sales”;
- (9) pledges or deposits (x) with respect to leases or utilities provided to third parties in the ordinary course of business or (y) otherwise described in the definition of “Permitted Liens” or made in connection with Liens permitted under the covenant described under the caption “– Limitation on Liens”;
- (10) any Investment pursuant to Pre-Registration Mortgage Guarantees or Contractor Guarantees by the Company or any Restricted Subsidiary otherwise permitted to be Incurred under the Indenture;
- (11) Investments in securities of trade creditors, trade debtors or customers received pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of such trade creditor, trade debtor or customer;
- (12) advances to contractors and suppliers for the acquisition of assets or consumables or services in the ordinary course of business that are recorded as deposits or prepaid expenses on the Company’s consolidated statement of financial position;

- (13) deposits of pre-sale proceeds made in order to secure the completion and delivery of pre-sold properties and issuance of the related land use title in the ordinary course of business;
- (14) deposits made in order to comply with statutory or regulatory obligations to maintain deposits for workers compensation claims and other purposes specified by statute or regulation from time to time in the ordinary course of business;
- (15) deposits made in order to secure the performance of the Company or any Restricted Subsidiary and prepayments made in connection with the direct or indirect acquisition of real property or land use rights by the Company or any Restricted Subsidiary, in each case in the ordinary course of business;
- (16) an acquisition of assets, Capital Stock or other securities by the Company or a Subsidiary for consideration to the extent such consideration consists solely of Common Stock of the Company;
- (17) Guarantees permitted under the second paragraph of the covenant described under the caption “– Limitation on Indebtedness and Preferred Stock”;
- (18) any Investment (including any deemed Investment upon the redesignation of a Restricted Subsidiary as an Unrestricted Subsidiary or upon the sale of Capital Stock of a Restricted Subsidiary) by the Company or any Restricted Subsidiary in any Person (other than a Restricted Subsidiary), *provided that*:
 - (i) the aggregate of all Investments made under this clause (18) since the Original Issue Date shall not exceed in aggregate an amount equal to 35% of Total Assets. Such aggregate amount of Investments shall be calculated after deducting an amount equal to the net reduction in all Investments made under this clause (18) since the Original Issue Date resulting from:
 - (A) payments of interest on Indebtedness, dividends or repayments of loans or advances made under this clause, in each case to the Company or any Restricted Subsidiary (except, in each case, to the extent any such payment or proceeds are included in the calculation of Consolidated Net Income),
 - (B) the unconditional release of a Guarantee provided by the Company or a Restricted Subsidiary after the Original Issue Date under this clause (18) of an obligation of any such Person, or
 - (C) to the extent that an Investment made after the Original Issue Date under this clause (18) is sold or otherwise liquidated or repaid for cash, the lesser of (x) cash return of capital with respect to such Investment (less the cost of disposition, if any) and (y) the initial amount of such Investment, not to exceed, in each case, the amount of Investments made by the Company or a Restricted Subsidiary after the Original Issue Date in any such Person pursuant to this clause (18);
 - (ii) the Person into which such Investment is made is primarily engaged in the Permitted Businesses; *provided however* that this paragraph (ii) shall not apply if such Investment would otherwise have been permitted under this clause (18) and such Investment, together with the aggregate amount of all other Investments made in reliance on this proviso since the Original Issue Date, shall not exceed in aggregate an amount equal to 5.0% of Total Assets (such aggregate amount of Investments shall be calculated after deducting an amount equal to the net reduction in all Investments made in reliance on this proviso since the Original Issue Date resulting from the events set forth in paragraphs (i)(A) through (i)(C) above, where references in such paragraphs to “under this clause (18)” shall be substituted with “in reliance on the proviso in paragraph (ii)”);

- (iii) none of the other shareholders or partners in such Person in which such Investment was made pursuant to this clause (18) is a Person described in clauses (x) or (y) of the first paragraph of the covenant under the caption “– Limitation on Transactions with Shareholders and Affiliates” (other than by reason of such shareholder or partner being an officer or director of the Company, a Restricted Subsidiary or a Minority Joint Venture or by reason of being a Restricted Subsidiary or a Minority Joint Venture);
- (iv) no Default has occurred and is continuing or would occur as a result of such Investment;
- (v) the Company or such Restricted Subsidiary owns, directly or indirectly, no less than 10% of the voting power of the outstanding Voting Stock of the Person into which such Investment is made (after giving effect to such Investment); and
- (vi) at the time of such Investment, the Company could Incur at least US\$1.00 of Indebtedness under the proviso in the first paragraph of part (1) of the covenant under the caption “– Limitation of Indebtedness and Preferred Stock.”

For the avoidance of doubt, the value of each Investment made pursuant to this clause (18) shall be valued at the time such Investment is made; and

- (19) any Investment deemed to have been made by the Company or any Restricted Subsidiary in connection with a proposed Restructuring upon designation of the Subsidiaries in the Restructuring Group as Unrestricted Subsidiaries, *provided* that (A) (i) the Board of Directors of the Company has determined in good faith that the designation of the Subsidiaries in the Restructuring Group as Unrestricted Subsidiaries is necessary to obtain approval from a Qualified Exchange for the proposed Restructuring, (ii) at the time of such designation, the members of the Restructuring Group remain Subsidiaries of the Company, and (iii) at the time of such designation, the members of the Restructuring Group remain primarily engaged in the Permitted Businesses; and (B) the aggregate of all Investments made under this clause (19) since the Original Issue Date shall not exceed an amount equal to 10.0% of Total Assets (for the avoidance of doubt, any portion of such Investments exceeding 10.0% of Total Assets shall not constitute a Permitted Investment pursuant to this item but may be made, characterized and accounted for in accordance with the other provisions of the Indenture); and *provided further* that, at the time when (x) the Company ceases to hold, directly or indirectly, at least 30.0% of the Voting Stock of any entity so designated as an Unrestricted Subsidiary or (y) any Person or group of Persons other than the Company and its Subsidiaries acquires a higher percentage of the Voting Stock of such entity than the percentage held directly or indirectly by the Company, the Company will be deemed to make an Investment in such entity equal to the Fair Market Value of any Investment that the Company retains, directly or indirectly, in such entity immediately following such event.

“Permitted Liens” means:

- (1) Liens for taxes, assessments, governmental charges or claims that are being contested in good faith by appropriate legal or administrative proceedings promptly instituted and diligently conducted and for which a reserve or other appropriate provision, if any, as shall be required in conformity with GAAP shall have been made;
- (2) statutory and common law Liens of landlords and carriers, warehousemen, mechanics, suppliers, repairmen or other similar Liens arising in the ordinary course of business and with respect to amounts not yet delinquent or being contested in good faith by appropriate legal or administrative proceedings promptly instituted and diligently conducted and for which a reserve or other appropriate provision, if any, as shall be required in conformity with GAAP shall have been made;
- (3) Liens incurred or deposits made to secure the performance of tenders, bids, leases, statutory or regulatory obligations, bankers’ acceptances, surety and appeal bonds, government contracts, performance and return-of-money bonds and other obligations of a similar nature incurred in the ordinary course of business (exclusive of obligations for the payment of borrowed money);

- (4) leases or subleases granted to others that do not materially interfere with the ordinary course of business of the Company and its Restricted Subsidiaries, taken as a whole;
- (5) Liens encumbering property or assets under construction arising from progress or partial payments by a customer of the Company or its Restricted Subsidiaries relating to such property or assets;
- (6) Liens on property of, or on shares of Capital Stock or Indebtedness of, any Person existing at the time such Person becomes, or becomes a part of, any Restricted Subsidiary; *provided* that such Liens do not extend to or cover any property or assets of the Company or any Restricted Subsidiary other than the property or assets acquired; *provided further* that such Liens were not created in contemplation of or in connection with the transactions or series of transactions pursuant to which such Person became a Restricted Subsidiary;
- (7) Liens in favor of the Company or any Restricted Subsidiary;
- (8) Liens arising from the rendering of a final judgment or order against the Company or any Restricted Subsidiary that does not give rise to an Event of Default;
- (9) Liens securing reimbursement obligations with respect to letters of credit that encumber documents and other property relating to such letters of credit and the products and proceeds thereof;
- (10) Liens encumbering customary initial deposits and margin deposits, and other Liens that are within the general parameters customary in the industry, in each case, securing Indebtedness under Hedging Obligations permitted by clause (2)(f) of the covenant described under the caption “– Limitation on Indebtedness and Preferred Stock”;
- (11) Liens existing on the Original Issue Date;
- (12) Liens securing Indebtedness which is Incurred to refinance secured Indebtedness which is permitted to be Incurred under clause (2)(e) of the covenant described under the caption “– Limitation on Indebtedness and Preferred Stock”; *provided* that such Liens do not extend to or cover any property or assets of the Company or any Restricted Subsidiary other than the property or assets securing the Indebtedness being refinanced;
- (13) Liens under the Security Documents;
- (14) Liens securing any Permitted Pari Passu Secured Indebtedness that complies with each of the requirements set forth under “– Security – Permitted Pari Passu Secured Indebtedness”;
- (15) any interest or title of a lessor in the property subject to any operating lease;
- (16) Liens securing Indebtedness of the Company or any Restricted Subsidiary under any Pre-Registration Mortgage Guarantee which is permitted to be Incurred under clause (2)(g) of the covenant described under the caption “– Limitation on Indebtedness and Preferred Stock”;
- (17) easements, rights-of-way, municipal and zoning ordinances or other restrictions as to the use of properties in favor of governmental agencies or utility companies that do not materially adversely affect the value of such properties or materially impair the use for the purposes of which such properties are held by the Company or any Restricted Subsidiary;
- (18) Liens (including extensions and renewals thereof) upon real or personal property; *provided* that, (a) such Lien is created solely for the purpose of securing Indebtedness of the type described under clause (2)(h) of the covenant described under the caption “– Limitation on Indebtedness and Preferred Stock” and such Lien is created prior to, at the time of or within 180 days after the later of the acquisition or the completion of development, construction or

improvement of such property, (b) the principal amount of the Indebtedness secured by such Lien does not exceed 100% of the cost of such property, development, construction or improvement and (c) such Lien shall not extend to or cover any property or assets other than such item of property and any improvements on such item; *provided* that, in the case of clauses (b) and (c), such Lien may cover other property or assets (instead of or in addition to such item of property or improvements) and the principal amount of Indebtedness secured by such Lien may exceed 100% of such cost if (x) such Lien is incurred in the ordinary course of business and (y) the aggregate book value of property or assets as of the last day of the most recent fiscal quarter period for which consolidated financial statements of the Company (which the Company shall use its reasonable best efforts to compile in a timely manner) are available (which may be internal consolidated financial statements), if any such property or assets have been acquired since the date of such financial statements, the cost of such property or assets, subject to Liens incurred pursuant to this clause (18) does not exceed 130% of the aggregate principal amount of Indebtedness secured by such Liens;

- (19) Liens on deposits of pre-sale proceeds made in order to secure the completion and delivery of pre-sold properties and issuance of the related land use title made in the ordinary course of business and not securing Indebtedness of the Company or any Restricted Subsidiary;
- (20) Liens on deposits made in order to comply with statutory obligations to maintain deposits for workers compensation claims and other purposes specified by statute made in the ordinary course of business and not securing Indebtedness of the Company or any Restricted Subsidiary;
- (21) Liens on deposits made in order to secure the performance of the Company or any Restricted Subsidiary in connection with the acquisition of real property or land use rights by the Company or any Restricted Subsidiary in the ordinary course of business and not securing Indebtedness of the Company or any Restricted Subsidiary;
- (22) Liens on the Capital Stock of a PRC Project Company granted by the Company or any PRC Restricted Subsidiary in favor of any Trust Company Investor (including the sale or transfer of such Capital Stock to such Trust Company Investor) in respect of, and to secure, the Indebtedness permitted to be Incurred under clause (2)(p) of the “– Limitation on Indebtedness and Preferred Stock” covenant;
- (23) Liens on cash deposits, bank accounts or other assets to secure Bank Deposit Secured Indebtedness of the type described under clause 2(r) of the covenant described under “– Limitation on Indebtedness and Preferred Stock”;
- (24) Liens on Investment Properties securing Indebtedness of the Company or any Restricted Subsidiary permitted under clause (2)(q) of the covenant described under “– Limitation on Indebtedness and Preferred Stock”;
- (25) Liens incurred or deposits made to secure Entrusted Loans;
- (26) Liens securing Indebtedness which is permitted to be Incurred under clause (2)(n) of the covenant described under “– Limitation on Indebtedness and Preferred Stock”;
- (27) Liens on the Capital Stock of the Person that is to be acquired under the relevant Staged Acquisition Agreement securing Indebtedness which is permitted to be Incurred under clause (2)(o) of the covenant described under “– Limitation on Indebtedness and Preferred Stock”;
- (28) Liens securing Indebtedness of Restricted Subsidiaries (other than Subsidiary Guarantors or JV Subsidiary Guarantors) Incurred pursuant to clause (2)(t) of the covenant described under “– Limitation on Indebtedness and Preferred Stock”;
- (29) Liens securing Indebtedness which is permitted to be Incurred under clause (2)(t) of the covenant described under “– Certain Covenants – Limitation on Indebtedness and Preferred Stock”;

- (30) Liens securing Indebtedness which is permitted to be Incurred under clause (2)(u) of the covenant described under “– Certain Covenants – Limitation on Indebtedness and Preferred Stock”;
- (31) bankers’ Liens, rights of setoff and other similar Liens existing with respect to cash and Temporary Cash Investments on deposit in one or more accounts in favor of the bank or banks with which such accounts are maintained, securing (a) amounts owing to such bank with respect to cash management and operating account arrangements, including those involving pooled accounts, netting arrangements or sweep accounts and (b) Indebtedness owing to such bank; *provided* that, in the case of clause (b), such Indebtedness is permitted to be Incurred under the covenant described under “– Limitation on Indebtedness and Preferred Stock” and on the date of the Incurrence of such Lien and after giving effect thereto, the aggregate amount of cash and Temporary Cash Investments then used to secure Indebtedness in reliance on this proviso, shall not exceed an amount equal to 1.0% of Total Assets;
- (32) Liens on assets of a Non-Guarantor Subsidiary securing any Indebtedness of any Non-Guarantor Subsidiary permitted to be Incurred under the covenant described under “– Limitation on Indebtedness and Preferred Stock”; and
- (33) Liens on the Capital Stock of a Finance Subsidiary and any intercompany loans or advances from such Finance Subsidiary to the Company or any Restricted Subsidiary, in each case, securing Indebtedness of such Finance Subsidiary (and Guarantees by the Company or Restricted Subsidiaries of such Indebtedness) permitted under the covenant described under “– Limitation on Indebtedness and Preferred Stock”;

provided that, with respect to the Collateral, “Permitted Liens” shall only refer to the Liens described in clauses, (1), (6), (13) and (14) of this definition.

“Permitted Pari Passu Secured Indebtedness” has the meaning set forth under “– Security – Permitted Pari Passu Secured Indebtedness.”

“Permitted Subsidiary Indebtedness” means Indebtedness of, and all Preferred Stock issued by, the Non-Guarantor Subsidiaries (other than any Finance Subsidiary), taken as a whole; *provided* that, on the date of the Incurrence of such Indebtedness and after giving effect thereto and the application of the proceeds thereof, the aggregate principal amount outstanding of all such Indebtedness (excluding Public Indebtedness and any Indebtedness of any Non-Guarantor Subsidiary (other than any Finance Subsidiary) permitted under clauses 2(a), (b), (d), (f) and (g) of the covenant described under the caption “– Limitation on Indebtedness and Preferred Stock”) does not exceed an amount equal to 20% of Total Assets.

“Perpetual Bond Obligation” means any security or other obligation (howsoever described) incurred by the Company or any Restricted Subsidiary under any “perpetual bond,” “perpetual loan” or similar instrument which is treated as equity under GAAP at the time of issuance of such security or obligation.

“Person” means any individual, corporation, partnership, limited liability company, joint venture, trust, unincorporated organization or government or any agency or political subdivision thereof.

“PRC” means the People’s Republic of China, excluding Hong Kong Special Administrative Region, Macau and Taiwan.

“PRC Project Company” means any corporation, association or other business entity organized under the laws of the PRC primarily engaged in a Permitted Business which, at any time, is treated as a “subsidiary” of the Company under GAAP, other than an Unrestricted Subsidiary.

“Pre-Registration Mortgage Guarantee” means any Indebtedness of the Company or any Restricted Subsidiary consisting of a guarantee in favor of any bank or other similar financial institutions in the ordinary course of business of secured loans of purchasers of individual units of properties from the Company or any Restricted Subsidiary; *provided* that, any such guarantee shall be released in full on or before the perfection of a security interest in such properties under applicable law in favor of the relevant lender.

“Preferred Stock” as applied to the Capital Stock of any Person means Capital Stock of any class or classes that by its term is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over any other class of Capital Stock of such Person.

“PRC CJV” means any Subsidiary that is a Sino-foreign cooperative joint venture enterprise with limited liability, established in the PRC pursuant to the Law of the People’s Republic of China on Sino-foreign Cooperative Joint Ventures adopted on April 13, 1988 (as most recently amended on November 4, 2017) and the Detailed Rules for the Implementation of the Law of the People’s Republic of China on Sino-foreign Cooperative Joint Ventures promulgated on September 4, 1995 (as most recently amended on November 17, 2017), as such laws may be amended.

“PRC CJV Partner” means with respect to a PRC CJV, the other party to the joint venture agreement relating to such PRC CJV with the Company or any Restricted Subsidiary.

“PRC Restricted Subsidiary” means a Restricted Subsidiary organized under the laws of the PRC. “Public Indebtedness” means any bonds, debentures, notes or similar debt securities issued in a public offering or a private placement (other than the Notes) to institutional investors.

“Qualified Exchange” means either (1) The New York Stock Exchange, the London Stock Exchange, The Stock Exchange of Hong Kong Limited, the Nasdaq Stock Market or Singapore Exchange Securities Trading Limited or (2) a national securities exchange (as such term is defined in Section 6 of the Exchange Act) or a designated offshore securities market (as such term is defined in Rule 902(b) under the Securities Act).

“Qualified IPO” means an initial public offering, and a listing, of Common Stock of a company on a Qualified Exchange; *provided* that in the case that such listing is on a national securities exchange (as such term is defined in Section 6 of the Exchange Act) or a designated offshore securities market (as such term is defined in Rule 902(b) under the Securities Act), such listing shall result in a public float of no less than the percentage required by the applicable listing rules.

“Rating Agency” means (1) Fitch and (2) if Fitch shall not make a rating of the Notes publicly available, a nationally recognized securities rating agency or agencies, as the case may be, selected by the Company, which shall be substituted for Fitch.

“Rating Category” means (1) with respect to Fitch, any of the following categories: “BB”, “B”, “CCC”, “CC”, “C” and “D” (or equivalent successor categories); and (2) the equivalent of any such category of Fitch used by another Rating Agency. In determining whether the rating of the Notes has decreased by one or more gradations, gradations within Rating Categories (“+” and “-” for Fitch; or the equivalent gradations for another Rating Agency) shall be taken into account (e.g., with respect to Fitch, a decline in a rating from “BB+” to “BB”, as well as from “BB-” to “B+”, will constitute a decrease of one gradation).

“Rating Date” means (1) in connection with a Change of Control Triggering Event, that date which is 90 days prior to the earlier of (x) a Change of Control and (y) a public notice of the occurrence of a Change of Control or of the intention by the Company or any other Person or Persons to effect a Change of Control or (2) in connection with actions contemplated under the caption “– Consolidation, Merger and Sale of Assets”, that date which is 90 days prior to the earlier of (x) the occurrence of any such actions as set forth therein and (y) a public notice of the occurrence of any such actions.

“Rating Decline” means (1) in connection with a Change of Control Triggering Event, the occurrence on, or within six months after the date of public notice of the occurrence of a Change of Control or the intention by the Company or any other Person or Persons to effect a Change of Control (which period shall be extended so long as the rating of the Notes is under publicly announced

consideration for possible downgrade by the Rating Agency) of any of the events listed below, or (2) in connection with actions contemplated under the caption “– Consolidation, Merger and Sale of Assets”, the notification by the Rating Agency that such proposed actions will result in any of the events listed below:

- (a) in the event the Notes are rated by the Rating Agency on the Rating Date as Investment Grade, the rating of the Notes by the Rating Agency shall be below Investment Grade; or
- (b) in the event the Notes are rated below Investment Grade by the Rating Agency on the Rating Date, the rating of the Notes by the Rating Agency shall be decreased by one or more gradations (including gradations within Rating Categories as well as between Rating Categories).

“Reference Treasury Dealer” means each of any three investment banks of recognized standing that is a primary U.S. Government securities dealer in The City of New York, selected by the Company in good faith.

“Reference Treasury Dealer Quotations” means, with respect to each Reference Treasury Dealer and any redemption date, the average as determined by the Company in good faith, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Company by such Reference Treasury Dealer at 5:00 p.m. on the third Business Day preceding such redemption date.

“Replacement Assets” means, on any date, property or assets (other than current assets) of a nature or type or that are used in a Permitted Business.

“Responsible Officer” means, when used with respect to the Trustee, any managing director, vice president, trust associate, relationship manager, transaction manager, client service manager, any trust officer or any other officer located at the Specified Corporate Trust Office who customarily performs functions similar to those performed by any persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such person’s knowledge of and familiarity with the particular subject and in each such case, who shall have direct responsibility for the day to day administration of the Indenture.

“Restricted Subsidiary” means any Subsidiary of the Company other than an Unrestricted Subsidiary.

“Restructuring” means the restructuring and Qualified IPO of the Common Stock of a Subsidiary of the Company in a Restructuring Group.

“Restructuring Group” means a group of Subsidiaries of the Company that the Company may spin off and separately list on a Qualified Exchange pursuant to a Qualified IPO.

“S&P” means Standard & Poor’s Ratings Services and its affiliates.

“Sale and Leaseback Transaction” means any direct or indirect arrangement relating to property (whether real, personal or mixed), now owned or hereafter acquired whereby the Company or any Restricted Subsidiary transfers such property to another Person and the Company or any Restricted Subsidiary leases it from such Person.

“Secured Parties” means the September 2020 Notes Trustee and the holders of the September 2020 Notes (or their representatives), the January 2021 Notes Trustee and the holders of the January 2021 Notes (or their representatives), the April 2023 Notes Trustee and the holders of the April 2023 Notes (or their representatives), the June 2022 Notes Trustee and the holders of the June 2022 Notes (or their representatives), the Trustee and the Holders (or their representatives) once the Trustee accedes to the Intercreditor Agreement, and the holders of any other Permitted Pari Passu Indebtedness (or their trustee, agents or representatives) once such person accedes to the Intercreditor Agreement.

“Security Documents” means, collectively, the pledge agreements and any other agreements or instruments that may evidence or create any security interest in favor of the Trustee, the Collateral Agent and/or any Holders in any or all of the Collateral.

“Senior Indebtedness” of the Company or a Restricted Subsidiary, as the case may be, means all Indebtedness of the Company or the Restricted Subsidiary, as relevant, whether outstanding on the Original Issue Date or thereafter created, except for Indebtedness which, in the instrument creating or evidencing the same, is expressly stated to be subordinated in right of payment to (a) in respect of the Company, the Notes, (B) in respect of any Restricted Subsidiary that is a Subsidiary Guarantor, its Subsidiary Guarantee, or (c) in respect of any Restricted Subsidiary that is a JV Subsidiary Guarantor, its JV Subsidiary Guarantee; *provided* that Senior Indebtedness does not include (1) any obligation to the Company or any Restricted Subsidiary, (2) trade payables or (3) Indebtedness Incurred in violation of the Indenture.

“September 2020 Notes” means the 6.5% Senior Notes due 2020 issued by the Company.

“September 2020 Notes Indenture” means the indenture dated September 12, 2018 (as supplemented and amended from time to time), under which the September 2020 Notes were issued.

“Significant Restricted Subsidiary” means a Restricted Subsidiary, or group of Restricted Subsidiaries, that would, when taken together, be a “significant subsidiary” within the meaning of the definition of “significant subsidiary” in Article 1, Rule 1-02(w) of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the Original Issue Date; provided that in each instance in such definition in which the term “10 percent” is used, the term “5 percent” shall be substituted therefor.

“Specified Corporate Trust Office” means the Hong Kong branch of the Trustee located at Level 26, Three Pacific Place, 1 Queen’s Road East, Hong Kong; facsimile: +852 2295 3283; attention: Corporate Trust – Seazen Group Limited.

“Staged Acquisition Agreement” means an agreement between the Company or a Restricted Subsidiary and an Independent Third Party (x) pursuant to which the Company or such Restricted Subsidiary agrees to acquire not less than a majority of the Capital Stock of a Person for consideration that is not more than the Fair Market Value of such Capital Stock of such Person at the time the Company or such Restricted Subsidiary enters into such agreement and (y) which provides that the payment of the purchase price for such Capital Stock is made in more than one installment over a period of time.

“Stated Maturity” means, (1) with respect to any Indebtedness, the date specified in such debt security as the fixed date on which the final installment of principal of such Indebtedness is due and payable as set forth in the documentation governing such Indebtedness and (2) with respect to any scheduled installment of principal of or interest on any Indebtedness, the date specified as the fixed date on which such installment is due and payable as set forth in the documentation governing such Indebtedness.

“Subordinated Indebtedness” means any Indebtedness of the Company, any Subsidiary Guarantor or any JV Subsidiary Guarantor which is contractually subordinated or junior in right of payment to the Notes, any Subsidiary Guarantee or any JV Subsidiary Guarantee, as applicable, pursuant to a written agreement to such effect.

“Subordinated Shareholder Loan” means unsecured Indebtedness for borrowed money Incurred by the Company or any Restricted Subsidiary from but only for long as such Indebtedness is owed to, any Permitted Holder (other than the Company or any Restricted Subsidiary) as to which (a) the payment of principal of (and premium, if any) and interest and other payment obligations in respect of such Indebtedness is, by its terms or by the terms of any agreement or instrument pursuant to which such Indebtedness is issued or remains outstanding and an agreement (the “Subordination Agreement”) to be entered into among the holders of such Indebtedness (or trustees or agents therefor) and the Trustee, is expressly made subordinate to the prior payment in full of the Notes or the Subsidiary Guarantees, as the case may be, to at least the following extent: (i) no payments of principal of (or premium, if any) or

interest on or otherwise due in respect of such Indebtedness may be permitted for so long as any Default exists; (ii) such Indebtedness may not (x) provide for payments of principal of such Indebtedness at the Stated Maturity thereof or by way of a sinking fund applicable thereto or by way of any mandatory redemption, defeasance, retirement or repurchase thereof by the Company or such Subsidiary Guarantor (including any redemption, retirement or repurchase which is contingent upon events or circumstances), in each case prior to the final Stated Maturity of the Notes or (y) permit redemption or other retirement (including pursuant to an offer to purchase made by the Company or any Restricted Subsidiary) of such other Indebtedness at the option of the holder thereof prior to the final Stated Maturity of the Notes, except that to the extent such redemption or other retirement is permitted under the covenant described under the caption “– Certain Covenants – Limitation on Restricted Payments” on the date of such redemption or other retirement, (iii) the Subordination Agreement will prevent the holders of such Indebtedness (or trustees or agents therefor) from pursuing remedies against the Company or any of the Restricted Subsidiaries or their respective assets or properties in an insolvency proceeding or in respect of a default under such Indebtedness and (iv) the Subordination Agreement will provide in the event that any payment is received by the holders of such Indebtedness (or any trustee or agent therefor) in respect of such Indebtedness where such payment is prohibited by one or more of the subordination provisions described in this definition, such payment shall be held in trust for the benefit of, and shall be paid over or delivered to, the Trustee on behalf of the Holders of the Notes, and (b) the terms thereof provide that interest (and premium, if any) thereon is paid solely in the form of pay-in-kind, or PIK, payments constituting additional Subordinated Shareholder Loans.

“Subsidiary” means, with respect to any Person, any corporation, association or other business entity of which (i) more than 50% of the voting power of the outstanding Voting Stock is owned, directly or indirectly, by such Person and one or more other Subsidiaries of such Person or (ii) 50% or less of the voting power of the outstanding Voting Stock is owned, directly or indirectly, by such Person and one or more other Subsidiaries of such Person and in each case which is “controlled” and consolidated by such Person in accordance with GAAP; *provided, however*, that with respect to clause (ii), the occurrence of any event (other than the issuance or sale of Capital Stock) as a result of which such corporation, association or other business entity ceases to be “controlled” by such Person under the GAAP and to constitute a Subsidiary of such Person shall be deemed to be a designation of such corporation, association or other business entity as an Unrestricted Subsidiary by such Person and be subject to the requirements under the first paragraph of “Designation of Restricted and Unrestricted Subsidiaries” covenant.

“Subsidiary Guarantee” means any Guarantee of the obligations of the Company under the Indenture and the Notes by any Subsidiary Guarantor.

“Subsidiary Guarantor” means any initial Subsidiary Guarantor named herein and any other Restricted Subsidiary which guarantees the payment of the Notes pursuant to the Indenture and the Notes; *provided* that Subsidiary Guarantor will not include (a) any Person whose Subsidiary Guarantee has been released in accordance with the Indenture and the Notes or (b) any JV Subsidiary Guarantor.

“Subsidiary Guarantor Pledgor” means any initial Subsidiary Guarantor Pledgor named herein and any other Subsidiary Guarantor which pledges Collateral to secure the obligations of the Company under the Notes and the Indenture and of such Subsidiary Guarantor under its Subsidiary Guarantee; *provided* that a Subsidiary Guarantor Pledgor will not include any person whose pledge under the Security Documents has been released in accordance with the Security Documents, the Indenture and the Notes.

“Temporary Cash Investment” means any of the following:

- (1) direct obligations of the United States of America, any state of the European Economic Area, the People’s Republic of China and Hong Kong or any agency of any of the foregoing or obligations fully and unconditionally Guaranteed by the United States of America, any state of the European Economic Area, the People’s Republic of China and Hong Kong or any agency of any of the foregoing, in each case maturing within one year, which in the case of obligations of, or obligations Guaranteed by, any state of the European Economic Area, shall be rated at least “A” by S&P or Moody’s;
- (2) time deposit accounts, certificates of deposit and money market deposits maturing within 180 days of the date of acquisition thereof issued by a bank or trust company which is organized

under the laws of the United States of America, any state thereof, any state of the European Economic Area or Hong Kong, and which bank or trust company has capital, surplus and undivided profits aggregating in excess of US\$100 million (or the Dollar Equivalent thereof) and has outstanding debt which is rated “A” (or such similar equivalent rating) or higher by at least one nationally recognized statistical rating organization (as defined in Section 3(a)(62) of the Exchange Act) or any money market fund sponsored by a registered broker dealer or mutual fund distributor;

- (3) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clause (1) above entered into with a bank or trust company meeting the qualifications described in clause (2) above;
- (4) commercial paper, maturing not more than 180 days after the date of acquisition thereof, issued by a corporation (other than an Affiliate of the Company) organized and in existence under the laws of the United States of America, any state thereof or any foreign country recognized by the United States of America with a rating at the time as of which any investment therein is made of “P-1” (or higher) according to Moody’s or “A-1” (or higher) according to S&P;
- (5) securities, maturing within one year of the date of acquisition thereof, issued or fully and unconditionally Guaranteed by any state, commonwealth or territory of the United States of America, or by any political subdivision or taxing authority thereof, and rated at least “A” by S&P or Moody’s;
- (6) any money market fund that has at least 95% of its assets continuously invested in investments of the types described in clauses (1) through (5) above; and
- (7) demand or time deposit accounts, certificates of deposit, overnight or call deposits, money market deposits and principal protected structured deposit products (that if held to maturity (which shall not be more than one year) and can be withdrawn at any time with no more than six months’ notice) with any bank, trust company or other financial institution organized under the laws of the PRC, Hong Kong or anywhere the Company or any Restricted Subsidiary conducts business operations.

“Total Assets” means, as of any date, the total consolidated assets of the Company and its Restricted Subsidiaries measured in accordance with GAAP as of the last day of the most recent fiscal quarter for which consolidated financial statements of the Company (which the Company shall use its reasonable best efforts to compile in a timely manner) are available (which may be internal consolidated financial statements); *provided* that only with respect to clause (2)(h) of “– Certain Covenants – Limitation on Indebtedness and Preferred Stock” covenant and the definition of “Permitted Subsidiary Indebtedness,” Total Assets shall be calculated after giving pro forma effect to include the cumulative value of all of the real or personal property or equipment the acquisition, development, construction or improvement of which requires or required the Incurrence of Indebtedness and calculation of Total Assets thereunder, as measured by the purchase price or cost therefor or budgeted cost provided in good faith by the Company or any Restricted Subsidiary to the bank or other similar financial institutional lender providing such Indebtedness.

“Trade Payables” means, with respect to any Person, any accounts payable or any other indebtedness or monetary obligation to trade creditors created, assumed or Guaranteed by such Person or any of its Subsidiaries arising in the ordinary course of business in connection with the acquisition of goods or services.

“Transaction Date” means, with respect to the Incurrence of any Indebtedness, the date such Indebtedness is to be Incurred and, with respect to any Restricted Payment, the date such Restricted Payment is to be made.

“Trust Company Investor” means an Independent Third Party that is a financial institution, including but not limited to a bank, a trust company, a securities management company, an asset management company or an insurance company organized under the laws of the PRC, or an Affiliate thereof, that Invests in any Capital Stock of a PRC Project Company.

“Unrestricted Subsidiary” means (1) any Subsidiary of the Company that at the time of determination shall be designated an Unrestricted Subsidiary by the Board of Directors in the manner provided in the Indenture; and (2) any Subsidiary of an Unrestricted Subsidiary.

“U.S. Government Obligations” means securities that are (1) direct obligations of the United States of America for the payment of which its full faith and credit is pledged or (2) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the payment of which is unconditionally Guaranteed as a full faith and credit obligation by the United States of America, which, in either case, are not callable or redeemable at the option of the issuer thereof at any time prior to the Stated Maturity of the Notes, and shall also include a depository receipt issued by a bank or trust company as custodian with respect to any such U.S. Government Obligation or a specific payment of interest on or principal of any such U.S. Government Obligation held by such custodian for the account of the holder of a depository receipt; *provided* that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the U.S. Government Obligation or the specific payment of interest on or principal of the U.S. Government Obligation evidenced by such depository receipt.

“Voting Stock” means, with respect to any Person, Capital Stock of any class or kind ordinarily having the power to vote for the election of directors, managers or other voting members of the governing body of such Person.

“Wholly Owned” means, with respect to any Subsidiary of any Person, the ownership of all of the outstanding Capital Stock of such Subsidiary (other than any director’s qualifying shares or Investments by foreign nationals mandated by applicable law) by such Person or one or more Wholly Owned Subsidiaries of such Person; *provided* that Subsidiaries that are PRC CJVs shall not be considered Wholly Owned Subsidiaries unless such Person or one or more Wholly Owned Subsidiaries of such Person is entitled to 95% or more of the economic benefits distributable by such Subsidiary.

TAXATION

The following summary of certain Cayman Islands, Hong Kong and PRC tax consequences of the purchase, ownership and disposition of the Notes is based upon applicable laws, regulations, rulings and decisions as of the date of this offering memorandum, all of which are subject to change (possibly with retroactive effect). This discussion does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and does not purport to deal with consequences applicable to all categories or investors, some of which may be subject to special rules. Persons considering the purchase of Notes should consult their own tax advisers concerning the tax consequences of the purchase, ownership and disposition of Notes, including such possible consequences under the laws of their country of citizenship, residence or domicile.

Cayman Islands Taxation

The following is a discussion on certain Cayman Islands income tax consequences of an investment in the Notes. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor's particular circumstances, and does not consider tax consequences other than those arising under Cayman Islands law.

Under the laws of the Cayman Islands, payments of interest, premium and principal on the Notes will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of interest and principal or premium to any holder of the Notes, as the case may be, nor will gains derived from the disposal of the Notes be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax. The Cayman Islands are not party to any double taxation treaties that are applicable to any payments made by or to the Company.

No stamp duty is payable in respect of the issue of the Notes. An instrument of transfer in respect of a Note is stampable if executed in or brought into the Cayman Islands.

The Company has been incorporated under the laws of the Cayman Islands as an exempted company with limited liability and, as such, has obtained an undertaking from the Governor in Cabinet of the Cayman Islands as to tax concessions under the Tax Concessions Law (2011 Revision). In accordance with the provision of section 6 of the Tax Concessions Law (2011 Revision), the Governor in Cabinet undertakes with Seazen Group Limited:

- That no law which is hereafter enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Company or its operations.
- In addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable, on or in respect of the shares, debentures or other obligations of the Company, or by way of the withholding, in whole or part, of any relevant payment as defined in Section 6(3) of the Tax Concessions Law (2011 Revision).
- These concessions shall be for a period of 20 years from November 6, 2012.

Hong Kong Taxation

Withholding Tax. No withholding tax in Hong Kong is payable on payments of principal (including any premium payable on redemption of the Notes) or interest in respect of the Notes.

Profits Tax. Hong Kong profits tax is charged on every person carrying on a trade, profession or business in Hong Kong in respect of assessable profits arising in or derived from Hong Kong from such trade, profession or business. Under the Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong), or the Inland Revenue Ordinance, as it is currently applied, Hong Kong profits tax may be charged on revenue profits arising on the sale, disposal or redemption of the Notes where such sale, disposal or redemption is or forms part of a trade, profession or business carried on in Hong Kong.

Interest on the Notes will be subject to Hong Kong profits tax where such interest has a Hong Kong source, and is received by or accrues to:

- a financial institution (as defined in the Inland Revenue Ordinance) and arises through or from the carrying on by the financial institution of its business in Hong Kong;
- a corporation carrying on a trade, profession or business in Hong Kong; or
- a person, other than a corporation, carrying on a trade, profession or business in Hong Kong and such interest is in respect of the funds of the trade, profession or business.

Although no tax is imposed in Hong Kong in respect of capital gains, Hong Kong profits tax may be chargeable on trading gains arising on the sale or disposal of the Notes where such transactions are or form part of a trade, profession or business carried on in Hong Kong.

Stamp Duty. No Hong Kong stamp duty will be chargeable upon the issue or transfer (for so long as the register of holders of the Notes is maintained outside Hong Kong) of a Note.

PRC Taxation

As described under “Risks Relating to Doing Business in the PRC – We may be deemed a PRC resident enterprise under the PRC EIT Law and be subject to PRC taxation on our worldwide income,” we may be deemed a PRC resident enterprise.

Taxation on Interest. The PRC EIT Law and its implementation regulations currently in force impose a withholding tax at the rate of 10% on interest paid to holders of the Notes that are “non-resident enterprises”, so long as such “non-resident enterprise” holder does not have an establishment or place of business in China or, if there is an establishment or place of business in China, the relevant income is not effectively connected with such establishment or place of business in China, to the extent such interest is sourced within China. Pursuant to these provisions of the PRC tax law, despite many uncertainties with respect to their application, if we are considered a PRC resident enterprise, interest paid to the non-resident enterprise holders on the Notes may be treated as income derived from sources within China and be subject to the PRC withholding tax.

Taxation on Capital Gains. The PRC EIT Law and its implementation regulations impose a tax at the rate of 10% on capital gains realized by holders of the Notes that are “non-resident enterprises”, so long as any such “non-resident enterprise” holder does not have an establishment or place of business in China or, if there is an establishment or place of business in China, the relevant gain is not effectively connected with such establishment or place of business in China, to the extent such capital gains are sourced within China. Pursuant to these provisions of the PRC EIT law, despite many uncertainties with respect to their application, if we are considered a PRC resident enterprise, capital gains realized by holders of the Notes may be treated as income derived from sources within China and be subject to the PRC tax.

Tax at a rate of 20% may be imposed on the interest or capital gains received by investors that are “non-resident individuals” (which in the case of interest may be withheld at source) if such interest or capital gains is deemed to be sourced within the PRC. A “non-resident individual” is an individual who neither is domiciled in China nor stays in China or who is not domiciled in China but has stayed in China for an aggregate of less than 183 days of a tax year.

Any PRC tax liability may be reduced under applicable tax treaties. However, it is unclear whether, if we are considered a PRC “resident enterprise,” holders of our Notes might be able to claim the benefit of income tax treaties or agreements entered into between China and other countries or areas.

Stamp Duty. No PRC stamp tax will be chargeable upon the issue or transfer (for so long as the register of holders of the Notes is maintained outside Mainland China) of a Note.

PLAN OF DISTRIBUTION

Subject to the terms and conditions set forth in a purchase agreement between us, the Subsidiary Guarantors and the Initial Purchasers, we have agreed to sell to the Initial Purchasers, and the Initial Purchasers have agreed, severally and not jointly, to purchase from us, the principal amount of the Notes set forth opposite their respective names below.

Initial Purchasers	Principal Amount of Notes
Haitong International Securities Company Limited	US\$110,000,000
CLSA Limited	US\$110,000,000
CMB International Capital Limited	US\$ 10,000,000
Central Wealth Securities Investment Limited	US\$ 10,000,000
Seazen Resources Securities Limited	US\$ 10,000,000
Total	US\$250,000,000

Subject to the terms and conditions set forth in the purchase agreement, the Initial Purchasers have agreed, severally and not jointly, to purchase all of the Notes sold under the purchase agreement if any of the Notes are purchased. If an Initial Purchaser defaults, the purchase agreement provides that the purchase commitments of the non-defaulting Initial Purchasers may be increased or the purchase agreement may be terminated. The purchase agreement provides that the obligations of the Initial Purchasers to purchase the Notes are subject to approval of legal matters by counsel and to other conditions. The purchase agreement may be terminated by the Initial Purchasers in certain circumstances prior to the delivery and payment of the Notes. The Initial Purchasers reserve the right to withdraw, cancel or modify offers to investors and to reject orders in whole or in part.

Certain of the Initial Purchasers or certain of their respective affiliates will purchase substantially all of the Notes in their initial issuance and may subsequently distribute such Notes in the secondary market. This offering memorandum is being produced in relation to the initial issuance and the listing of the Notes and none of the Company, the Subsidiary Guarantors or the Initial Purchasers undertake to update this offering memorandum subsequent to its date in relation to any secondary sales or otherwise.

We and the Subsidiary Guarantors have agreed to, jointly and severally, indemnify the Initial Purchasers against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the Initial Purchasers may be required to make in respect of those liabilities.

The Initial Purchasers propose initially to offer the Notes at the offering price set forth on the cover page of this offering memorandum. After the initial offering, the offering price or any other term of the offering may be changed from time to time without notice by the Initial Purchasers.

We have agreed with the Initial Purchasers that we will pay a commission to certain private banks in connection with the distribution of the Notes to their clients. This commission will be based on the principal amount of the Notes so distributed, and may be deducted from the purchase price for the Notes payable by such private banks upon settlement.

Notes Are Not Being Registered

The Notes, the Subsidiary Guarantees and the JV Subsidiary Guarantees have not been and will not be registered under the Securities Act or any state securities laws, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities law. Accordingly, the Notes are being offered and sold by the Initial Purchasers only outside the United States in compliance with Regulation S. Each purchaser of the Notes will be deemed to have made acknowledgements, representations and agreements as described under “Transfer Restrictions.”

New Issue of Notes

The Notes are a new issue of securities with no established trading market. Approval in-principle has been received for the listing and quotation of the Notes on the SGX-ST. The Initial Purchasers have advised us that they presently intend to make a market in the Notes after completion of the offering. However, they are under no obligation to do so and may discontinue any market-making activities in their sole discretion at any time without any notice. We cannot assure the liquidity of the trading market for the Notes. If an active trading market for the Notes does not develop, the market price and liquidity of the Notes may be adversely affected. If the Notes are traded, they may trade at a discount from their initial offering price, depending on prevailing interest rates, the market for similar securities, our operating performance and financial condition, general economic conditions and other factors.

Short Positions and Stabilizing Transactions

In connection with the offering, the Stabilizing Manager, or any person acting for it, may purchase and sell the Notes in the open market. These transactions may include short sales, purchases on the open market to cover positions created by short sales and stabilizing purchases. Short sales involve the sale by the Stabilizing Manager, or any person acting for it, of a greater principal amount of the Notes than the Initial Purchasers are required to purchase in the offering. The Stabilizing Manager, or any person acting for it, must close out any short position by purchasing the Notes in the open market. A short position is more likely to be created if the Stabilizing Manager is concerned that there may be downward pressure on the price of the Notes in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions involve bids to purchase the Notes so long as the stabilizing bids do not exceed a specified maximum.

Similar to other purchase transactions, the purchases to cover the syndicate short sales and stabilizing purchases may have the effect of raising or maintaining the market price of the Notes or preventing or retarding a decline in the market price of the Notes. As a result, the price of the Notes may be higher than the price that might otherwise exist in the open market.

Neither we nor the Initial Purchasers make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the Notes. In addition, neither we nor the Initial Purchasers make any representation that the Initial Purchasers will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice at any time. No assurance can be given as to the liquidity of, or the trading market for, the Notes.

Other Relationships

The Initial Purchasers and/or their affiliates have in the past engaged, and may in the future engage, in transactions with and perform services, including financial advisory, commercial banking and investment banking services, for us and our affiliates in the ordinary course of business, for which they received or will receive customary fees and commissions and reimbursement of expenses.

In addition, in the ordinary course of their various business activities, the Initial Purchasers and/or their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. The Initial Purchasers and/or their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. We and our affiliates may enter into hedging or other derivative transactions as part of our risk management strategy with one or more of the Initial Purchasers, which may include transactions relating to our obligations under the Notes. Our obligations under these transactions may be secured by cash or other collateral.

The Initial Purchasers or their affiliates may hold our debt or equity securities from time to time.

Seazen Resources Securities Limited, one of the Initial Purchasers, is a subsidiary of the Company.

SELLING RESTRICTIONS

No action is being taken or is contemplated by us or the Initial Purchasers that would permit a public offering of the Notes or the Subsidiary Guarantees or possession or distribution of this offering memorandum or any amendment thereof, any supplement thereto or any other offering material relating to the Notes or the Subsidiary Guarantees in any jurisdiction where, or in any other circumstance in which, action for those purposes is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this offering memorandum nor such other material may be distributed or published, in or from any country or jurisdiction except in compliance with any applicable rules and regulations of such country or jurisdiction.

United States

The Notes and the Subsidiary Guarantees have not been and will not be registered under the Securities Act or any state securities laws and may not be offered or sold within the United States except in transactions exempt from, or not subject to, the registration requirements of the Securities Act and applicable state securities laws. In addition, until 40 days after the commencement of this offering, an offer or sale of Notes within the United States by a dealer (whether or not participating in this offering) may violate the registration requirements of the Securities Act.

The Initial Purchasers, through their affiliates, acting as selling agents where applicable, propose to offer the Notes in offshore transactions in reliance on Regulation S. Terms used in this paragraph have the meanings given to them by Regulation S.

United Kingdom

This offering memorandum is for distribution only to persons who (i) fall within Article 43(2)(b) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “**Financial Promotion Order**”), (ii) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Promotion Order, (iii) are persons falling within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations etc”) of the Financial Promotion Order, (iv) are outside the United Kingdom, or (v) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the “**FSMA**”)) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “relevant persons”). This offering memorandum is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this offering memorandum relates is available only to relevant persons and will be engaged in only with relevant persons.

Each of the Initial Purchasers has represented, warranted and agreed that:

- (1) it has only communicated or caused to be communicated, and will only communicate or cause to be communicated, any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to us or the Subsidiary Guarantors; and
- (2) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

European Economic Area

This offering memorandum has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area (“EEA”) or in the UK will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of Notes. The expression “Prospectus Regulation” means Regulation (EU) 2017/1129 (as amended or superseded).

Each of the Initial Purchasers have represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the EEA or in the UK. For the purposes of this provision: (a) the expression “retail investor” means a person who is one (or more) of the following: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; and (b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

Each person in a Member State of the EEA or in the UK who receives any communication in respect of, or who acquires any Notes under, the offers to the public contemplated in this offering memorandum, or to whom the Notes are otherwise made available, will be deemed to have represented, warranted, acknowledged and agreed to and with each of the Initial Purchasers and the Issuer that it and any person on whose behalf it acquires Notes is not a “retail investor” (as defined above).

Hong Kong

The Notes may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to “professional investors” within the meaning of the SFO (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a “prospectus” within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong) and no advertisement, invitation or document relating to the Notes may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to the Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the SFO and any rules made thereunder.

Japan

The Notes offered in this offering memorandum have not been and will not be registered under the Financial Instruments and Exchange Act of Japan. The Notes may not and will not, directly or indirectly, be offered or sold in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan) or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident in Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act of Japan and other relevant laws and regulations of Japan.

PRC

This offering memorandum does not constitute a public offer of the Notes, whether by way of sale or subscription, in the PRC. Other than to qualified domestic institutional investors in the PRC, the Notes are not being offered and may not be offered or sold, directly or indirectly, in the PRC to or for the benefit of, legal or natural persons of the PRC. According to the laws and regulatory requirements of the PRC, with the exception of qualified domestic institutional investors in the PRC, the Notes may, subject to the laws and regulations of the relevant jurisdictions, only be offered or sold to non-PRC natural or legal persons in any country other than the PRC.

Singapore

This offering memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this offering memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than:

- (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act, Chapter 289 of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA;
- (ii) to a relevant person (as defined in Section 275(2) of the SFA pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018; or
- (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor;

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Any reference to the SFA is a reference to the Securities and Futures Act, Chapter 289 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Section 309B Notification – In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), the Company has determined the classification of the Notes as prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

British Virgin Islands

No invitation whether directly or indirectly may be made to the public in the British Virgin Islands to subscribe for any of the Notes.

Cayman Islands

No invitation has been or will be made by or on behalf of the Company to the public in the Cayman Islands to subscribe for any of the Notes.

Taiwan

The Notes have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorized to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the Notes in Taiwan.

Italy

The offering of the Notes has not been registered pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of this offering memorandum or of any other document relating to the Notes be distributed in Italy, except:

- (i) to qualified investors (*investitori qualificati*), pursuant to Article 100 of Legislative Decree No. 58 of February 24, 1998, as amended (the “**Financial Services Act**”) and as defined in Article 34-ter, first paragraph, letter b) of *Commissione Nazionale per le Società e la Borsa* (“**CONSOB**”) Regulation No. 11971 of May 14, 1999, as amended from time to time (“**Regulation No. 11971**”); or
- (ii) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Financial Services Act and Article 34-ter of Regulation No. 11971.

Any offer, sale or delivery of the Notes or distribution of copies of this offering memorandum or any other document relating to the Notes in the Italy under (i) or (ii) above must be:

- (a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Legislative Decree No. 385 (the “**Banking Act**”), the Financial Services Act of September 1, 1933, as amended, CONSOB Regulation No. 16190 of October 29, 2007 (as amended from time to time) and any other applicable law and regulations; and
- (b) in compliance with Article 129 of the Banking Act, as amended, and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in Italy; and
- (c) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy or any other Italian authority.

Canada

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the securities must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this offering memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor. Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

TRANSFER RESTRICTIONS

Because of the following restrictions, purchasers are advised to consult their legal counsel prior to making any offer, sale, resale, pledge or other transfer of the Notes.

The Notes, the Subsidiary Guarantees and the JV Subsidiary Guarantees (if any) have not been and will not be registered under the Securities Act and may not be offered, sold or delivered within the United States (as defined in Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Notes are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the Securities Act.

By its purchase of the Notes, including the Subsidiary Guarantees and the JV Subsidiary Guarantees (if any), each purchaser will be deemed to have:

1. represented that it is purchasing the Notes, including the Subsidiary Guarantees and the JV Subsidiary Guarantees (if any), for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a purchaser that is outside the United States;
2. acknowledged that the Notes, the Subsidiary Guarantees and the JV Subsidiary Guarantees (if any) have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, in each case in accordance with any applicable laws of any state or territory of the United States and any foreign jurisdiction;
3. agreed that it will inform each person to whom it transfers the Notes of any restrictions on transfer of such Notes;
4. understood and agreed that the Notes will be represented by the Global Notes and that transfers thereto are restricted as described under “Description of the Notes – Book-Entry Delivery and Form”;
5. understood and agreed that if in the future it decides to resell, pledge or otherwise transfer any Notes represented by the Global Notes or any beneficial interest in any Notes represented by the Global Notes, such Notes may be resold, pledged or transferred only in accordance with the requirements of the legends set forth in paragraph 6 below;
6. understood that the Notes represented by the Global Notes will bear a legend to the following effect unless otherwise agreed to by the Company and the holder thereof:

THIS SECURITY AND THE GUARANTEE RELATED TO THIS SECURITY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY JURISDICTION AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED OR DELIVERED IN THE UNITED STATES UNLESS SUCH SECURITIES AND GUARANTEES ARE REGISTERED UNDER THE SECURITIES ACT OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS THEREOF IS AVAILABLE; and

7. acknowledged that the Company, the Subsidiary Guarantors, the JV Subsidiary Guarantors (if any), the Transfer Agent, the Initial Purchasers, the Trustee and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements; and agreed that if any of the acknowledgements, representations or agreements deemed to have been made by its purchase of the Notes is no longer accurate, it shall promptly notify the Company, the Subsidiary Guarantors, the JV Subsidiary Guarantors (if any), the Transfer Agent, the Trustee and the Initial Purchasers; and represented that if it is acquiring any Notes as a fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

RATINGS

The Notes are expected to be rated BB by Fitch. The ratings reflect the rating agencies' assessment of the likelihood of timely payment of the principal of and interest on the Notes. The ratings do not address the payment of any Additional Amounts and do not constitute recommendations to purchase, hold or sell the Notes inasmuch as such ratings do not comment as to market price or suitability for a particular investor. Each such rating should be evaluated independently of any other rating on the Notes, on other securities of ours, or on us. In addition, we have been assigned a corporate rating of BB with a stable outlook by Fitch, a corporate rating of BB with a stable outlook by S&P and a corporate rating of Ba2 with a stable outlook by Moody's. We cannot assure you that the ratings will remain in effect for any given period or that the ratings will not be revised by such rating agencies in the future if in their judgment circumstances so warrant.

LEGAL MATTERS

Certain legal matters with respect to the Notes will be passed upon for us by Maples and Calder (Hong Kong) LLP as to matters of Cayman Islands law, Jingtian & Gongcheng LLP as to matters of Hong Kong law, Shearman & Sterling as to matters of United States federal and New York law and Shu Jin Law Firm as to matters of PRC law. Certain legal matters will be passed upon for the Initial Purchasers by Paul Hastings LLP as to matters of United States federal and New York law and Commerce & Finance Law Offices as to matters of PRC law.

INDEPENDENT AUDITOR

Our audited consolidated financial statements as of and for each of the years ended December 31, 2017, 2018 and 2019 included in this offering memorandum, have been audited by PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, as stated in their reports appearing herein.

GENERAL INFORMATION

Consents

We have obtained all necessary consents, approvals and authorizations in the Cayman Islands and Hong Kong in connection with the issue and performance of the Notes and the Subsidiary Guarantees. The entering into of the Indenture and the issue of the Notes have been authorized by a resolution of our board of directors dated August 5, 2020.

Documents Available

For so long as any of the Notes is outstanding, copies of the Indenture may be inspected free of charge during normal business hours on any weekday (except public holidays) at the corporate trust office of the Trustee.

For so long as any of the Notes is outstanding, copies of our audited financial statements for the last two financial years, if any, may be obtained during normal business hours on any weekday (except public holidays) at the principal office of the Company.

Clearing Systems and Settlement

The Notes have been accepted for clearance through the facilities of Euroclear and Clearstream with a Common Code of 221517563 for the Notes. The International Securities Identification Number is XS2215175634 for the Notes. Only Notes evidenced by a Global Note have been accepted for clearance through Euroclear and Clearstream.

Listing of the Notes

Approval in-principle has been received for the listing and quotation of the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in this offering memorandum. Approval in-principle for the listing and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Company, the Notes, the Subsidiary Guarantees or the JV Subsidiary Guarantees (if any). The Notes will be traded on the SGX-ST in a minimum board lot size of US\$200,000 for so long as the Notes are listed on the SGX-ST.

For so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, we will appoint and maintain a paying agent in Singapore where the Notes may be presented or surrendered for payment or redemption in the event that a Global Note is exchanged for definitive Notes. In addition, in the event that a Global Note is exchanged for definitive Notes, an announcement of such exchange will be made by or on behalf of us through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive Notes, including details of the paying agent in Singapore.

LEI

The Company's Legal Entity Identifier (LEI) is 5493006M8GRAQRCSCD67.

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Note: The audited consolidated financial information of the Company as of and for the years ended December 31, 2017, 2018 and 2019, set out herein have been reproduced from the Company's audited consolidated financial statements included in its annual reports for the years ended December 31, 2018 and 2019 and page references are references to pages set forth in such annual reports. The Chinese translation is for reference only. Should there be any inconsistency between English and Chinese versions, English should prevail.

INDEPENDENT AUDITOR'S REPORT



羅兵咸永道

致新城發展控股有限公司（前稱「新城發展控股有限公司」）全體股東

TO THE SHAREHOLDERS OF
SEAZEN GROUP LIMITED
(FORMERLY KNOWN AS "FUTURE LAND DEVELOPMENT HOLDINGS LIMITED")

(於開曼群島註冊成立的有限責任公司)

(incorporated in the Cayman Islands with limited liability)

意見

我們已審計的內容

新城發展控股有限公司（以下簡稱「貴公司」）及其子公司（以下統稱「貴集團」）列載於第F-16頁至F-267頁的合併財務報表，包括：

- 於2019年12月31日的合併財務狀況表；
- 截至該日止年度的合併損益表；
- 截至該日止年度的合併全面收益表；
- 截至該日止年度的合併權益變動表；
- 截至該日止年度的合併現金流量表；及
- 合併財務報表附註，包括主要會計政策概要。

OPINION

What we have audited

The consolidated financial statements of Seazen Group Limited (the "Company") and its subsidiaries (the "Group") set out on pages F-16 to F-267, which comprise:

- the consolidated statement of financial position as at 31 December 2019;
- the consolidated statement of profit or loss for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

我們的意見

我們認為，該等合併財務報表已根據香港會計師公會（「香港會計師公會」）頒佈的《香港財務報告準則》（「香港財務報告準則」）真實而中肯地反映了貴集團於2019年12月31日的合併財務狀況及其截至該日止年度的合併財務表現及合併現金流量，並已遵照香港《公司條例》的披露規定妥為編製。

Our Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2019, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

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2019年年報 2019 Annual Report

INDEPENDENT AUDITOR'S REPORT



羅兵咸永道

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》(「香港審計準則」)進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計合併財務報表承擔的責任」章節中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

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

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期合併財務報表的審計最為重要的事項。這些事項是在我們審計整體合併財務報表及對其出具意見過程中需要應對的，但我們不對這些事項提供單獨的意見。

我們在審計中識別的關鍵審計事項概述如下：

1. 投資物業的公允價值
2. 子公司、合營企業及聯營公司的分類
3. 完工待售或在建銷售物業的減值虧損撥備

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of this report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

KEY AUDIT MATTERS

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

Key audit matters identified in our audit are summarised as follows:

1. Fair Value of Investment Properties
2. Classification of Subsidiary, Joint Venture and Associate
3. Provision for Impairment Loss of Properties Held or Under Development for Sale

INDEPENDENT AUDITOR'S REPORT



羅兵咸永道

關鍵審計事項 (續)

KEY AUDIT MATTERS (Cont'd)

關鍵審計事項1：投資物業的公允價值

Key Audit Matter 1: Fair Value of Investment Properties

具體信息參見貴集團合併財務報表附註4.5 (重大會計估計及判斷) 及附註7 (投資物業)。

Refer to note 4.5 (Critical accounting estimates and judgements) and note 7 (Investment properties) to the consolidated financial statements.

截至2019年12月31日，貴集團投資物業賬面值為人民幣66,183百萬元。截至該日止年度，貴集團確認投資物業公允價值收益人民幣2,438百萬元。

As at 31 December 2019, carrying amount of investment properties of the Group amounted to RMB66,183 million. For the year then ended, the Group recognised fair value gains on investment properties of RMB2,438 million.

貴集團基於獨立專業合資格估值師作出的估值結果釐定投資物業的公允價值。公允價值的釐定涉及重大會計判斷及估計，包括估值方法的選擇以及關鍵輸入數據（如現時租金、估計未來租金、租期收益率、復歸收益率、至竣工的估計建設成本及持有及開發有關的物業至竣工所需的估計利潤率）的使用。

The Group determined fair value of the investment properties based on the results of valuations done by independent professional qualified valuers. The determination of fair value involved significant accounting judgements and estimates, including selection of valuation method, and usage of key inputs, such as current rental, estimated future rental, term yield, reversionary yield, estimated construction costs to completion, and estimated profit margin required to hold and develop property to completion.

我們的審計如何應對關鍵審計事項

How our audit addressed the Key Audit Matter

我們已執行以下審計程序：

We performed the following procedures:

- (1) 我們已評估出具估值報告的外部估值師的獨立性及能力。
- (1) We assessed the independence and competence of the external valuer which issued valuation report.
- (2) 我們已評估所採用的估值方法的合適性。
- (2) We assessed the appropriateness of the valuation method adopted.
- (3) 對於估值中採用的現時租金，我們依靠抽樣核對金額至租賃台賬及租賃合同。
- (3) For current rental used in the valuation, we checked the amount to rent roll and lease arrangement on a sample basis.

INDEPENDENT AUDITOR'S REPORT



羅兵咸永道

關鍵審計事項 (續)

KEY AUDIT MATTERS (Cont'd)

關鍵審計事項1：投資物業的公允價值 (續)

Key Audit Matter 1: Fair Value of Investment Properties (Cont'd)

由於投資物業的估值對貴集團合併財務狀況及財務表現具有重大影響且涉及重大會計估計及判斷，因此我們將投資物業的公允價值認為關鍵審計事項。

We consider fair value of investment properties a key audit matter because the valuation of the investment properties has a significant impact on the Group's consolidated financial position and financial performance, and involves significant accounting estimates and judgements.

我們的審計如何應對關鍵審計事項 (續)

How our audit addressed the Key Audit Matter (Cont'd)

- (4) 對於估計未來租金、租期收益率、復歸收益率及估計利潤率，我們利用市場交易證據將其與我們的預期進行抽樣比較。當發現估計與假設超出所採用的標準範疇時，我們與估值師討論，以理解其理據，隨後根據所有現有證據與我們的行業經驗評估該估計或假設的使用是否合理。
- (4) For estimated future rental, term yield, reversionary yield, and estimated profit margin, we compared them with market transaction data on a sample basis. Where we identified estimates and assumptions that were outside the typical ranges used, we discussed these with the valuers to understand the rationale and then assessed, based on all the available evidence and our experience in this sector, whether the use of the estimate or assumption was justified.
- (5) 對於至竣工的估計成本，我們將其與管理層制定並經由內部批准的項目預算進行抽樣比較；同時，我們還將新竣工物業的實際成本與其預算成本進行了比較，以評估該項目預算的可靠性。
- (5) For estimated construction costs to completion, we compared them to the project budgets which were developed and approved internally by management on a sample basis; we also compared the actual costs of the newly completed properties to their budget costs to assess the reliability of the project budgets.

我們的測試表明，對貴集團的物業組合而言，該等估計與假設均獲支持。

Our testing indicated that the estimates and assumptions used were justified in the context of the Group's property portfolio.

INDEPENDENT AUDITOR'S REPORT



羅兵咸永道

關鍵審計事項 (續)

KEY AUDIT MATTERS (Cont'd)

關鍵審計事項2：子公司、合營企業及聯營公司的分類

Key Audit Matter 2: Classification of Subsidiary, Joint Venture and Associate

具體信息參見合併財務報表附註4.6(子公司、合營企業及聯營公司的分類)、附註9(於聯營公司的投資)、附註10(於合營企業的投資)及附註44(子公司詳情)。

Refer to note 4.6 (Classification of subsidiary, joint venture and associate), note 9 (Investments in associates), note 10 (Investments in joint ventures) and note 44 (Particulars of subsidiaries) to the consolidated financial statements.

貴集團就房地產開發業務與其他實體合作。截至2019年12月31日，投資聯營公司及合營企業的賬面值分別為人民幣7,834百萬元及人民幣11,734百萬元。同時，於2019年12月31日，貴集團擁有多家非全資子公司，非控股權益總額為人民幣32,823百萬元。

The Group co-operated with other entities in property development business. As of 31 December 2019, carrying amounts of investments in associates and joint ventures amounted to RMB7,834 million and RMB11,734 million respectively. At the same time, the Group had a large number of non-wholly owned subsidiaries with total non-controlling interests of RMB32,823 million as at 31 December 2019.

我們的審計如何應對關鍵審計事項

How our audit addressed the Key Audit Matter

對於單獨或匯總的重大投資，我們已對管理層估計進行評估並執行以下審計程序：

For material investments, individually or in aggregate, we have assessed management's assessment and performed the following audit procedures:

- (1) 我們查閱了與投資相關的法律文件，包括投資合約、被投資公司的組織章程及其他法律相關文件，以評估關鍵條款，並重點關注治理結構、投資者的權利、決策機制、分紅安排、退出及終止等。
- (1) We examined the legal documents associated with investments, including investment contracts, investee company's articles of associations and other relevant legal documents, to assess the key terms, with a particular focus on governance structure, rights of the investors, decision making mechanism, profit-sharing arrangements, exit and termination, etc.

INDEPENDENT AUDITOR'S REPORT



羅兵咸永道

關鍵審計事項 (續)

KEY AUDIT MATTERS (Cont'd)

關鍵審計事項2：子公司、合營企業及聯營公司的分類 (續)

Key Audit Matter 2: Classification of Subsidiary, Joint Venture and Associate (Cont'd)

我們的審計如何應對關鍵審計事項 (續)

How our audit addressed the Key Audit Matter (Cont'd)

貴集團根據投資合約、被投資公司的組織章程及其他法律文件訂明的權力及報酬條款將投資分類為子公司、合營企業及聯營公司。子公司於貴集團的財務報表合併入賬，即各項資產、負債及交易均列示於貴集團的合併財務報表，而於聯營公司及合營企業的投資僅以單項投資列示於合併財務狀況表，且以單項收入／虧損呈列其業績淨額。

The Group classified the investments into subsidiaries, joint ventures and associates based on the power and return terms specified in the investment contracts, articles of association of the investee companies and other legal documents. Subsidiaries are consolidated, which means each asset, liability and transaction are shown in the Group's financial statements, whereas investments in associates and joint ventures are shown as a single line item in the consolidated statement of financial position with a single item of income/loss for their net results.

由於將投資分類為子公司、合營企業或聯營公司涉及重大會計判斷，且該分類釐定合併範圍，進一步對貴集團的資產總額、負債總額、收入、成本及開支產生重大影響，因此我們將子公司、合營企業及聯營公司的分類認為關鍵審計事項。We consider classification of subsidiaries, joint ventures and associates a key audit matter because the classification of an investment as a subsidiary, joint venture or associate involves significant accounting judgements and the classification determines consolidation scope which further significantly affects the Group's total assets, total liabilities, revenue, costs and expenses.

- (2) 倘有收購或出售事項，我們通過與獨立估值師出具的估值報告進行比較，評估了收購或出售投資支付或收到的對價是否代表公平交易中的公平市價。
- (2) We assessed whether the consideration paid or received in acquisition or disposal of investment represents the fair market value in arm's length transaction by comparison to the valuation report issued by independent valuers, when there was acquisition or disposal.
- (3) 當法律文件或治理結構發生後續變更時，我們重點評估該等變更是否影響初始分析。
- (3) In case where there have been subsequent changes to the legal documents or governance structures, we critically assessed whether these change the initial analysis.
- (4) 我們按抽樣基準通過書面或致電貴集團的合作方尋求確認關鍵條款，包括治理結構、投資者的權利、決策機制、分紅安排、退出及終止等。
- (4) We sought for confirmation on a sample basis in written or via phone calls from the Group's co-operating parties to confirm key terms, including governance structure, rights of the investors, decision making mechanism, profit-sharing arrangements, exit and termination, etc.

INDEPENDENT AUDITOR'S REPORT



羅兵咸永道

關鍵審計事項 (續)

KEY AUDIT MATTERS (Cont'd)

關鍵審計事項2：子公司、合營企業及聯營公司的分類 (續)

Key Audit Matter 2: Classification of Subsidiary, Joint Venture and Associate (Cont'd)

我們的審計如何應對關鍵審計事項 (續)

How our audit addressed the Key Audit Matter (Cont'd)

- (5) 我們已將貴集團對子公司、合營企業及聯營公司之分類及其賬面值的呈列及披露納入考慮。
- (5) We considered the Group's presentation and disclosures in respect of the classification and carrying values of subsidiaries, joint ventures, and associates.

根據我們執行的審計程序，我們認為子公司、聯營公司及合營企業的分類可被接受，且獲現有子公司、合營企業及聯營公司的投資分類證據支持。

Based on our audit procedures performed, we consider the classification of subsidiaries, associates, and joint ventures is acceptable and supportable by the available evidence in respect of the classification of investments in subsidiaries, joint ventures and associates.

INDEPENDENT AUDITOR'S REPORT



羅兵咸永道

關鍵審計事項 (續)

KEY AUDIT MATTERS (Cont'd)

關鍵審計事項3：完工待售或在建銷售物業的減值虧損撥備

Key Audit Matter 3: Provision for Impairment Loss of Properties Held or Under Development For Sale

具體信息參見合併財務報表附註4.2(完工待售或在建銷售物業的減值虧損撥備)及附註17(完工待售或在建銷售物業)。
Refer to note 4.2 (Provision for impairment of properties held or under development for sale), note 17 (Properties held or under development for sale) to the consolidated financial statements.

截至2019年12月31日，貴集團的完工待售或在建銷售物業為人民幣231,284百萬元，約佔貴集團資產總額的49.39%。
As at 31 December 2019, the Group's properties held or under development for sale is RMB231,284 million, representing approximately 49.39% of the Group's total assets.

貴集團於完工待售或在建銷售物業的可變現淨值低於其各自的賬面值時就減值虧損作出撥備。完工待售或在建銷售物業可變現淨值的釐定涉及重大會計估計，包括估計銷售價格、將產生的銷售開支及至竣工的成本。

The Group made provision for impairment loss when the net realisable value of the properties held or under development for sale is lower than their respective carrying amounts. The determination of net realisable value of properties held or under development for sale involves significant accounting estimate, including the estimated selling price, selling expenses to be incurred and costs to completion.

由於涉及龐大金額及重大會計估計，我們將完工待售或在建銷售物業的減值虧損撥備認定為關鍵審計事項。

We consider provision for impairment loss of properties held or under development for sale a key audit matter because of the significance of the amount and the accounting estimate involved.

我們的審計如何應對關鍵審計事項

How our audit addressed the Key Audit Matter

我們已執行以下審計程序：

We performed the following procedures:

- (1) 我們瞭解、評估並驗證貴集團對完工待售或在建銷售物業之可變現淨值之估計的內部控制並就減值虧損作出撥備。
(1) We understood, evaluated and validated the internal controls over the Group's estimating of net realisable values of properties held or under development for sale and making provisions for impairment loss.
- (2) 我們對完工待售或在建銷售物業的實際變現與管理層於過往年度作出的估計進行抽樣比較，以於事後檢視管理層作出的可變現淨值評估及過程是否受管理層偏見影響。
(2) We compared, on a sample basis, the actual realisation of properties held or under development for sale with management's estimate made in the prior years to consider, with hindsight, whether management's net realisable value assessment and process had been subject to management bias.
- (3) 我們對用於計算2019年12月31日的減值撥備虧損的管理層關鍵估計進行評估並已執行以下審計程序：
(3) We assessed management's key estimates used in calculating the provision for impairment loss as at 31 December 2019 and performed the following procedures:

INDEPENDENT AUDITOR'S REPORT



羅兵咸永道

關鍵審計事項 (續)

KEY AUDIT MATTERS (Cont'd)

關鍵審計事項3：完工待售或在建銷售物業的減值虧損撥備 (續)

Key Audit Matter 3: Provision for Impairment Loss of Properties Held or Under Development For Sale (Cont'd)

我們的審計如何應對關鍵審計事項 (續)

How our audit addressed the Key Audit Matter (Cont'd)

- 我們對預估銷售價格與近期市場交易進行比較，並參考貴集團同項目預售單位的銷售價格，或類似規模、用途及地點之可資比較物業的現行市價。
- We compared the estimated selling price to the recent market transactions, making reference to the Group's selling price of the same project's pre-sale units or the prevailing market price of comparable properties with similar size, usage and location.
- 估計將產生的銷售開支乃按銷售價格之若干百分比估計，我們對上述估計百分比和貴集團近年實際平均銷售開支與收入的比率進行比較。
- We compared the estimated selling expenses to be incurred which is estimated based on a certain percentage of selling price with the actual average selling expenses to revenue ratio of the Group in recent years.

INDEPENDENT AUDITOR'S REPORT



羅兵咸永道

關鍵審計事項 (續)

KEY AUDIT MATTERS (Cont'd)

關鍵審計事項3：完工待售或在建銷售物業的減值虧損撥備 (續)

Key Audit Matter 3: Provision for Impairment Loss of Properties Held or Under Development For Sale (Cont'd)

我們的審計如何應對關鍵審計事項 (續)

How our audit addressed the Key Audit Matter (Cont'd)

- 對於在建物業至竣工的估計成本，我們核對至竣工的估計成本及經管理層批准的預算，並在抽樣基礎上審閱已簽署的建築合約，或與貴集團類似竣工物業的實際成本進行比較。
- For estimated costs to completion for properties under development, we reconciled the estimated costs to completion to the budgets approved by management and examined, on a sample basis, the signed construction contracts or compared to the actual costs of similar completed properties of the Group.

根據我們已執行的審計程序，我們認為管理層對完工待售或在建銷售物業的減值虧損撥備的估計得以由我們所獲得的證據支持。

Based on the procedures performed, we consider management's estimates on provision for impairment loss of properties held or under development for sale were supported by the evidence we gathered.

獨立核數師報告

INDEPENDENT AUDITOR'S REPORT



羅兵咸永道

其他資料

貴公司董事須對載於貴公司2019年年報的其他信息負責。其他信息包括我們在本核數師報告日前取得的董事長報告及管理層討論與分析（但不包括合併財務報表及我們的核數師報告），以及預期會在本核數師報告日後取得的公司資料、財務概要／財務回顧、財務摘要、主要物業明細、董事及高級管理層、董事會報告、企業管治報告及環境、社會及管治報告。

我們對合併財務報表的意見並不涵蓋其他信息，我們既不對該等其他信息發表任何形式的鑒證結論。

結合我們對合併財務報表的審計，我們的責任是閱讀上述的其他信息並在此過程中，考慮其他信息是否與合併財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們對在本核數師報告日前取得的其他信息所執行的工作，如果我們認為此等其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何需要報告的事項。

當我們閱讀公司資料、財務概要／財務回顧、財務摘要、主要物業明細、董事及高級管理層、董事會報告、企業管治報告及環境、社會及管治報告後，如果我們認為其中存在重大錯誤陳述，我們需要將有關事項與審核委員會溝通，並在考慮我們的法律權利和義務後採取適當行動。

OTHER INFORMATION

The directors of the Company are responsible for the other information set out in the Company's 2019 Annual Report. The other information comprises the information included in the chairman's statement and management discussion and analysis (but does not include the consolidated financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the corporate information, financial summary/financial review, financial highlights, breakdown of major properties, directors and senior management, report of the directors, corporate governance report and environmental, social and governance report which are expected to be made available to us after that date.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the corporate information, financial summary/financial review, financial highlights, breakdown of major properties, directors and senior management, report of the directors, corporate governance report and environmental, social and governance report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the audit committee and take appropriate action considering our legal rights and obligations.

INDEPENDENT AUDITOR'S REPORT



羅兵咸永道

董事及審核委員會就合併財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》的披露規定編製真實而中肯的合併財務報表，並對其認為為使合併財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在編製合併財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關，以及與使用持續經營為會計基礎有關的事項，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會須負責監督貴集團的財務匯報過程。

核數師就審計合併財務報表承擔的責任

我們的目標，是對合併財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下（作為整體）報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The audit committee is responsible for overseeing the Group's financial reporting process.

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

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

INDEPENDENT AUDITOR'S REPORT



羅兵咸永道

核數師就審計合併財務報表承擔的責任 (續)

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響合併財務報表使用者依賴合併財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致合併財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

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

(Cont'd)

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

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

INDEPENDENT AUDITOR'S REPORT



羅兵咸永道

核數師就審計合併財務報表承擔的責任 (續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意合併財務報表中的相關披露。假若有關的披露不足，則我們需要發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價合併財務報表的整體列報方式、結構和內容，包括披露，以及合併財務報表是否中肯反映內涵的交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對合併財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與審核委員會溝通了所設想的審計範圍、時間安排以及重大審計發現，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與審核委員會溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，所採取的相關防範措施。

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

(Cont'd)

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

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

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

獨立核數師報告

INDEPENDENT AUDITOR'S REPORT



羅兵咸永道

核數師就審計合併財務報表承擔的責任 (續)

從與審核委員會溝通的事項中，我們確定哪些事項對本期合併財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是郭志平。

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

(Cont'd)

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

The engagement partner on the audit resulting in this independent auditor's report is Arthur Chi Ping Kwok.

羅兵咸永道會計師事務所
執業會計師

香港，2020年3月27日

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 27 March 2020



F-15 | 新城發展控股有限公司 Seazen Group Limited
2019年年報 2019 Annual Report

合併財務狀況表

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

於2019年12月31日 As at 31 December 2019

			2019年12月31日 31 December 2019 人民幣千元 RMB'000	2018年12月31日 31 December 2018 人民幣千元 RMB'000
	附註 Note			
資產		ASSETS		
非流動資產		Non-current assets		
物業、廠房及設備	6	Property, plant and equipment	4,899,719	3,014,910
使用權資產	6(b)	Right-of-use assets	191,934	–
投資物業	7	Investment properties	66,182,793	40,758,000
無形資產	8	Intangible assets	474,954	539,109
於聯營公司的投資	9	Investments in associates	7,833,878	6,840,149
於合營企業的投資	10	Investments in joint ventures	11,734,122	12,633,050
遞延所得稅資產	26	Deferred income tax assets	3,900,916	3,031,448
以公允價值計量且其變動計入 當期損益的金融資產	12	Financial assets at fair value through profit or loss	581,673	1,032,194
按攤銷成本計量之金融資產	13	Financial assets at amortised costs	488,996	734,735
商譽		Goodwill	10,260	10,260
土地使用權	15	Land use rights	426,306	427,949
貿易及其他應收款項以及預付款項	18	Trade and other receivables and prepayments	250,654	463,427
非流動資產總額		Total non-current assets	96,976,205	69,485,231
流動資產		Current assets		
租賃土地預付款項	16	Prepayments for leasehold land	578,819	13,610,385
完工待售或在建銷售物業	17	Properties held or under development for sale	231,283,880	145,596,570
貿易及其他應收款項以及預付款項	18	Trade and other receivables and prepayments	70,759,431	58,906,517
合同取得成本	28	Contract costs	1,962,747	1,229,533
以公允價值計量且其變動計入 其他全面收益之金融資產	12	Financial assets at fair value through other comprehensive income	338,697	–
以公允價值計量且其變動計入 當期損益的金融資產	12	Financial assets at fair value through profit or loss	733,870	–
按攤銷成本計量之金融資產	13	Financial assets at amortised costs	34,697	220,001
衍生金融工具	14	Derivative financial instruments	–	151,475
受限制現金	20	Restricted cash	5,882,328	6,441,945
現金及現金等價物	20	Cash and cash equivalents	59,691,685	41,213,881
流動資產總額		Total current assets	371,266,154	267,370,307
資產總額		Total assets	468,242,359	336,855,538
權益		EQUITY		
本公司擁有人應佔權益		Equity attributable to owners of the Company		
股本：面值	21	Share capital: nominal value	4,807	4,813
儲備	23	Reserves	24,987,914	19,147,278
			24,992,721	19,152,091
非控股權益		Non-controlling interests	32,823,080	26,568,692
權益總額		Total equity	57,815,801	45,720,783

合併財務狀況表

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

於2019年12月31日 As at 31 December 2019

		2019年12月31日 31 December 2019 人民幣千元 RMB'000	2018年12月31日 31 December 2018 人民幣千元 RMB'000
	附註 Note		
負債			
非流動負債			
借款	24	46,997,939	56,515,373
租賃負債	6(b)	58,282	–
遞延所得稅負債	26	4,486,053	3,720,666
貿易及其他應付款項	25	–	144,505
非流動負債總額		51,542,274	60,380,544
流動負債			
貿易及其他應付款項	25	106,303,180	75,524,146
預收客戶款項		698,017	435,133
合約負債	28	197,667,554	118,230,992
即期所得稅負債		13,128,753	9,476,038
借款	24	40,849,008	24,987,790
租賃負債	6(b)	144,841	–
以公允價值計量且其變動計入 當期損益的金融負債	27	80,993	2,069,576
衍生金融工具	14	–	12,478
應付股息		11,938	18,058
流動負債總額		358,884,284	230,754,211
負債總額		410,426,558	291,134,755
權益及負債總額		468,242,359	336,855,538

上述合併財務狀況表應與後附合併財務報表附註一併閱讀。

The above consolidated statement of financial position should be read in conjunction with the accompanying notes to the consolidated financial statements.

載於第F-16頁至F-267頁之財務報表已於2020年3月27日獲董事會批准，並由下列董事代表董事會簽署：

The financial statements on Page F-16 to F-267 were approved by the Board of Directors on 27 March 2020 and were signed on its behalf by:

王曉松

Wang Xiaosong

Director

董事

陸忠明

Lu Zhongming

Director

董事

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新城發展控股有限公司 Seazen Group Limited
2019年年報 2019 Annual Report

合併損益表

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

截至2019年12月31日止年度 For the year ended 31 December 2019

			截至12月31日止年度 Year ended 31 December	
			2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
	附註 Note			
營業額	28	Revenue	86,851,178	54,780,995
銷售及服務成本	30	Cost of sales and services	(60,505,751)	(35,723,588)
毛利		Gross profit	26,345,427	19,057,407
投資物業公允價值收益	7	Fair value gains on investment properties	2,438,106	3,285,089
以公允價值計量且其變動計入 當期損益的金融工具 公允價值收益／(虧損)	12	Fair value gains/(losses) on financial instruments at fair value through profit or loss	131,177	(235,790)
銷售及營銷費用	30	Selling and marketing costs	(4,422,306)	(2,374,416)
行政開支	30	Administrative expenses	(4,301,454)	(2,650,816)
金融資產減值虧損淨額	3	Net impairment losses on financial assets	(146,849)	(157,769)
其他收入	29	Other income	136,784	97,929
其他開支	29	Other expenses	(12,650)	(23,788)
其他收益－淨額	29	Other gains – net	902,282	840,148
經營利潤		Operating profit	21,070,517	17,837,994
財務收入	31	Finance income	506,077	229,626
融資成本	31	Finance costs	(1,845,650)	(969,568)
融資成本－淨額		Finance costs – net	(1,339,573)	(739,942)
應佔聯營公司業績	9	Share of results of associates	1,839,785	990,068
應佔合營企業業績	10	Share of results of joint ventures	54,442	559,380
除所得稅前利潤		Profit before income tax	21,625,171	18,647,500
所得稅開支	33	Income tax expense	(9,018,982)	(6,599,934)
年度利潤		Profit for the year	12,606,189	12,047,566
應佔年度利潤：		Profit for the year attributable to:		
－本公司權益持有人		－ Equity holders of the Company	7,812,268	6,761,004
－非控股權益		－ Non-controlling interests	4,793,921	5,286,562
			12,606,189	12,047,566
本公司權益持有人應佔利潤的 每股盈利		Earnings per share for profit attributable to equity holders of the Company		
－基本每股盈利	34	－ Basic earnings per share	人民幣1.32元 RMB1.32	人民幣1.15元 RMB1.15
－每股攤薄盈利	34	－ Diluted earnings per share	人民幣1.32元 RMB1.32	人民幣1.12元 RMB1.12

上述合併損益表應與後附合併財務報表附註一併閱讀。

The above consolidated statement of profit or loss should be read in conjunction with the accompanying notes to the consolidated financial statements.

合併全面收益表

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

截至2019年12月31日止年度 For the year ended 31 December 2019

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
年度利潤	Profit for the year	12,606,189	12,047,566
其他全面收益／(虧損)	Other comprehensive income/(loss)		
其後可能重新分類至損益之項目	Items that may be reclassified subsequently to profit or loss		
— 匯兌差額	– Currency translation differences	(241,012)	(304,371)
其後可能不會重新分類至損益之項目	Items that may not be reclassified subsequently to profit or loss		
— 以公允價值計量且其變動計入其他全面收益的金融工具公允價值變動	– Changes in fair value of financial instruments at fair value through other comprehensive income	1,503	10,674
年內其他全面虧損（扣除稅項）	Other comprehensive loss for the year, net of tax	(239,509)	(293,697)
年度全面收益總額	Total comprehensive income for the year	12,366,680	11,753,869
應佔年度全面收益總額：	Total comprehensive income for the year attributable to:		
— 本公司權益持有人	– Equity holders of the Company	7,648,137	6,565,699
— 非控股權益	– Non-controlling interests	4,718,543	5,188,170
		12,366,680	11,753,869

上述合併全面收益表應與後附合併財務報表附註一併閱讀。

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes to the consolidated financial statements.



合併權益變動表

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

截至2019年12月31日止年度 For the year ended 31 December 2019

		附註 Note	股本	股份溢價	其他儲備	其他權益 – 庫存股 Other equity- Treasury stock	保留盈利	小計	非控股權益	權益總額
			Share capital 人民幣千元 RMB'000	Share premium 人民幣千元 RMB'000	Other reserves 人民幣千元 RMB'000	Other equity- Treasury stock 人民幣千元 RMB'000	Retained earnings 人民幣千元 RMB'000	Sub-total 人民幣千元 RMB'000	Non- controlling interests 人民幣千元 RMB'000	Total equity 人民幣千元 RMB'000
於2019年1月1日的結餘	Balance at 1 January 2019		4,813	488,365	(391,522)	(34,793)	19,085,228	19,152,091	26,568,692	45,720,783
年度利潤	Profit for the year		–	–	–	–	7,812,268	7,812,268	4,793,921	12,606,189
其他全面收益/(虧損)	Other comprehensive income/(loss)		–	–	(164,131)	–	–	(164,131)	(75,378)	(239,509)
截至2019年12月31日止年度 全面收益總額	Total comprehensive income for the year ended 31 December 2019		–	–	(164,131)	–	7,812,268	7,648,137	4,718,543	12,366,680
直接於權益確認與 擁有人之交易	Transactions with owners, recognised directly in equity									
註銷股份	Cancellation of shares	21	(6)	–	(34,787)	34,793	–	–	–	–
聯營公司投資人投入的 股本溢價	Capital premium from an investor of an associate		–	–	5,754	–	–	5,754	–	5,754
非控股股東之增資及 減少的資本金	Capital contributions and reduction from non-controlling shareholders		–	–	–	–	–	–	4,873,976	4,873,976
收購子公司	Acquisition of subsidiaries	36	–	–	–	–	–	–	269,500	269,500
出售子公司	Disposal of subsidiaries	42	–	–	–	–	–	–	(363,759)	(363,759)
附屬公司2016年限制性 股票激勵計劃	Subsidiary's 2016 Restricted Share Incentive Scheme	22	–	–	(83,069)	–	–	(83,069)	156,033	72,964
2019年購股權獎勵計劃	2019 Share Option Award Scheme	22	–	–	3,735	–	–	3,735	–	3,735
附屬公司2019年限制性 股票激勵計劃	Subsidiary's 2019 Restricted Share Incentive Scheme	22	–	–	–	–	–	–	16,601	16,601
附屬公司2019年購股權 獎勵計劃	Subsidiary's 2019 Share Option Award Scheme	22	–	–	–	–	–	–	9,592	9,592
2018年末期股息	2018 final dividend	35	–	(488,365)	–	–	(1,281,335)	(1,769,700)	–	(1,769,700)
子公司股息	Dividends of a subsidiary		–	–	–	–	–	–	(1,389,125)	(1,389,125)
子公司購回股份	Share buy-back of a subsidiary	41	–	–	(101,207)	–	–	(101,207)	(48,753)	(149,960)
與非控股權益的交易	Transaction with non-controlling interests	41	–	–	136,980	–	–	136,980	(1,988,220)	(1,851,240)
			(6)	(488,365)	(72,594)	34,793	(1,281,335)	(1,807,507)	1,535,845	(271,662)
於2019年12月31日的結餘	Balance at 31 December 2019		4,807	–	(628,247)	–	25,616,161	24,992,721	32,823,080	57,815,801

合併權益變動表

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

截至2019年12月31日止年度 For the year ended 31 December 2019

		本公司權益持有人應佔						
		Attributable to equity holders of the Company						
		其他權益 –					非控股權益	權益總額
		股本	股份溢價	其他儲備	庫存股	保留盈利		
		Share capital	Share premium	Other reserves	Treasury stock	Retained earnings	Non-controlling interests	Total equity
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
於2018年1月1日的結餘	Balance at 1 January 2018	4,609	546,640	31,682	–	12,324,224	12,907,155	24,827,391
年度利潤	Profit for the year	–	–	–	–	6,761,004	6,761,004	12,047,566
其他全面收益/(虧損)	Other comprehensive income/(loss)	–	–	(195,305)	–	–	(195,305)	(293,697)
截至2018年12月31日止年度	Total comprehensive income for the year ended 31 December 2018	–	–	(195,305)	–	6,761,004	6,565,699	11,753,869
全面收益總額								
直接於權益確認與擁有人之交易	Transactions with owners, recognised directly in equity							
發行新股份	Issue of new shares	219	1,268,261	–	–	–	1,268,480	1,268,480
購回股份	Share buy back	(15)	–	(89,617)	(34,793)	–	(124,425)	(124,425)
非控股股東之增資	Capital contributions from non-controlling shareholders	–	–	–	–	–	9,099,917	9,099,917
聯營公司投資人投入的股本溢價	Capital premium from an investor of an associate	–	–	(3,088)	–	–	(3,088)	(3,088)
非控股股東減少的資本金	Capital reduction from non-controlling shareholders	–	–	–	–	–	(515,857)	(515,857)
收購子公司	Acquisition of subsidiaries	–	–	–	–	–	1,555,058	1,555,058
出售子公司	Disposal of subsidiaries	–	–	–	–	–	(107,000)	(107,000)
子公司之股份激勵計劃	Share incentive scheme of a subsidiary	–	–	(33,987)	–	–	(33,987)	91,351
2017年末期股息及2018年特別股息	2017 final dividend and 2018 special dividend	–	(1,326,536)	–	–	–	–	(1,326,536)
子公司股息	Dividends of a subsidiary	–	–	–	–	–	(648,418)	(648,418)
子公司購回股份	Share buy back of a subsidiary	–	–	(101,207)	–	–	(101,207)	(149,959)
		204	(58,275)	(227,899)	(34,793)	–	(320,763)	9,139,523
於2018年12月31日的結餘	Balance at 31 December 2018	4,813	488,365	(391,522)	(34,793)	19,085,228	19,152,091	45,720,783

上述合併權益變動表應與後附合併財務報表附註一併閱讀。

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes to the consolidated financial statements.



合併現金流量表

CONSOLIDATED STATEMENT OF CASH FLOWS

截至2019年12月31日止年度 For the year ended 31 December 2019

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
	附註 Note		
經營活動所得現金流量	Cash flows from operating activities		
經營活動所得現金	Cash generated from operations	37	52,371,176
已付利息	Interest paid		(5,855,251)
已付中國所得稅	PRC income tax paid		(5,124,258)
已付中國土地增值稅	PRC land appreciation tax paid		(3,736,363)
經營活動所得現金流量淨額	Net cash flows generated from operating activities		37,655,304
投資活動所得現金流量	Cash flows from investing activities		
業務合併，扣除收到的現金	Business combination, net of cash	36	924,792
添置投資物業	Additions of investment properties		(17,389,628)
添置物業、廠房及設備和 非流動資產預付款項	Additions of property, plant and equipment and prepayments for non-current assets	6	(565,937)
出售物業、廠房及設備以及 無形資產所得款項	Proceeds from disposal of property, plant and equipment and intangible assets	37	56,531
出售合營企業所得款項	Proceeds from disposal of joint ventures		134,409
出售聯營公司所得款項	Proceeds from disposal of associates		966
以公允價值計量且其變動計入 當期損益的金融資產所得款項	Proceeds from financial assets at fair value through profit or loss		127,530
添置無形資產	Additions of intangible assets	8	(11,761)
於聯營公司的投資	Investments in associates	9	(423,249)
於合營企業的投資	Investments in joint ventures	10	(1,809,813)
出售子公司及業務， 扣除相關出售現金	Disposal of subsidiaries and business, net of cash disposed	42	1,888,946
已收股息	Dividends received		1,446,978
已收利息	Interest received	31	503,560
向關連方／合營企業或 聯營公司其他投資者撥款	Fundings to related parties/other investors of joint ventures or associates		(87,249,045)
來自關連方／合營企業或 聯營公司其他投資者的撥款	Fundings received from related parties/other investors of joint ventures or associates		92,674,721
購買衍生金融工具	Acquisition of derivative financial instruments		-
出售衍生金融工具所得款項	Proceeds from disposal of derivative financial instruments		12,300
收購以公允價值計量且其變動計入 其他全面收益之金融資產	Acquisition of financial assets at fair value through other comprehensive income		(337,193)
收購以公允價值計量且其變動計入 當期損益的金融資產	Acquisition of financial assets at fair value through profit or loss		(430,761)
出售以公允價值計量且其變動計入 當期損益的金融資產所得款項	Proceeds from disposal of financial assets at fair value through profit or loss		267,764
收購按攤銷成本計量之金融資產	Acquisition of financial assets at amortised costs		(147,887)
合營企業削資	Capital reduction from a joint venture	10	911,396
聯營公司削資	Capital reduction from an associated company	9	10,000
出售按攤銷成本計量之 金融資產所得款項	Proceeds from disposal of financial assets at amortised costs		575,255
向被投資公司貸款	Lending to an investee company		-
收回被投資公司貸款	Recovery of loan from an investee company		140,244
投資活動所用現金流量淨額	Net cash flows used in investing activities		(8,689,882)

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合併現金流量表

CONSOLIDATED STATEMENT OF CASH FLOWS

截至2019年12月31日止年度 For the year ended 31 December 2019

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
	附註 Note		
融資活動所得現金流量	Cash flows from financing activities		
借款所得款項	Proceeds from borrowings	49,793,420	59,957,769
償還借款	Repayments of borrowings	(51,803,344)	(26,269,702)
以公允價值計量且其變動計入 當期損益的金融負債所得款項	Proceed from financial liabilities at fair value through profit or loss	80,993	1,879,292
償還以公允價值計量且其變動 計入當期損益的金融負債	Repayments of financial liabilities at fair value through profit or loss	(2,069,576)	–
償還衍生金融工具	Repayments of derivative financial instruments	(12,478)	–
與融資活動相關的受限制現金 減少	Decrease in restricted cash relating to financing activities	88,001	1,328,587
向本公司權益持有人支付股息	Dividends paid to equity holders of the Company	(1,769,700)	(1,326,536)
向非控股權益支付股息	Dividends paid to non-controlling interests	(1,395,245)	(630,485)
發行新股份	Issue of new shares	–	1,268,480
非控股權益投入的資本金	Capital contribution from non-controlling interests	5,873,976	9,099,917
非控股權益減少的資本金	Capital reduction by non-controlling interests	–	(515,857)
來自子公司非控股權益的撥款	Fundings from non-controlling interests of subsidiaries	13,347,829	10,404,442
向子公司非控股權益撥款	Fundings to non-controlling interests of subsidiaries	(20,507,067)	(13,670,297)
購回股份	Share buy back	–	(124,425)
子公司購回股份	Share buy-back by a subsidiary	(149,960)	(149,959)
回購A股公司限制性股票激勵計劃	Buy-back of the A share company's restricted share incentive scheme	–	(3,802)
與非控股權益的交易	Transaction with non-controlling interests	(1,851,240)	–
結算租賃負債	Settlement of lease liabilities	(71,006)	–
融資活動（所用）／所得現金流量 淨額	Net cash flows (used in)/generated from financing activities	(10,445,397)	41,247,424
現金及現金等價物增加淨額	Net increase in cash and cash equivalents	18,520,025	20,521,571
年初的現金及現金等價物	Cash and cash equivalents at the beginning of the year	41,213,881	20,542,676
匯兌（虧損）／收益	Exchange (losses)/gains	(42,221)	149,634
年末的現金及現金等價物	Cash and cash equivalents at end of the year	59,691,685	41,213,881

上述合併現金流量表應與後附合併財務報表附註一併閱讀。

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

1 一般資料

新城發展控股有限公司（前稱「新城發展控股有限公司」；以下簡稱「本公司」）於2010年4月23日根據開曼群島公司法（2010年修訂本）在開曼群島註冊成立為獲豁免有限公司。本公司註冊辦事處地址為Grand Pavilion, Hibiscus Way, 802 West Bay Road, P.O. Box 31119, Grand Cayman KY1-1205, Cayman Islands。

本公司及其子公司（統稱「本集團」）的主要業務為於中華人民共和國（「中國」）從事物業開發及物業投資。本公司的母公司為富域香港投資有限公司（「富域香港」），本公司的最終控股公司為First Priority Group Limited，富域香港及First Priority Group Limited均於英屬處女群島註冊成立。本集團最終控股方為王振華先生（「王先生」或「控股股東」）。

為籌備本公司股份首次在香港聯合交易所有限公司（「聯交所」）主板上市，本集團進行重組（「重組」），據此，本公司成為組成本集團各子公司之控股公司。

本公司股份於2012年11月29日開始在香港聯合交易所有限公司（「聯交所」）主板上市（「上市」）。

除另有指明外，合併財務報表以人民幣千元（「人民幣千元」）為單位呈列。

本公司董事會（「董事會」）已於2020年3月27日批准及授權刊發此等載於第F-16頁至第F-267頁的合併財務報表。

1 GENERAL INFORMATION

Seazen Group Limited (formerly known as "Future Land Development Holdings Limited"; hereafter, the "Company") was incorporated in the Cayman Islands on 23 April 2010 as an exempted company with limited liability under the Companies Law (2010 Revision) of the Cayman Islands. The address of its registered office is Grand Pavilion, Hibiscus Way, 802 West Bay Road, P.O. Box 31119, Grand Cayman KY1-1205, Cayman Islands.

The principal activities of the Company and its subsidiaries (together, the "Group") are property development and property investment in the People's Republic of China (the "PRC"). The Company's parent company is Wealth Zone Hong Kong Investments Limited ("Wealth Zone Hong Kong") and the Company's ultimate holding company is First Priority Group Limited, both of which are incorporated in the British Virgin Islands. The ultimate controlling party of the Group is Mr. Wang Zhenhua ("Mr. Wang" or the "Controlling Shareholder").

To prepare for the initial listing of the Company's shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the Group has undertaken a reorganisation (the "Reorganisation") pursuant to which the Company became the holding company of the subsidiaries comprising the Group.

The Company's shares began to list on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 29 November 2012 (the "Listing").

The consolidated financial statements are presented in thousands of Renminbi ("RMB'000"), unless otherwise stated.

These consolidated financial statements set out on page F-16 to F-267 have been approved and authorised for issue by the board of directors (the "Board") of the Company on 27 March 2020.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

2 重大會計政策概要

2.1 編製基準

(i) 遵守香港財務報告準則及香港公司條例

合併財務報表是根據香港會計師公會（「香港會計師公會」）頒佈之所有適用的香港財務報告準則（「香港財務報告準則」）及香港公司條例（第622章）（「香港公司條例」）的披露規定編製。

(ii) 歷史成本慣例

合併財務報表按照歷史成本法編製，並已就按公允價值列賬的以公允價值計量且其變動計入當期損益的金融資產和金融負債（包括衍生工具）、以公允價值計量且其變動計入其他全面收益的金融資產及投資物業的重估而作出調整。

(iii) 本集團於2019年採納的新訂準則、修訂及詮釋

若干新準則、修訂本及詮釋適用於本報告期，故本集團因採納下列所載此等新準則、修訂本及詮釋而更改其會計政策及進行調整：

- 香港財務報告準則第16號－「租賃」
- 香港（國際財務報告詮釋委員會）詮釋第23號－「所得稅項處理的不確定性」
- 香港財務報告準則第9號（修訂本）－有關具有負補償的預付款項特性

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

(i) *Compliance with HKFRSs and HKCO*

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and disclosure requirements of the Hong Kong Companies Ordinance Cap. 622 (“HKCO”).

(ii) *Historical cost convention*

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss, financial assets at fair value through other comprehensive income and investment properties, which are carried at fair value.

(iii) *New standard, amendments and interpretation adopted by the Group in 2019*

A number of new standard, amendments and interpretation became applicable for the current reporting period and the Group changed its accounting policies and make adjustments as a result of adopting these new standard, amendments and interpretation set out below:

- HKFRS 16 – “Leases”
- HK(IFRIC) Interpretation 23 – “Uncertainty over Income Tax Treatments”
- Amendments to HKFRS 9 – Regarding prepayment features with negative compensation

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

2 重大會計政策概要 (續)

2.1 編製基準 (續)

(iii) 本集團於2019年採納的新訂準則、修訂及詮釋 (續)

- 香港會計準則第28號(修訂本)－有關於聯營公司及合營企業的長期權益
- 香港會計準則第19號(修訂本)－有關修訂、縮減或結算計劃
- 香港財務報告準則(修訂本)之改進－香港財務報告準則之年度改進(2015年至2017年週期)

本集團亦選擇提早採納下列修訂本。

- 香港財務報告準則第3號(修訂本)－有關業務的定義

採納香港財務報告準則第16號及香港財務報告準則第3號(修訂本)的影響披露於附註2.2。其他上述修訂及詮釋現時與本集團無關或並無對本集團財務報表產生任何重大影響。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.1 Basis of preparation (Cont'd)

(iii) *New standard, amendments and interpretation adopted by the Group in 2019* (Cont'd)

- Amendments to HKAS 28 – Regarding long-term interests in associates and joint ventures
- Amendments to HKAS 19 – Regarding plan amendment, curtailment or settlement
- Amendments improvement to HKFRSs – Annual Improvements to HKFRS Standards 2015-2017 Cycle

The Group also elected to adopt the following amendments early.

- Amendments to HKFRS 3 – Regarding definition of a business

The effects of the adoption of HKFRS 16 and amendments to HKFRS 3 are disclosed in note 2.2. The other amendments and interpretation listed above are either currently not relevant to the Group or had no material impact on the Group's financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

2 重大會計政策概要 (續)

2.1 編製基準 (續)

(iv) 已頒佈但本集團尚未採納的新準則及修訂本的影響

若干新會計準則及修訂本經已頒佈，惟於2019年12月31日報告期間並未強制生效，且未獲本集團提早採納（香港財務報告準則第3號（修訂本）有關業務的定義除外）。該等準則預計不會對當前或未來報告期內的實體及可預見的未來交易產生重大影響。其他尚未採納的新準則及修訂本於生效時預計不會對本集團的財務報表產生重大影響。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.1 Basis of preparation (Cont'd)

(iv) *Impact of new standard and amendments issued but not yet adopted by the Group*

Certain new accounting standard and amendments have been published but are not mandatory for 31 December 2019 reporting period and have not been early adopted by the Group except for amendments to HKFRS 3 regarding definition of a business. The other yet-to-be adopted new standard and amendments are not expected to have a material impact on the Group's financial statements when they become effective.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

2 重大會計政策概要 (續)

2.2 會計政策變動

該附註解釋採納自2019年1月1日起應用的香港財務報告準則第16號「租賃」及香港財務報告準則第3號(修訂本)有關業務的定義對本集團合併財務報表的影響，該等政策與過往期間應用者不同。

2.2.1 採納香港財務報告準則第16號

本集團已自2019年1月1日起採納香港財務報告準則第16號，惟按該準則特定過渡性條文所允許，並未就2018年報告期間重列比較數字。因此，該等新租賃規則導致的重新分類及調整於2019年1月1日的期初財務狀況中確認。

2.2.1.1 採納香港財務報告準則第16號時確認的調整

於採納香港財務報告準則第16號時，本集團就先前根據香港會計準則第17號「租賃」的原則分類為「經營租賃」的租賃確認租賃負債。該等負債按租賃付款餘額的現值計量，並使用承租人截至2019年1月1日的增量借款利率進行貼現。於2019年1月1日應用於租賃負債的承租人加權平均增量借款利率為6.63%。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Changes in accounting policies

This note explains the impact of the adoption of HKFRS 16 “Leases” and amendments to HKFRS 3 regarding definition of a business on the Group’s consolidated financial statements that have been applied from 1 January 2019, where they are different to those applied in prior periods.

2.2.1 Adoption of HKFRS 16

The Group has adopted HKFRS 16 from 1 January 2019, but has not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening financial position on 1 January 2019.

2.2.1.1 Adjustments recognised on adoption of HKFRS 16

On adoption of HKFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as “operating leases” under the principles of HKAS 17 “Leases”. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee’s incremental borrowing rate as of 1 January 2019. The weighted average of lessee’s incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 6.63%.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

2 重大會計政策概要 (續)

2.2 會計政策變動 (續)

2.2.1 採納香港財務報告準則第16號 (續)

2.2.1.1 採納香港財務報告準則第16號時確認的調整 (續)

(a) 所應用的可行權宜方法

於首次應用香港財務報告準則第16號時，本集團已使用該準則允許的下列可行權宜方法：

- 對具有合理相似特徵的租賃組合採用單一貼現率；
- 根據過往評估租賃是否虧損，作為進行減值審閱之替代方法－於2019年1月1日，概無虧損性合約；
- 於2019年1月1日將租期為12個月內之經營租賃入賬列為短期租賃；
- 於首次應用日期計量使用權資產時排除初始直接成本；及
- 合約包含延長或終止租賃的選擇權時使用事後分析釐定租期。

本集團亦已選擇不在首次應用日期重新評估一項合約是否為或包含租賃。相反，就於過渡日期前訂立的合約，本集團應用香港會計準則第17號及香港（國際財務報告詮釋委員會）詮釋第4號「釐定一項安排是否包含租賃」作出評估。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Changes in accounting policies (Cont'd)

2.2.1 Adoption of HKFRS 16 (Cont'd)

2.2.1.1 Adjustments recognised on adoption of HKFRS 16 (Cont'd)

(a) Practical expedients applied

In applying HKFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics;
- relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review – there were no onerous contracts as at 1 January 2019;
- accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases;
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application; and
- using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made applying HKAS 17 and HK(IFRIC) Interpretation 4 “Determining whether an Arrangement contains a Lease”.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

2 重大會計政策概要 (續)

2.2 會計政策變動 (續)

2.2.1 採納香港財務報告準則第16號 (續)

2.2.1.1 採納香港財務報告準則第16號時確認的調整 (續)

(b) 租賃負債計量

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Changes in accounting policies (Cont'd)

2.2.1 Adoption of HKFRS 16 (Cont'd)

2.2.1.1 Adjustments recognised on adoption of HKFRS 16 (Cont'd)

(b) Measurement of lease liabilities

		2019年 2019 人民幣千元 RMB'000
於2018年12月31日披露的經營租賃承擔	Operating lease commitments disclosed as at 31 December 2018	409,631
減：將以直線法確認為開支的短期及低價值租賃	Less: short-term and low-value leases to be recognised on a straight-line basis as expenses	(188,569)
		221,062
以承租人於首次應用日期的增量借款利率貼現，即於2019年1月1日確認的額外租賃負債	Discounted using the lessee's incremental borrowing rate at the date of initial application, representing additional lease liabilities recognised as at 1 January 2019	183,294
其中包括：	Of which are:	
流動租賃負債	Current lease liabilities	153,996
非流動租賃負債	Non-current lease liabilities	29,298
		183,294

(c) 使用權資產計量

相關使用權資產按等同於各租賃負債的金額計量，並按照2018年12月31日財務狀況表內確認的與該租賃相關的預付或計提的租賃付款予以調整。概無虧損性租賃合約要求於首次應用日期對使用權資產進行調整。

(c) Measurement of right-of-use assets

The associated right-of-use assets were measured at the amount equal to the respective lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position as at 31 December 2018. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

2 重大會計政策概要 (續)

2.2 會計政策變動 (續)

2.2.1 採納香港財務報告準則第16號 (續)

2.2.1.1 採納香港財務報告準則第16號時確 認的調整 (續)

(d) 於2019年1月1日確認的調整

會計政策變動影響於2019年1月
1日財務狀況表中的下列項目：

- 使用權資產－增加人民
幣215,512,000元
- 流動租賃負債－增加人
民幣153,996,000元
- 非流動租賃負債－增加
人民幣29,298,000元
- 貿易及其他應收款項以及
預付款項－減少人民幣
32,218,000元

於2019年1月1日，對保留盈利
概無影響。

(e) 出租人會計處理

於採納香港財務報告準則第16號
後，本集團毋須就根據經營租賃
作為出租人持有資產的會計處理
作出任何調整。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Changes in accounting policies (Cont'd)

2.2.1 Adoption of HKFRS 16 (Cont'd)

2.2.1.1 Adjustments recognised on adoption of HKFRS 16 (Cont'd)

(d) Adjustments recognised on 1 January 2019

The change in accounting policy affected the following
items in the statement of financial position on 1 January
2019:

- right-of-use assets – increased by RMB215,512,000
- current lease liabilities – increased by
RMB153,996,000
- non-current lease liabilities – increased by
RMB29,298,000
- trade and other receivables and prepayments –
decreased by RMB32,218,000

There is no impact on retained earnings as at 1 January
2019.

(e) Lessor accounting

The Group did not need to make any adjustments to
the accounting for assets held as lessor under operating
leases as a result of the adoption of HKFRS 16.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

2 重大會計政策概要 (續)

2.2 會計政策變動 (續)

2.2.1 採納香港財務報告準則第16號 (續)

2.2.1.1 採納香港財務報告準則第16號時確認的調整 (續)

(f) 對分部披露及每股盈利的影響

於2019年12月31日的經調整分部資產及分部負債均因會計政策變動而增加。以下分部因政策變動而增加／(減少)：

		分部利潤 Segment profit 人民幣千元 RMB'000	分部資產 Segment assets 人民幣千元 RMB'000	分部負債 Segment liabilities 人民幣千元 RMB'000
A股公司	A share companies	(10,670)	189,146	197,418
非A股公司	Non-A share companies	(2,055)	3,675	3,906
		(12,725)	193,091	201,324

截至2019年止年度，每股盈利概無因採納香港財務報告準則第16號而受到重大影響。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Changes in accounting policies (Cont'd)

2.2.1 Adoption of HKFRS 16 (Cont'd)

2.2.1.1 Adjustments recognised on adoption of HKFRS 16 (Cont'd)

(f) Impact on segment disclosures and earnings per share

Adjusted segment assets and segment liabilities for 31 December 2019 all increased as a result of the change in accounting policy. The following segments were increased/(decreased) by the change in policy:

2.2.2 採納香港財務報告準則第3號(修訂本)－有關業務的定義

本集團選擇自2019年1月1日起採納「香港財務報告準則第3號(修訂本)－業務的定義」。

業務的定義已修改。如要被視為業務，收購必須包括一項投入及一項實質性流程，兩者共同對創造產出的能力有重大貢獻。新指引提供用於評估投入及實質性流程存在時間的框架。新模式亦引入選擇性的集中測試，倘符合有關測試，則毋須進一步評估。

2.2.2 Adoption of amendments to HKFRS 3 – Regarding definition of a business

The Group elected to adopt the “Amendments to HKFRS 3 – Definition of a Business” from 1 January 2019.

The definition of a business was amended. To be considered a business, an acquisition would have to include an input and a substantive process that together significantly contribute to the ability to create outputs. The new guidance provides a framework to evaluate when an input and a substantive process are present. The new model also introduces an optional concentration test that, if met, eliminates the need for further assessment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

2 重大會計政策概要 (續)

2.2 會計政策變動 (續)

2.2.2 採納香港財務報告準則第3號(修訂本)－業務的定義 (續)

集中測試

根據集中測試，本集團會考慮所收購總資產的全部公允價值是否實質集中於單一資產(或一組類似資產)。倘屬實，所收購資產將不代表一項業務，毋須進一步分析。所收購總資產不包括現金、遞延稅項資產以及因遞延稅項負債影響而產生的任何商譽。所收購總資產的公允價值通常可根據已轉讓代價(另加上任何非控股權益及先前持有權益(如有)的公允價值)另加上所承擔任何負債(遞延稅項負債除外)的公允價值釐定。為比較類似情況，「所收購總資產」以外的任何項目亦不納入所收購總資產公允價值的計算中。

業務的經修訂定義

經修訂的香港財務報告準則第3號規定業務至少須包括一項投入及一項實質性流程，兩者共同對創造產出的能力有重大貢獻。產出定義為「投入及流程的結果適用於向客戶提供貨品或服務、產生投資收益(如股息或利息)或日常活動所產生其他收入的投入」。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Changes in accounting policies (Cont'd)

2.2.2 Adoption of amendments to HKFRS 3 – Regarding definition of a business (Cont'd)

Concentration test

Under the concentration test, the Group considers whether substantially all of the fair value of the gross assets acquired is concentrated in a single asset (or a group of similar assets). If so, the assets acquired would not represent a business and no further analysis is required. Gross assets acquired exclude cash, deferred tax assets and any goodwill that results from the effects of deferred tax liabilities. The fair value of the gross assets acquired can usually be determined based on the consideration transferred (plus the fair value of any non-controlling interest and previously held interest, if any) plus the fair value of any liabilities assumed, other than deferred tax liabilities. In order to compare like with like, any items excluded from the “gross assets acquired” would also be excluded from the fair value of gross assets acquired calculation.

Amended definition of business

The amended HKFRS 3 requires a business to include, as a minimum, an input and a substantive process that together significantly contribute to the ability to create output. Outputs are defined as “the results of inputs and processes applied to those inputs that provide goods or services to customers, generate investment income (such as dividends or interest) or generate other income from ordinary activities”.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

2 重大會計政策概要 (續)

2.2 會計政策變動 (續)

2.2.2 採納香港財務報告準則第3號(修訂本)－有關業務的定義 (續)

業務的經修訂定義 (續)

倘無產出，收購流程於下列情況被視為具實質性：

- 流程對所收購投入轉化為產出至關重要；
- 所收購投入包括具備執行該流程所需技能、知識及經驗的有組織團隊；及
- 可由有組織團隊開發或轉化為產出的已收購其他投入，如知識產權、可發展製造產出的其他經濟資源或取得原料或可創造未來產出的權利。

倘產出存在，收購流程於下列情況被視為具實質性：

- 流程對於持續產生產出至關重要，且投入包括具備執行該流程所需技能、知識或經驗的有組織團隊；或
- 流程對持續產生產出的能力有重大貢獻，且其屬獨特或稀有或須有大量成本方能取代。

提早採納香港財務報告準則第3號(修訂本)對本集團期初保留盈利並無重大影響，對其截至2019年12月31日止年度期間的利潤亦無影響。然而，提早採納導致更多收購作為資產收購列賬。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Changes in accounting policies (Cont'd)

2.2.2 Adoption of amendments to HKFRS 3 – Regarding definition of a business (Cont'd)

Amended definition of business (Cont'd)

If there is no outputs, an acquired process is considered substantive where:

- the process is critical in converting an acquired input to an output;
- the inputs acquired include an organized workforce that has the necessary skills, knowledge and experience to perform that process; and
- other inputs are acquired that can be developed or converted into outputs by the organized workforce, for example, intellectual property, other economic resources that could be developed to create outputs, or rights to obtain materials or that enable future output to be created.

If outputs exist, an acquired process is considered substantive where, either:

- the process is critical in continuing to produce outputs, and the input includes an organized workforce with the necessary skills, knowledge or experience to perform that process; or
- the process significantly contributes to the ability to continue to produce outputs and is unique or scarce or cannot be replaced without significant cost.

The early adoption of the amendments to HKFRS 3 does not have material impact on the Group's beginning retained earnings, nor is its profit for the year ended 31 December 2019 affected. Nevertheless, it resulted in more acquisitions accounted for as asset acquisition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.3 合併原則及權益會計處理

(i) 子公司

子公司指本集團有權控制的所有實體（包括結構化實體）。當本集團因參與一間實體之業務而可或有權獲得可變回報且有能力憑藉其對該實體行使權力而影響該等回報時，則視為本集團控制該實體。子公司於控制權轉移至本集團之日起全面合併入賬。子公司自控制權終止當日起終止合併入賬。

本集團採用收購會計法將業務合併入賬（參見附註2.4）。

集團內公司間交易、結餘及因集團內公司間交易而產生之未變現利得會予以對銷。變現虧損亦予以對銷，除非該交易顯示已轉讓資產減值的證據。子公司的會計政策已於必要時作出調整，以確保與本集團所採納會計政策相符。

子公司的業績及權益中的非控股權益分別於合併財務狀況表、合併損益表、合併全面收益表及合併權益變動表中單獨列示。

(ii) 聯營公司

聯營公司指本集團對其有重大影響但無控制權或共同控制權的所有實體，一般即本集團持有20%至50%之投票權。於初步按成本確認後，於聯營公司的投資乃以權益法入賬（見下文(iv)）。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.3 Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (refer to note 2.4).

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and consolidated statement of changes in equity respectively.

(ii) Associates

Associates or associated companies are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

2 重大會計政策概要 (續)

2.3 合併原則及權益會計處理 (續)

(iii) 合營安排

根據香港財務報告準則第11號共同安排，在共同安排下的投資可分類為共同經營或合營企業。分類視乎每個投資者的合約權利和義務（而非共同安排的法律結構）而定。本集團已評估其共同安排的性質並將其釐定為合營企業。

於初步按成本在合併資產負債表確認後，合營企業權益使用權益法入賬（見下文(iv)）。

(iv) 權益會計法

根據權益會計法，投資初步按成本確認，其後進行調整以於損益確認本集團應佔被投資方收購後利潤或虧損並於其他全面收益確認本集團應佔被投資方其他全面收益的變動。已收或應收聯營公司及合營企業的股息確認為投資賬面值扣減。

本集團應佔權益入賬投資的虧損等於或超過其於該實體的權益（包括任何其他無抵押長期應收款項）時，本集團不會確認進一步虧損，除非已代表另一實體承擔責任或作出付款。

本集團與其聯營公司及合營企業之間交易的未變現收益按本集團於該等實體的權益予以對銷。未變現虧損亦會予以對銷，除非該交易顯示已轉讓資產減值的證據。權益入賬被投資方的會計政策已於必要時作出調整，以確保與本集團所採納會計政策一致。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.3 Principles of consolidation and equity accounting (Cont'd)

(iii) Joint arrangements

Under HKFRS 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The group has assessed the nature of its joint arrangements and determined them to be joint ventures.

Interests in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognised at cost in the consolidated balance sheet.

(iv) Equity accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

2 重大會計政策概要 (續)

2.3 合併原則及權益會計處理 (續)

(iv) 權益會計法 (續)

權益入賬投資的賬面金額根據附註2.12所述政策進行減值測試。

(v) 所有權權益變動

本集團將不導致喪失控制權的非控股權益交易視作與本集團權益擁有人的交易。擁有權權益變動導致控股與非控股權益賬面值的調整，以反映其於子公司的相關權益。非控股權益調整數額與任何已付或已收代價之間的任何差額於本公司擁有人應佔權益中的獨立儲備內確認。

當本集團因失去控制權、共同控制權或重大影響力而停止合併入賬或按權益入賬一項投資時，於實體的任何保留權益重新按公允價值計量，而賬面值變動於損益確認。就其後入賬列作聯營公司、合營企業或金融資產的保留權益而言，該公允價值為初始賬面值。此外，先前於其他全面收益就該實體確認的任何金額按猶如本集團已直接出售有關資產或負債的方式入賬。這意味著先前於其他全面收益確認的金額重新分類至損益或轉撥至適用香港財務報告準則所指明／許可的另一權益類別內。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.3 Principles of consolidation and equity accounting (Cont'd)

(iv) *Equity accounting* (Cont'd)

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in note 2.12.

(v) *Changes in ownership interests*

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

2 重大會計政策概要 (續)

2.3 合併原則及權益會計處理 (續)

(v) 所有權權益變動 (續)

倘於一間合營企業或聯營公司的擁有權權益減少但保留共同控制權或重大影響力，則先前於其他全面收益確認的金額僅有一定比例份額重新分類至損益（如適用）。

2.4 業務合併

本集團採用收購會計法將所有業務合併入賬，不論是否已收購股本工具或其他資產。收購一間子公司轉讓的代價包括：

- 所轉讓資產的公允價值；
- 被收購業務之前擁有人所產生的負債；
- 本集團已發行股權；
- 或然代價安排所產生任何資產或負債的公允價值，及
- 子公司任何先前存在的股權的公允價值。

在業務合併中所收購的可識別資產以及所承擔的負債及或然負債，首先以其於收購日期的公允價值計量（少數例外情況除外）。本集團以逐項收購基準，按公允價值或按非控股權益所佔被收購實體可識別資產淨值的比例確認於被收購實體的任何非控股權益。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.3 Principles of consolidation and equity accounting (Cont'd)

(v) *Changes in ownership interests* (Cont'd)

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2.4 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group;
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.4 業務合併 (續)

收購相關成本於產生時列為開支。

以下各項

- 代價轉讓、
- 於被收購實體的任何非控股權益金額，及
- 於被收購實體的任何先前股權的收購日期公允價值。

若超出所收購可識別淨資產的公允價值入賬列為商譽。倘該等款項低於所收購業務的可識別資產淨值的公允價值，則差額直接於損益中確認為議價購買。

或然代價分類為權益或金融負債。分類為金融負債的金額其後將重新按公允價值計量，而公允價值變動於損益中確認。

倘業務合併分階段進行，則收購方先前持有的被收購方股權於收購日期的賬面值於收購日期重新按公允價值計量。任何因該項重新計量產生的收益或虧損於損益中確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.4 Business combinations (Cont'd)

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity.

Over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

2 重大會計政策概要 (續)

2.5 獨立財務報表

於子公司之投資乃以成本扣除減值入賬。成本亦包括與投資直接相關的應佔成本。子公司之業績按已收及應收股息計入公司之賬內。

當收到於子公司的股息時，而該股息超過子公司在宣派股息期間之全面收益總額，或在獨立財務報表之投資賬面值超過被投資方淨資產（包括商譽）在合併財務報表之賬面值時，則必須對有關投資進行減值測試。

2.6 分部報告

經營分部乃以與提交予主要經營決策者的內部報告一致的方式呈報。

本公司董事會已委任戰略決策委員會，其負責評估本集團財務業績及狀況並作出戰略性決策。決策委員會已被認定為主要經營決策者，由行政總裁、首席財務官及企業規劃經理組成。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.5 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.6 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker.

The board of the Company has appointed a strategic steering committee which assesses the financial performance and position of the Group, and makes strategic decisions. The steering committee, which has been identified as being the chief operating decision maker, consists of the chief executive officer, the chief financial officer and the manager for corporate planning.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

2 重大會計政策概要 (續)

2.7 外幣換算

(i) 功能及呈列貨幣

本集團的各實體財務報表所列的項目，均以該實體經營所在主要經濟環境所使用的貨幣（「功能貨幣」）計量。由於本集團的大部分資產及營運位於中國，故其財務報表以人民幣呈列，人民幣乃本公司的功能貨幣及本集團的呈列貨幣。

(ii) 交易及結餘

外幣交易均按交易當日的現行匯率換算為功能貨幣。因上述交易結算及按年底匯率兌換以外幣計值的貨幣資產及負債而產生的匯兌收益及虧損，一般均於損益確認。倘彼等與合資格現金流量對沖及合資格投資淨額對沖有關或歸因於海外業務投資淨額的一部分，則彼等於權益中遞延。

與借款以及現金及現金等價物有關的匯兌收益及虧損在損益表內的「融資收入或成本」項下呈列。所有其他匯兌收益及虧損均在損益表內的「其他收益或虧損－淨額」項下呈列。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.7 Foreign currency translation

(i) *Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Since the majority of the assets and operations of the Group are located in the PRC, the financial statements are presented in RMB, which is the functional currency of the Company and the presentation currency of the Group.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of profit or loss within 'finance income or costs'. All other foreign exchange gains and losses are presented in the statement of profit or loss within 'other gains or losses – net'.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

2 重大會計政策概要 (續)

2.7 外幣換算 (續)

(ii) 交易及結餘 (續)

按公允價值計量並以外幣計值之非貨幣項目使用釐定公允價值當日之匯率換算。按公允價值列賬之資產及負債的匯兌差額呈報為公允價值損益之一部分。例如，以公允價值計量且其變動計入當期損益之權益等非貨幣資產及負債之匯兌差額於損益內確認為公允價值損益之一部分，分類為可供出售金融資產之權益等非貨幣資產之匯兌差額於其他全面收益中確認。

(iii) 集團公司

倘本集團的海外業務（全部均非採用嚴重通脹經濟體系的貨幣）的功能貨幣有別於呈列貨幣，則其業績及財務狀況會按下列方法換算為呈列貨幣：

- (a) 集團實體的每份財務狀況表內的資產與負債按該財務狀況表結算日的收市匯率換算；
- (b) 集團實體的每份損益表及全面收益表內的收入及開支按平均匯率換算；及
- (c) 所產生的所有兌換差額乃於其他全面收益內確認，並於權益項目下累計。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.7 Foreign currency translation (Cont'd)

(ii) Transactions and balances (Cont'd)

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as available-for-sale financial assets are recognised in other comprehensive income.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (a) assets and liabilities for each statement of financial position of the Group entities are translated at the closing date of that statement of financial position;
- (b) income and expenses for each statement of profit or loss and statement of comprehensive income of the Group entities are translated at average exchange rate; and
- (c) all resulting exchange differences are recognised in other comprehensive income and accumulated as a separate component of equity.

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2 重大會計政策概要 (續)

2.7 外幣換算 (續)

(iii) 集團公司 (續)

於編製合併賬目時，換算海外實體任何投資淨額以及換算被指定為此等投資的對沖項目的借款及其他金融工具均於其他全面收益確認。當出售海外業務或償還構成該投資淨額部分的任何借款，相關的匯兌差額於損益中重新歸類為出售收益或虧損之一部分。

收購境外業務產生的商譽及公允價值調整視為該海外業務的資產及負債，並按期末匯率換算。

2.8 物業、廠房及設備

物業、廠房及設備按歷史成本減累計折舊及任何減值虧損入賬。資產的初始成本包括購入價及令該資產處於所擬運作狀況及地點之任何直接應佔成本。

當與項目有關的未來經濟利益可能流入本集團，而該項目的成本能夠可靠地計量時，則會將該項目其後產生的成本計入該項資產的賬面值內或確認為獨立資產（如適當）。其他所有維修及保養成本乃於其產生的會計期間內自合併損益表扣除。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.7 Foreign currency translation (Cont'd)

(iii) Group companies (Cont'd)

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.8 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any impairment losses. The initial cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the consolidated statement of profit or loss during the financial period in which they are incurred.

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2 重大會計政策概要 (續)

2.8 物業、廠房及設備 (續)

折舊按直線法計算，以於其估計可使用年期內，或倘為租賃物業裝修則於以下較短租期內分配其成本或重估金額（扣除其剩餘價值）：

— 樓宇	20-30年
— 運輸設備	3-10／20年
— 傢俬、裝置及設備	3-12年
— 租賃物業裝修	3-5年

資產剩餘價值及可使用年期均會於各報告期末審閱，並適時作出調整。

倘資產賬面值高於其估計可收回金額時，該項資產的賬面值將即時撇減至其可收回金額。

出售盈虧乃透過比較所得款項與賬面值而釐定，並於損益內列賬。根據集團政策，當出售重估資產時，有關資產於其他儲備有關的金額一律撥入保留盈利。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.8 Property, plant and equipment (Cont'd)

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term as follows:

– Buildings	20-30 years
– Transport equipment	3-10/20 years
– Furniture, fitting and equipment	3-12 years
– Leasehold improvements	3-5 years

The assets' residual value and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.9 投資物業

持作長期租金收入或資本增值或兩者兼備且並非本集團所佔用的物業分類為投資物業。投資物業亦包括在建或開發中供未來作投資物業使用之物業。

投資物業包括根據經營租賃持有的土地及本集團擁有的樓宇。根據經營租賃持有的土地如能符合投資物業餘下的定義，則分類為投資物業並入賬。在此情況下，經營租賃視為融資租賃入賬。

投資物業初始按其成本計量，包括相關的交易成本及借貸成本（如適用）。於初步確認後，投資物業按公允價值列賬。公允價值變動於合併損益表確認及單獨呈列。

公允價值乃根據活躍市價並經（如必要）就特定資產之性質、位置或狀況之任何差異作出調整而釐定。倘無法獲得該等資料，則本集團會使用可替代估值法，如較不活躍市場的近期價格或經貼現現金流量預測。該等估值乃於結算日由外部估值師進行。

倘公允價值能可靠計量，建設中物業按公允價值計量。倘無法可靠釐定公允價值，則建設中投資物業於公允價值可以釐定或工程竣工前（以較早者為準）將以成本計量。此物業於該日的公允價值與當時賬面值之間的任何差額均在合併損益表中確認。重新開發以持續作投資物業用途的投資物業，或市場已變得較不活躍的投資物業將繼續以公允價值計量。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.9 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property comprises land held under operating leases and buildings owned by the Group. Land held under operating leases are classified and accounted for as investment property when the rest of the definition of investment property is met. In this case, the operating lease is accounted for as if it were a finance lease.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. After initial recognition, investment property is carried at fair value. Changes in fair value are recognised and presented separately in the consolidated statement of profit or loss.

Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. These valuations are performed at balance sheet date by external valuers.

Property under construction is measured at fair value if the fair value is considered to be reliably measurable. If the fair value cannot be reliably determined, the investment property under construction will be measured at cost until such time as fair value can be determined or construction is completed, whichever is earlier. Any difference between the fair value of the property at that date and its then carrying amount shall be recognised in the consolidated statement of profit or loss. Investment property that is being redeveloped for continuing use as investment property, or for which the market has become less active, continues to be measured at fair value.

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2 重大會計政策概要 (續)

2.9 投資物業 (續)

其後支出只有在與該支出有關的未來經濟利益有可能流入本集團，而該項目的成本能可靠計量時，才撥入在資產的賬面值中。其他所有維修及保養成本於產生時支銷。

當與另一方就原先待出售物業訂立經營租賃合約及租賃開始時，物業轉撥至投資物業。於轉撥日期的物業公允價值與其當時賬面值的差額於損益表中確認為其他收益。

2.10 商譽

商譽按附註2.4所述計量。商譽不予攤銷，惟每年進行減值測試，或當有事件出現或情況變動顯示可能出現減值時進行更頻密的減值測試，並按成本減去累計減值虧損列示。出售實體的收益及虧損包括與出售實體有關的商譽賬面值。

商譽會被分配至現金產生單位以進行減值測試。有關分配乃對預期將從商譽產生的業務合併中獲益的現金產生單位或現金產生單位組別作出。現金產生單位或現金產生單位組別乃就內部管理目的而於監察商譽的最低層次（即經營分部（附註2.4））確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.9 Investment properties (Cont'd)

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

When an operating lease contract is entered into with another party on a property originally held for sale and upon the commencement of the lease, the property is transferred to investment property. The difference between the fair value of the property at the date of transfer and its then carrying amount is recognised as other gain in the statement of profit or loss.

2.10 Goodwill

Goodwill is measured as described in note 2.4. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments (note 2.4).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.11 無形資產

(i) 商標

本集團商標乃按歷史成本列賬的單獨購入商標。商標有特定使用年限並按成本減累計攤銷及減值虧損列賬。

(ii) 電腦軟件

本集團的電腦軟件包括按購入及使用該特定軟件所產生的成本作資本化處理的購入電腦軟件。

(iii) 攤銷方法及年期

本集團於以下期間採用直線法攤銷具有有限使用期的無形資產：

— 商標	10年
— 電腦軟件	5年
— 專利	10年
— 客戶資源	10年

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.11 Intangible assets

(i) Trademarks

Trademarks of the Group are separately acquired trademarks which are shown at historical cost. They have a finite useful life and are carried at cost less accumulated amortisation and impairment losses.

(ii) Computer software

Computer software of the Group comprises acquired computer software which is capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

(iii) Amortisation methods and periods

The Group amortises intangible assets with a limited useful life using the straight-line method over the following periods:

— Trademarks	10 years
— Computer software	5 years
— Patent	10 years
— Client resources	10 years

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2 重大會計政策概要 (續)

2.12 非金融資產的減值

商譽無需攤銷，但每年須就減值進行測試，或倘有事件或情況變動顯示其可能出現減值時則會更頻密地進行減值測試。其他資產須於任何事件出現或情況變動顯示賬面值可能無法收回時進行減值測試。減值虧損按資產的賬面值超出其可收回金額的差額確認。可收回金額以資產的公允價值扣除銷售成本或使用價值兩者之間較高者為準。為評估減值，資產按獨立可辨認現金流入（大致獨立於其他資產或資產組合的現金流入）（現金產出單元）的最低層次組合。除商譽外，非金融資產如出現減值，則會於各報告期末檢討可否撥回減值。

2.13 完工待售或在建銷售物業

完工待售或在建銷售物業按成本及可變現淨值兩者的較低者於流動資產列賬。完工待售或在建銷售物業成本包括土地租賃成本、建設支出、資本化借款成本及於發展期間產生的其他直接成本。持有的物業成本按其未售出之物業成本按獲比例分配之該發展項目之全部發展成本計量。可變現淨值為管理層根據現行市況釐定之在通常業務過程中的估計銷售價，減預計至竣工需產生的其他成本及銷售時需產生的營銷成本。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.12 Impairment of non-financial assets

Goodwill is not subject to amortisation and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.13 Properties held or under development for sale

Properties held or under development for sale are included in current assets at the lower of cost and net realisable value. The costs of properties held or under development consist of costs of leasehold land, construction expenditure, capitalised borrowing costs and other direct costs incurred during the development period. The costs of properties held are determined by apportionment of the total development costs for that development project attributable to the unsold properties. Net realisable value is based on estimated selling price in the ordinary course of business as determined by management with reference to the prevailing market conditions, less further costs expected to be incurred to completion and selling and marketing costs.

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2 重大會計政策概要 (續)

2.14 土地使用權

中國的所有土地均為國有或集體擁有，不存在個人土地所有權。本集團收購土地使用權從而進行物業開發。用於開發供出售的土地使用權作為存貨，並按成本及可變現淨值兩者的較低者計量，其中屬於正常營運週期內的土地使用權分類為流動資產並計入完工待售或在建銷售物業，而屬於正常營運週期以外的土地使用權分類為非流動資產。屬於投資物業的土地使用權分類為投資物業（附註2.9）。

自用的土地使用權列入土地使用權，以直線法於租期內攤銷。

2.15 投資及其他金融資產

(a) 分類

本集團將其金融資產按下列計量類別分類：

- 其後按公允價值計量的金融資產（不論計入其他全面收益或計入損益）；及
- 按攤銷成本計量的金融資產。

分類視乎實體管理金融資產的業務模型及現金流量的合約年期而定。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.14 Land use rights

All land in the PRC is stated-owned or collectively-owned and no individual ownership right exists. Land use rights are acquired by the Group for development of properties. Land use rights held for development for sale are inventories and measured at lower of cost and net realisable value, of which those within normal operating cycle are classified as current assets and included in properties held or under development for sale, while those out of the normal operating cycle are classified as non-current assets. Land use rights fall within investment properties are classified as investment properties (note 2.9).

Land use rights for self-use are recorded under land use rights, which are amortised over the period of the lease using the straight-line method.

2.15 Investments and other financial assets

(a) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI, or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.15 投資及其他金融資產 (續)

(a) 分類 (續)

就按公允價值計量的資產而言，收益及虧損將於損益或其他全面收益入賬。就並非持作買賣的股本工具投資而言，則視乎本集團於初步確認時有否作出不可撤回選擇，將股本投資按以公允價值計量且其變動計入其他全面收益的方式入賬。

當且僅當本集團管理該等資產的業務模式改變時，方會對債務投資進行重新分類。

(b) 計量

於初步確認時，本集團按其公允價值加上（倘金融資產並非以公允價值計量且其變動計入當期損益）收購金融資產直接應佔的交易成本計量金融資產。按以公允價值計量且其變動計入當期損益的金融資產的交易成本於合併損益表中支銷。

於確定其現金流量是否僅支付本金及利息時會全面考慮附帶嵌入式衍生工具的金融資產。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.15 Investments and other financial assets (Cont'd)

(a) Classification (Cont'd)

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(b) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in consolidated statement of profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

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2 重大會計政策概要 (續)

2.15 投資及其他金融資產 (續)

(b) 計量 (續)

債務工具

債務工具的後續計量取決於本集團管理資產的業務模式及資產的現金流量特徵。本集團將其債務工具分類為三種計量類別：

- 攤銷成本：倘為收取合約現金流量而持有的資產的現金流量僅為本金及利息付款，則該等資產按攤銷成本計量。來自該等金融資產的利息收入採用實際利率法計入財務收入。終止確認產生的任何收益或虧損直接於損益中確認，並與匯兌收益及虧損於其他收益／(虧損) 列示。減值虧損於合併損益表內作為單獨項目列示。
- 以公允價值計量且其變動計入其他全面收益：倘為收取合約現金流量及出售金融資產而持有的資產的現金流量僅為本金及利息付款，則該等資產以公允價值計量且其變動計入其他全面收益。賬面值變動乃透過其他全面收益確認，惟就確認減值收益或虧損而言，利息收入及匯兌收益及虧損於損益確認。終止確認金融資產時，先前於其他全面收益確認的累計收益或虧損將自權益重新分類至損益並於其他收益／(虧損) 中確認。來自該等金融資產的利息收入採用實際利率法計入財務收入。匯兌收益及虧損於其他收益／(虧損) 呈列，而減值虧損於合併損益表內作為單獨項目列示。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.15 Investments and other financial assets (Cont'd)

(b) Measurement (Cont'd)

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of profit or loss.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment loss are presented as separate line item in the consolidated statement of profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.15 投資及其他金融資產 (續)

(b) 計量 (續)

債務工具 (續)

- 以公允價值計量且其變動計入當期損益：不符合攤銷成本或以公允價值計量且其變動計入其他全面收益標準的資產以公允價值計量且其變動計入當期損益。其後以公允價值計量且其變動計入當期損益的債務投資產生的收益或虧損於損益內確認並於其產生期間的其他收益／(虧損)以淨值列示。來自該等金融資產之利息收入計入其他收入。

股本工具

本集團其後按公允價值計量所有股本投資。倘本集團管理層已選擇於其他全面收入呈列股本投資的公允價值收益及虧損，則於終止確認此類投資後，公允價值收益及虧損不再重新分類至損益。當本集團收取付款的權利確立時，該等投資的股息繼續於損益中確認為其他收入。

以公允價值計量且其變動計入當期損益的金融資產的公允價值變動於損益表(如適用)其他收益／(虧損)中確認。以公允價值計量且其變動計入其他全面收益的股本投資的減值虧損(及減值虧損撥回)不會與公允價值的其他變動分開呈報。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.15 Investments and other financial assets (Cont'd)

(b) Measurement (Cont'd)

Debt instruments (Cont'd)

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

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2 重大會計政策概要 (續)

2.15 投資及其他金融資產 (續)

(c) 金融資產減值

本集團按前瞻性基準評估與其以攤銷成本及以公允價值計量且其變動計入其他全面收益的債務工具相關的預期信貸虧損。所應用的減值方法取決於信貸風險是否顯著增加。附註3.1.2詳述本集團釐定信貸風險有否大幅上升的方法。

就貿易應收款項而言，本集團應用香港財務報告準則第9號所允許的簡化方法，該方法規定預期使用年期虧損將自初步確認應收款項起確認。

就其他應收款項、按攤銷成本計量的金融資產以及以公允價值計量且其變動計入當期損益的金融資產而言，本集團已應用香港財務報告準則第9號所訂明的預期信貸虧損一般模式，由於信貸風險未於初步確認後大幅增加，故已確認的虧損撥備被限定至12個月預期虧損。

(d) 確認及終止確認

正常買賣金融資產在交易日（本集團承諾買賣該資產的日期）確認。當從金融資產收取現金流量的權利已屆滿或已轉讓，且本集團已實質上將擁有權的所有風險和回報轉讓時，即中止確認金融資產。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.15 Investments and other financial assets (Cont'd)

(c) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its debt instrument carried at amortised cost and financial assets at fair value through OCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. note 3.1.2 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For other receivables, financial assets at amortised cost and financial assets at fair value through profit or loss, the Group applies the general model for expected credit loss prescribed by HKFRS 9, since credit risk has not significantly increased after initial recognition, the loss allowance recognised was therefore limited to 12 months expected losses.

(d) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

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2 重大會計政策概要 (續)

2.16 衍生活動

衍生工具於訂立衍生工具合約日期首次以公允價值確認入賬，隨後按其公允價值重新計量。公允價值乃根據市場報價於活躍市場中獲得，包括近期市場交易及估值方法（包括現金流量折現模型及期權定價模型（如適用））。

對於不符合對沖會計處理的衍生金融工具而言，公允價值變動於合併損益表中確認。

2.17 貿易及其他應收款項

倘貿易及其他應收款項被視為無法收回，則與貿易及其他應收款項內撥備賬目撇銷。其後收回先前撇銷的金額將計入合併損益表內。

貿易及其他應收款項計入流動資產，惟於報告期起計超過12個月者（或倘於正常營運週期外，則可較長），則分類為非流動資產。

請參閱附註18有關本集團貿易及其他應收款項賬齡的進一步資料；另請參閱附註3.1.2有關本集團減值政策的說明。

2.18 現金及現金等價物

就編製現金流量表而言，現金及現金等價物包括手頭現金、銀行通知存款、其他可隨時轉換作可知現金金額及價值變動風險輕微的原始投資期限不超過三個月、流動性強的短期投資。現金及現金等價物不包括受限制現金。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.16 Derivative activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and options pricing models, as appropriate.

For derivative financial instruments which do not qualify for hedge accounting, changes in fair value are recognised in the consolidated statement of profit or loss.

2.17 Trade and other receivables

When a trade and other receivable is uncollectible, it is written off against the allowance account for trade and other receivables. Subsequent recoveries of amounts previously written off are credited to the consolidated statement of profit or loss.

Trade and other receivables are included in current assets, except for those maturing more than twelve months after the reporting period (or out of the normal operating cycle of the business if longer) which are classified as non-current assets.

See note 18 for further information about the Group's aging for trade and other receivables and note 3.1.2 for a description of the Group's impairment policies.

2.18 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Restricted cash is excluded from cash and cash equivalents.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.19 股本及永續資本工具

普通股分類為權益。直接歸屬於發行新股或期權的新增成本在權益中列為所得款項之減項(扣除稅項)。

沒有償還其本金或支付任何分配的控制義務的永續資本工具，被歸類為權益的一部分。

2.20 貿易及其他應付款項

貿易及其他應付款項指於財政年度結束前提供予本集團之貨品及服務之尚未支付負債。除非款項並非於報告期後12個月內到期，否則貿易及其他應付款項乃呈列為流動負債。

貿易及其他應付款項初始以公允價值確認，其後利用實際利率法按攤銷成本計量。

2.21 可換股債券

本集團擁有悉數分類為負債之可換股債券，原因為該等可換股債券乃以本集團功能貨幣以外之貨幣發行。由於該等工具包括嵌入式衍生工具，其乃於初步確認時被指定為以公允價值計量且其變動計入當期損益，因此，其嵌入式轉換特性屬不可分割。所有與被指定為以公允價值計量且其變動計入當期損益的金融工具有關之交易成本於產生時支銷。

有關本集團自有信貸風險之公允價值變動成分於其他全面收益中確認。有關信貸風險之計入其他全面收益之金額不須轉回至損益，惟變現時轉撥至保留盈利。有關市場風險之公允價值變動於損益中確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.19 Share capital and perpetual capital instruments

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Perpetual capital instruments with no control obligation to repay its principle or to pay any distribution are classified as part of equity.

2.20 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.21 Convertible bonds

The Group has convertible bonds which are classified entirely as liability because they were issued in a currency other than the functional currency of the Group. As the instrument contains an embedded derivative, it has been designated at fair value through profit or loss on initial recognition and as such the embedded conversion feature is not separated. All transaction costs related to financial instrument designated at fair value through profit or loss are expensed as incurred.

The component of fair value changes relating to the Group's own credit risk is recognised in other comprehensive income. Amounts recorded in other comprehensive income related to credit risk are not subject to recycling in profit or loss, but are transferred to retained earnings when realized. Fair value changed relating to market risk are recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.22 借款及借貸成本

借款初始按公允價值扣除所產生的交易成本予以確認。借款其後按攤銷成本列賬；所得款項（扣除交易成本）與贖回金額間的任何差額使用實際利率法於借款期間在合併損益表內確認。

在貸款很有可能部分或全部提取的情況下，就設立貸款融資支付的費用乃確認為貸款交易成本。在此情況下，該費用將遞延至提取貸款發生時。在並無跡象顯示該貸款很有可能部分或全部提取的情況下，該費用撥充資本作為流動資金服務的預付款項，並於其相關融資期間內予以攤銷。

可直接歸屬收購、建造或生產合資格資產的一般及特定借貸成本，於完成及準備資產作擬定用途或銷售之期間內撥充資本。合資格資產是指必須要經過一段長時間方可達致擬定用途或銷售之資產。尚未使用於合資格資產的特定借款作短暫投資賺取的投資收入，於合資格資本化的借貸成本中扣除。其他借款成本於其產生期間支銷。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.22 Borrowings and borrowing costs

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the consolidated statement of profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period when they are incurred.

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2 重大會計政策概要 (續)

2.23 即期及遞延所得稅

年內所得稅費用即為當期應課稅收入按各司法權區的適用所得稅率計算的應付稅項，並根據由於暫時性差額及未使用稅務虧損而導致的遞延稅項資產及負債變動作出調整。

即期所得稅支出根據本公司及其子公司營運及產生應課稅收入的國家於報告期末已頒佈或實質上已頒佈的稅務法例計算。管理層就適用稅務法例受詮釋所規限的情況定期評估報稅表的狀況，並適時根據預期須向稅務機關繳納的稅款計提撥備。

對於資產及負債的稅基與其在合併財務報表的賬面值的暫時性差額，使用負債法悉數撥備遞延所得稅。然而，倘遞延所得稅因初步確認商譽產生，則不予確認。倘遞延所得稅乃因初步確認交易（並非業務合併）中的資產或負債而產生，且進行有關交易時並無影響會計或應課稅利潤或虧損，則不予入賬。遞延所得稅乃按報告期末前已頒佈或實質上已頒佈，並預期將於相關遞延所得稅資產變現或遞延所得稅負債清償時應用的稅率（及法律）計算。

有關按公允價值計量之投資物業的遞延稅項負債乃假設該物業將透過出售完全收回釐定。

遞延稅項資產是就可能有未來應課稅利潤而就其可使用暫時性差額及虧損而確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.23 Current and deferred income tax

The income tax expense for the year is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. The deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The deferred tax liability in relation to investment property that is measured at fair value is determined assuming the property will be recovered entirely through sale.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available to utilise those temporary differences and losses.

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2 重大會計政策概要 (續)

2.23 即期及遞延所得稅 (續)

倘本集團能控制撥回暫時差額的時間，且該等差額可能不會於可見將來撥回，則不會就海外業務投資賬面值與稅基之間的暫時差額確認遞延稅項負債及資產。

倘若存在可依法強制執行的權利將即期稅項資產及負債抵銷，及倘遞延稅項結餘與同一稅務機構相關，則可將遞延稅項資產及負債抵銷。倘實體有可依法強制執行抵銷權利且有意按淨值基準清償或同時變現資產及清償負債時，則即期稅項資產與稅項負債互相抵銷。

除與於其他全面收益或直接於權益確認的項目相關外，即期及遞延稅項於損益中確認。於此情況下，該稅項亦分別於其他全面收益或直接於權益中確認。

本集團旗下各公司或會有權就投資合資格資產或有關合資格開支申報特別稅務減免。本集團將有關減免入賬為稅務抵免，即該減免將減少應付所得稅及即期稅務開支。結轉為遞延稅項資產的未申報稅務抵免確認為遞延稅項資產。

2.24 員工福利

根據中國內地規則及法規，本集團的中國內地員工須參加中國內地有關省市政府管理的多項界定供款退休福利計劃，據此，本集團及中國內地員工須每月按員工薪金的特定百分比向該等計劃供款，惟以若干預設的上限為限額。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.23 Current and deferred income tax (Cont'd)

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Companies within the Group may be entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure. The Group accounts for such allowances as tax credits, which means that the allowance reduces income tax payable and current tax expense. A deferred tax asset is recognised for unclaimed tax credits that are carried forward as deferred tax assets.

2.24 Employee benefits

In accordance with the rules and regulations of mainland China, the mainland China based employees of the Group participate in various defined contribution retirement benefit plans organised by the relevant municipal and provincial governments in the mainland China under which the Group and the mainland China based employees are required to make monthly contributions to these plans calculated as a percentage of the employees' salaries, subject to a certain ceiling.

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2 重大會計政策概要 (續)

2.24 員工福利 (續)

省市政府承諾承擔根據上述計劃應付的全部現有及未來中國內地員工退休福利責任。除每月供款外，本集團毋須就其員工承擔其他退休金付款或其他退休後福利的責任。該等計劃的資產與本集團其他資產分開持有，並由市級和省級政府獨立管理的基金保管。

2.25 以股份為基礎的支付

本集團透過首次公開發售前股份獎勵計劃、2019年購股權獎勵計劃、附屬公司2016年限制性股票激勵計劃、附屬公司2019年限制性股票激勵計劃及附屬公司2019年購股權獎勵計劃向僱員、前僱員、行政人員及業務夥伴提供以股份為基礎的補償福利。有關該等計劃的資料載於附註22。

(i) 首次公開發售前股份獎勵計劃及2019年購股權獎勵計劃

本集團實行以權益償付的首次公開發售前股份獎勵計劃（「首次公開發售前股份獎勵計劃」）以及2019年購股權獎勵計劃（「2019年購股權獎勵計劃」），在該等計劃下，本集團獲取僱員及若干前僱員、高級僱員及業務夥伴提供的服務作為本公司股本工具（獎勵）的對價。現任僱員及若干前僱員、高級僱員及業務夥伴為獲取股份而提供的服務的公允價值確認為開支。該等予以支銷的總金額乃經參考獲授予股份的公允價值釐定：

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.24 Employee benefits (Cont'd)

The municipal and provincial governments undertake to assume the retirement benefit obligations of all existing and future retired mainland China based employees payable under the plans described above. Other than the monthly contributions, the Group has no further obligation for the payment of retirement and other post-retirement benefits of its employees. The assets of these plans are held separately from those of the Group in independently administrated funds managed by the municipal and provincial governments.

2.25 Share-based payments

Share-based compensation benefit is provided to employees, former employees, officers and business partners via The Pre-IPO Share Award Scheme, 2019 Share Option Award Scheme, Subsidiary's 2016 Restricted Share Incentive Scheme, Subsidiary's 2019 Restricted Share Incentive Scheme and Subsidiary's 2019 Share Option Award Scheme. Information relating to the schemes is set out in note 22.

(i) Pre-IPO Share Award Scheme and 2019 Share Option Award Scheme

The Group operates an equity-settled pre-IPO Share Award Scheme, (the "Pre-IPO Share Award Scheme") and 2019 Share Option Award Scheme (the "2019 Share Option Award Scheme"), under which the Group receives services from employees and certain former employees, officers and business partners as consideration for equity instruments (awards) of the Company. The fair value of the current employee and certain former employees, officers and business partners services received in exchange for the grant of the shares is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the shares granted:

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2 重大會計政策概要 (續)

2.25 以股份為基礎的支付 (續)

(i) 首次公開發售前股份獎勵計劃及2019年購股權獎勵計劃 (續)

- 包括任何市場績效條件 (如實體的股價)；
- 不包括任何服務及非市場績效可歸屬條件 (如盈利能力、銷售增長目標及該實體僱員在特定期間留任)的影響，及
- 包括任何非可歸屬條件 (如規定僱員於特定期間內保留或持有股份)的影響。

非市場績效歸屬條件包括在有關預期歸屬的股份數目的假設中。列作開支的總金額乃在歸屬期確認，歸屬期即符合所有特定歸屬條件的期間。於各報告期末，本集團會根據非市場績效歸屬條件修改其估計預期將歸屬的股份數目。於合併損益表內確認修改原估計數字 (如有) 的影響，並對權益作出相應調整。

本公司向本集團子公司的僱員授出其股份，被視為資本投入。所獲得僱員服務的公允價值乃參考授予日的公允價值計量，於歸屬期內確認為增加對子公司的投資，並相應計入本公司的權益賬。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.25 Share-based payments (Cont'd)

(i) Pre-IPO Share Award Scheme and 2019 Share Option Award Scheme (Cont'd)

- including any market performance conditions (eg the entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (eg profitability, sales growth targets and remaining an employee of the entity over a special time period), and
- including the impact of any non-vesting conditions (eg the requirement for employees to save or hold shares for a specific period of time).

Non-market performance vesting conditions are included in assumptions about the number of shares that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the Group revises its estimates of the number of shares that are expected to vest based on the non-market performance vesting conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated statement of profit or loss, with a corresponding adjustment to equity.

The grant by the Company of its shares to the employees of subsidiaries in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investments in subsidiaries, with a corresponding credit to equity account of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.25 以股份為基礎的支付 (續)

- (ii) 附屬公司2016年限制性股票激勵計劃、2019年限制性股票激勵計劃及2019年購股權獎勵計劃

本集團子公司新城控股集團股份有限公司(「新城控股」或「A股公司」)(前稱「新城控股集團有限公司」)實行以權益償付的2016年限制性股票激勵計劃、2019年限制性股票激勵計劃及2019年購股權獎勵計劃，在該等計劃下，新城控股獲取其選定現任僱員(包括董事)(「參與者」)提供的服務，作為股本工具(獎勵)的代價。選定現任僱員為獲授限制性股票及購股權而提供的服務的公允價值確認為開支。該等予以支銷的總金額乃經參考獲授限制性股份及購股權於授予日計量的公允價值扣除授出所得款項釐定，並全數被視作歸屬予參與者的資本投入，因此列入非控股權益，直至於各解除限售日日本公司將根據當時佔有新城控股股權的份額納入本公司權益持有人應佔的其他儲備。授出所得款項最初入賬列作其他應付款項，直至於各解除限售日日本公司將根據當時佔有新城控股股權的份額納入本公司權益持有人應佔的其他儲備。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.25 Share-based payments (Cont'd)

- (ii) *Subsidiary's 2016 Restricted Share Incentive Scheme, 2019 Restricted Share Incentive Scheme and 2019 Share Option Award Scheme*

Seazen Holdings Co., Ltd. (the "Seazen Holdings" or the "A Share Company") (formerly known as "Future Land Holdings Co., Ltd"), a subsidiary of the Group, operates equity-settled 2016 Restricted Share Incentive Scheme, 2019 Restricted Share Incentive Scheme and 2019 Share Option Award Scheme, under which Seazen Holdings receives services from its selected current employees (including directors) (the "Participants") as consideration for the equity instruments (awards). The fair value of the selected current employees services received in exchange for the grant of the restricted shares and share options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the granted restricted shares and share options measured as of the grant date less the proceeds received from the grant, and is treated as a capital contribution wholly belonging to the Participants and thus recorded under non-controlling interests until each unlocking date on which the Company will take up its share based on the then shareholding in Seazen Holdings and record it under other reserves attributable to equity holders of the Company. The proceeds received from the grant is firstly recorded as other payables until each unlocking date on which the Company will take up its share based on the then shareholding in Seazen Holdings and record it under other reserves attributable to equity holders of the Company.

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2 重大會計政策概要 (續)

2.25 以股份為基礎的支付 (續)

(ii) 附屬公司2016年限制性股票激勵計劃、2019年限制性股票激勵計劃及2019年購股權獎勵計劃 (續)

非市場績效解除限售條件包括在有關預期解除限售的股份數目的假設中。列作開支的總金額乃於解除限售期間確認，解除限售期即所有特定解除限售條件獲達成的期間。於各報告期末，新城控股會根據非市場績效解除限售條件修改其估計預期將解除限售的股份數目。於合併損益表內確認修改原估計數字的影響（如有），並對非控股權益作出相應調整。

解除限售期內，本集團於新城控股的持股將逐漸減少。該等事項構成視作出售事項，且將於若干解除限售日產生攤薄盈虧，此乃由於本公司按當時持股所佔部分所得款項淨額產生的盈虧以及視作由本公司於若干解除限售日出售的新城控股資產淨值虧損的綜合結果。有關攤薄收益不會載入收益表，惟將視作與非控股權益的交易，而相關盈虧將直接入賬列作權益項下的其他儲備。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.25 Share-based payments (Cont'd)

(ii) *Subsidiary's 2016 Restricted Share Incentive Scheme, 2019 Restricted Share Incentive Scheme and 2019 Share Option Award Scheme (Cont'd)*

Non-market performance unlocking conditions are included in assumptions about the number of shares that are expected to unlock. The total expense is recognised over the unlocking period, which is the period over which all of the specified unlocking conditions are to be satisfied. At the end of each reporting period, Seazen Holdings revises its estimates of the number of shares that are expected to unlock based on the non-market performance unlocking conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated statement of profit or loss, with a corresponding adjustment to non-controlling interests.

The Group's shareholding in Seazen Holdings will be reduced gradually during the unlocking period. These constitute deemed disposal and dilution gain or loss will arise at the various unlocking dates which is a combination of the gain or loss arising from a portion of the net proceeds shared by the Company at the then shareholding and loss of the net assets value of Seazen Holdings deemed disposed by the Company at the various unlocking dates. Such dilution gain will not pass through the income statement but will all be treated as transactions with non-controlling interests and the relevant gain or loss is recorded in other reserves under equity directly.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

2 重大會計政策概要 (續)

2.26 撥備及或然負債

倘本集團因過往事件而現時須承擔法定或推定責任，且履行該等責任可能須動用資源，及所涉及的金額能可靠估計時，則確認撥備。未來營運虧損毋須確認撥備。

倘存在多項相若責任時，履行該等責任是否需要動用資源在考慮整體責任之類別後釐定。即使同一類別之任何一項責任可能須動用資源的可能性極低，亦須確認撥備。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.26 Provisions and contingent liabilities

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.26 撥備及或然負債 (續)

撥備按管理層對於報告期末對須償付現有責任的最佳估計支出的的現值計量。用於釐定現值的貼現率為反映當時市場對金錢時間值及負債特定風險的評估的稅前利率。隨時間增加的撥備確認為利息開支。

或然負債乃一項因過往事件可能產生的承擔，而該責任的出現僅可由一項或多項並非由本集團全權控制之日後不明朗事件發生與否確定。或然負債亦可為因不大可能需要動用經濟資源或承擔之金額未能可靠地估量而未確認之過往事件產生之現有承擔。

或然負債不予確認，惟會於合併財務報表附註中披露。倘支付之可能性出現變動致使有可能需支付，則或然負債將確認為撥備。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.26 Provisions and contingent liabilities (Cont'd)

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

2 重大會計政策概要 (續)

2.27 收入確認

(a) 下文載述本集團主要收入來源之會計政策：

(i) 銷售物業

收入於資產控制權轉移至客戶時確認。視乎合約條款及適用於合約之法律及規則，資產控制權可隨時間或於某一時點轉移。倘本集團在履約過程中滿足下列條件，資產控制權將隨時間轉移：

- 提供客戶同時收取及消耗的所有利益；或
- 創建並提升本集團履約時客戶所控制的資產；或
- 並無創建對本集團而言有其他用途的資產，而本集團可強制執行其權利收回累計至今已完成履約部分的款項。

倘資產的控制權隨時間轉移，收入將於整個合約期間參考已完成履約責任的進度確認。否則，收入於客戶獲得資產控制權的時點確認。

完成履約責任的進度的計量乃基於本集團為完成履約責任而產生的支出或投入，並參考截至報告期末產生的合約成本佔各項合約估計總成本的比例。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.27 Revenue recognition

(a) The following is a description of the accounting policy for the principal revenue streams of the Group:

(i) Sales of properties

Revenues are recognised when or as the control of the asset is transferred to the customer. Depending on the terms of the contract and the laws and rules that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer; or
- creates and enhances an asset that the customer controls as the Group performs; or
- do not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the contract cost incurred up to the end of reporting period as a percentage of total estimated costs for each contract.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.27 收入確認 (續)

(a) (續)

(i) 銷售物業 (續)

對於在某一時點轉移物業控制權的物業開發及銷售合約而言，收入於客戶接納物業時或根據合約被視為已獲接納（即客戶有能力直接使用物業且取得該物業所有剩餘利益之時點）及本集團擁有收取付款的現時權利及可能收取代價時予以確認。

釐定交易價格時，本集團根據融資成分的影響調整承諾代價。

(ii) 商業物業管理服務

本集團提供商業物業管理服務。來自提供服務之收入於提供服務之會計期間確認。

就商業物業管理服務而言，本集團為每月提供的服務開出固定金額賬單，及本集團有權開立發票且與已完成的履約價值直接匹配之金額確認為收入。

倘合約涉及多項服務的銷售，交易價格將根據其相對獨立的售價分配至各項履約責任。倘獨立售價無法直接觀察，則會基於預期成本加上利潤或經調整之市場評估法進行估計（取決於是否可取得可觀察資料）。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.27 Revenue recognition (Cont'd)

(a) (Cont'd)

(i) Sales of properties (Cont'd)

For property development and sales contract for which the control of the property is transferred at a point in time, revenue is recognised when the property is accepted by the customer, or deemed as accepted according to the contract, which is the point in time when the customer has the ability to direct the use of the property and obtain substantially all of the remaining benefits of the property, and the Group has present right to payment and the collection of the consideration is probable.

In determining the transaction price, the Group adjusts the promised amount of consideration for the effect of a financing component.

(ii) Commercial property management service

The Group provides commercial property management services. Revenue from providing services is recognised in the accounting period in which the services are rendered.

For commercial property management services, the Group billed a fixed amount of each month of services provided and recognised as revenue in the amount to which the Group has a right to invoice and corresponds directly with value of performance completed.

If contracts involve the sale of multiple services, the transaction price will be allocated to each performance obligation based on their relative stand-alone selling prices. If the stand-alone selling prices are not directly observable, they are estimated based on expected cost plus a margin or adjusted market assessment approach, depending on the availability of observable information.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.27 收入確認 (續)

(a) (續)

(ii) 商業物業管理服務 (續)

應收款項於本集團擁有收取代價的無條件權利時入賬。倘若經過一段時間為到期支付代價的唯一前提，則該代價的權利為無條件。

(iii) 其他服務

本集團按固定或可變金額向客戶提供多種服務。倘代價為可變，則本集團估計其將有權交換之承諾貨品或服務之代價金額。可變代價估計金額僅在已確認累計收入金額不大可能會在與可變代價相關的不確定因素其後解決時出現重大撥回的情況下，方會計入交易價格中。倘客戶同時獲得及消費由本集團所提供的所有利益，或當本集團履約過程中並無創造可由本集團另作他用的資產且本集團對迄今完成的履約擁有可強制執行的權利時，本集團基於截至報告期末所產生之實際成本佔每份合約之總估計成本之百分比按照對指定交易完成程度的評估隨時間確認與固定費用有關之收入。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.27 Revenue recognition (Cont'd)

(a) (Cont'd)

(ii) Commercial property management service (Cont'd)

A receivable is recorded when the Group has an unconditional right to consideration. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due.

(iii) Other services

The Group provides various services to its customers at fixed or variable amounts. If the consideration is variable, the Group estimates the amount of consideration to which it will be entitled in exchange for the promised goods or services. The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. The Group recognises revenue associated with fixed fees over time where the customer simultaneously receives and consumes the benefits provided by the Group or when the Group's performance do not create an asset with alternative use and the Group has an enforceable right to perform completed to date, by reference to completion of the specific transaction assessed on the basis of the actual costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

2 重大會計政策概要 (續)

2.27 收入確認 (續)

(b) 合同取得成本－履行合約之成本

倘在履行與客戶之間的合約時所產生的成本不屬於另一項準則的範圍內，則本集團僅於該等成本符合以下所有標準時方始將履行合約所產生的成本確認為資產：

- 有關成本與實體可明確識別之合約或預期合約有直接關係
- 有關成本令實體將用於履行日後履約責任之資源得以產生或有所增加
- 有關成本預期可收回

(c) 合約負債呈列

預收客戶款項以合約負債呈列。

(d) 重大融資成分之會計處理

於採納香港財務報告準則第15號後，倘安排包括重大融資成分，則確認收入的金額超過向客戶收取之現金金額。本集團就預收款項相關的融資確認融資成本。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.27 Revenue recognition (Cont'd)

(b) *Contract cost – cost to fulfil a contract*

If the costs incurred in fulfilling a contract with a customer are not within the scope of another standard, the Group recognises an asset from the costs incurred to fulfil a contract only if those costs meet all of the following criteria:

- the costs relate directly to a contract or to an anticipated contract that the entity can specifically identify
- the costs generate or enhance resources of the entity that will be used in satisfying performance obligations in the future
- the costs are expected to be recovered

(c) *Presentation of contract liabilities*

Advanced proceeds received from customers are presented as contract liabilities.

(d) *Accounting for significant financing component*

Following the adoption of HKFRS 15, the amount of revenue recognised exceeds the amount of cash received from the customers when an arrangement contains a significant financing component. The Group recognises finance costs on the financing related to advance receipts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.28 政府補貼

倘可合理地保證本集團將會收到補貼及本集團將符合所有附帶條件，則政府補貼按公允價值確認。與成本有關的政府補貼將會遞延，並於擬補償之成本所需進行配對的期間內於合併損益表內確認。作為開支或已產生的虧損的補償金或向本集團旗下企業提供即時財務援助而成為應收款項（並無日後相關成本）的政府補貼，乃於其成為應收款項的期間確認為收入。

2.29 財務擔保合約

財務擔保合約於發出時確認為金融負債。該負債初始按公允價值計量，其後按下列較高者計量

- 根據香港財務報告準則第9號金融工具項下的預期信貸虧損模式釐定的金額，及
- 初步確認的金額減去根據香港財務報告準則第15號來自客戶合約的收入確認的累計收入金額（如適用）。

財務擔保的公允價值乃根據債務工具項下規定的合約付款與無須擔保的付款之間的現金流量差額的現值，或就承擔相關責任而將應支付予第三方的估計金額釐定。

倘就聯營公司貸款或其他應付款項提供的擔保並無補償，則公允價值入賬列作供款並確認為投資成本的一部分。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.28 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in the consolidated statement of profit or loss over the period necessary to match them with the costs they are intended to compensate. Government grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to an entity within the Group with no future related costs are recognised as income of the period in which they become receivable.

2.29 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of

- the amount determined in accordance with the expected credit loss model under HKFRS 9 Financial Instruments and
- the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of HKFRS 15 Revenue from Contracts with Customers.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.30 每股盈利

基本每股盈利

每股基本盈利乃按下列計算：

- 本公司擁有人應佔溢利（不包括普通股以外的任何支付權益成本）除以於財政年度內已發行普通股的加權平均數，並就年內發行的普通股的紅利元素作出調整（不包括庫存股份）。

每股攤薄盈利

每股攤薄盈利調整釐定每股基本盈利的數字，並計及：

- 利息的所得稅後影響及有關攤薄潛在普通股的其他融資成本，及
- 當時應為尚未發行的額外普通股加權平均數

2.31 股息收入

股息乃自以公允價值計量且其變動計入當期損益及以公允價值計量且其變動計入其他全面收益的金融資產收取。股息在收取股息之權利獲確定時於損益確認為其他收入。除非股息清楚表示為收回部分投資成本，否則股息自收購前溢利撥付仍適用。於此情況下，股息若與以公允價值計量且其變動計入其他全面收益的投資相關，則於其他全面收益確認。然而，該投資可能因此需要進行減值測試。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.30 Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding

2.31 Dividend income

Dividends are received from financial assets measured at fair value through profit or loss (FVPL) and at fair value through other comprehensive income (FVOCI). Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of an investment. In this case, the dividend is recognised in OCI if it relates to an investment measured at FVOCI. However, the investment may need to be tested for impairment as a consequence.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

2 重大會計政策概要 (續)

2.32 股息分派

本集團已就於報告期末或之前已宣派但於報告期末並未分派之任何股息金額(即已獲適當授權及再不由實體酌情決定之金額)計提撥備。

2.33 租賃

如上文附註2.2所闡述，本集團已變更其作為承租人的租賃會計政策。新訂會計政策於下文載述，而有關變動的影響載於附註2.2。

直至2018年12月31日，本集團作為承租人租賃物業、廠房及設備而承擔及享有擁有權的絕大部分風險及回報時，有關租賃歸類為融資租賃。融資租賃於起租日按所租物業的公允價值或(如較低)最低租賃付款的現值資本化。相應的租金責任扣除融資費用後計入其他短期及長期應付款項。每項租賃付款於負債及融資成本之間分配。融資成本於租期內計入損益，以便就每期的剩餘負債餘額產生固定的週期利率。根據融資租賃獲得的物業、廠房及設備按資產的使用年限或(倘本集團無法合理確定租期結束後能否取得擁有權)資產使用年限與租期的較短者折舊。

若租賃所有權的絕大部分風險及回報並未轉移至本集團(作為承租人)，則租賃歸類為經營租賃。根據經營租賃支付的款項(扣除出租人提供的任何優惠)，在租賃期內以直線法計入損益。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.32 Dividend distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.33 Leases

As explained in note 2.2 above, the Group has changed its accounting policy for leases where the Group is the lessee. The new policy is described below and the impact of the change in note 2.2.

Until 31 December 2018, leases of property, plant and equipment where the Group, as lessee, had substantially all the risks and rewards of ownership were classified as finance leases. Finance leases were capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, were included in other short-term and long-term payables. Each lease payment was allocated between the liability and finance cost. The finance cost was charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases was depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.

Leases in which a significant portion of the risks and rewards of ownership were not transferred to the Group as lessee were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.33 租賃 (續)

自2019年1月1日起，租賃在本集團預期可使用租賃資產之日期確認為使用權資產及相應負債。

合約可包含租賃及非租賃部分。本集團按照租賃及非租賃部分相應的獨立價格，將合約代價分配至租賃及非租賃部分。然而，就本集團作為承租人的房地產租賃而言，其已選擇不區分租賃及非租賃部分，而將該等租賃入賬為單一租賃部分。

租賃產生的資產及負債初始按現值基礎計量。租賃負債包括下列租賃付款的淨現值：

- 固定付款（包括實質固定付款），扣除任何應收租賃優惠
- 按指數或利率的可變租賃付款，於開始日期初始按指數或利率計量
- 根據殘值擔保預期由本集團支付的款項
- 倘本集團合理確定行使購買選擇權，該選擇權的行使價，及
- 倘租期反映本集團行使終止選擇權，終止租賃的罰金付款。

根據合理確定延續選擇權作出的租賃付款亦計入負債計量之內。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.33 Leases (Cont'd)

From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

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2 重大會計政策概要 (續)

2.33 租賃 (續)

租賃付款按租賃內含利率貼現。倘無法輕易釐定該利率(本集團的租賃一般屬此類情況)，則使用承租人增量借款利率，即個別承租人在類似經濟環境中按類似條款、抵押及條件借入獲得與使用權資產價值類似的資產所需資金必須支付的利率。

為釐定增量借款利率，本集團：

- 在可能情況下，使用個別承租人最近獲得的第三方融資為出發點作出調整，以反映自獲得第三方融資以來融資條件的變動
- 使用累加法，首先就本集團所持有租賃的信貸風險(最近並無第三方融資)調整無風險利率，及
- 進行特定於租賃的調整，例如期限、國家、貨幣及抵押。

本集團未來可能根據指數或利率增加可變租賃付款，而有關指數或利率在生效前不會計入租賃負債。當根據指數或利率對租賃付款作出的調整生效時，租賃負債會根據使用權資產進行重新評估及調整。

租賃付款於本金及融資成本之間分配。融資成本於租期內計入損益，以便就每期的剩餘負債餘額產生固定的週期利率。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.33 Leases (Cont'd)

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing, and
- makes adjustments specific to the lease, eg term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.33 租賃 (續)

使用權資產按成本計量，其中成本包括下列項目：

- 租賃負債初始計量金額
- 於租賃開始日期或之前作出的任何租賃付款，扣除任何已收租賃優惠
- 任何初始直接成本，及
- 復原成本。

使用權資產一般以直線法在資產使用年限與租期的較短者折舊。倘本集團合理確定行使購買選擇權，則使用權資產於相關資產的使用年期內予以攤銷。本集團在對其土地及樓宇（於物業、廠房及設備內呈列）重新估值時，已選擇不就本集團所持有的使用權樓宇行使有關權利。

與短期設備及汽車租賃以及所有低價值資產租賃相關的付款按直線法於損益確認為開支。短期租賃指租期為12個月或以內的租賃。低價值資產包括資訊科技設備及小型辦公傢俬。

本集團作為出租人的經營租賃的租賃收入於租期內以直線法於收入內確認。獲取經營租賃產生的初始直接成本計入相關資產的賬面值，並於租期內以確認租賃收入的相同基準確認為開支。相關租賃資產根據其性質計入財務狀況表。於採納新租賃準則後，本集團毋須就其作為出租人持有資產的會計處理作出任何調整。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.33 Leases (Cont'd)

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is amortised over the underlying asset's useful life. While the Group revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the Group.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.34 利息收入

以公允價值計量且其變動計入當期損益的金融資產的利息收入計入該等資產公允價值收益／(虧損)淨額(見下文附註12)。

採用實際利率法計算的按攤銷成本計量的金融資產及以公允價值計量且其變動計入其他全面收益的金融資產利息收入，作為其他收入的一部分於損益表確認。

利息收入呈列為持作現金管理用途的金融資產所賺取的融資收入(見下文附註11)。任何其他利息收入計入其他收入。

利息收入乃用實際利率乘以金融資產的賬面值總額計算得出，惟後續發生信貸減值的金融資產除外。就信貸減值的金融資產而言，其利息收入乃用實際利率乘以金融資產的賬面值淨額(經扣除虧損撥備)計算得出。

2.35 結算日後事項

提供本集團於報告期末狀況的其他資料的報告期後事項(「調整事項」)於合併財務報表中反映。並非調整事項的報告期後事項如涉及金額重大則在附註中披露。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.34 Interest income

Interest income from financial assets at FVPL is included in the net fair value gains/(losses) on these assets, see note 12 below.

Interest income on financial assets at amortised cost and financial assets at FVOCI calculated using the effective interest method is recognised in the statement of profit or loss as part of other income.

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes, see note 11 below. Any other interest income is included in other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

2.35 Subsequent events

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period ("adjusting events") are reflected in the consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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3 財務風險管理及金融工具

3.1 財務風險因素

本集團的業務承受多項財務風險：市場風險（包括外匯風險、價格風險、現金流量及公允價值利率風險）、信貸風險及流動資金風險。本集團的整體風險管理計劃專注於金融市場的不可預測性，並尋求方法盡量降低對本集團財務業績可能構成的不利影響。

3.1.1 市場風險

(i) 外匯風險

除部分融資活動（包括首次公開發售、若干銀行借貸及發行的以港元（「港元」）或美元（「美元」）計值優先票據及可換股債券）外，本集團僅於中國從事物業開發、銷售及管理，幾乎所有交易均以人民幣計值。於2019年12月31日，本集團主要的資產及負債以人民幣計值，惟若干現金及借款以港元或美元計值。

非以功能貨幣計值的現金及借款面臨外匯風險。港元及美元兌人民幣的匯率波動將影響本集團的經營業績。本集團目前並無外匯對沖政策。然而，管理層密切監控外匯風險並於必要時採取行動。

於2019年12月31日，倘人民幣兌港元及美元升值／貶值5%，而所有其他可變因素維持不變，年度除稅後利潤將上升／下降人民幣343,593,000元（2018年：人民幣385,959,000元），主要因為換算以港元及美元計值的銀行結餘及借貸的淨外匯收益／虧損所致。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk, cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

3.1.1 Market risk

(i) Foreign exchange risk

The Group is engaged in the development, sale and management of properties solely in the PRC with almost all the transactions denominated in RMB, except for certain financing activities, including the initial public offering, certain borrowings from banks and issuance of senior notes and convertible bonds which are denominated in Hong Kong Dollar ("HKD") or United States Dollar ("USD"). As of 31 December 2019, majority of the Group's assets and liabilities are denominated in RMB except that certain cash and borrowings are denominated in HKD or USD.

Cash and borrowings not denominated in functional currency is subject to foreign exchange risk. Fluctuations in the exchange rates of HKD and USD against RMB will affect the Group's result of operations. The Group currently does not have a foreign currency hedging policy. However, management closely monitors the foreign exchange exposure and will take actions when necessary.

As at 31 December 2019, if RMB had strengthened/weakened by 5%, against HKD and USD with all other variables held constant, post-tax profit for the year would have been RMB343,593,000 (2018: RMB385,959,000) higher/lower, mainly as a result of net foreign exchange gains/losses on translation of HKD and USD denominated bank deposits and borrowings.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.1 市場風險 (續)

(ii) 價格風險

由於本集團所持投資在合併財務狀況表內被分類為以公允價值計量且其變動計入當期損益(附註12)或衍生工具(附註14)，故本集團承受價格風險。

董事認為，本集團就其投資所承受的價格風險並不重大，概因本集團訂有政策，不會作出對本集團財務業績可能造成不利影響的重大投資。所有投資須經董事長批准後方可進行。

下表概述金融資產公允價值增加／(減少)，而所有其他可變因素維持不變對淨利潤及其他全面收益的影響。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.1 Market risk (Cont'd)

(ii) Price risk

The Group is exposed to price risk because of investments held by the Group and classified on the consolidated statements of financial position either as FVPL (note 12) or derivative instruments (note 14).

In the opinion of the directors, the Group's exposure to price risk with regard to its investments is not significant since it is the Group's policy not to invest significant amounts that might have a detrimental impact to the Group's financial results. All investments must be approved by the Chairman of the Board before they may be entered into.

The following table summarises the impact of increase/ (decrease) of fair value of the financial assets with all other variable held constant on net profit, and other comprehensive income.

		淨利潤		其他全面收益	
		Net profit		OCI	
		截至12月31日止年度			
		Year ended 31 December			
		2019年	2018年	2019年	2018年
		2019	2018	2019	2018
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
		RMB'000	RMB'000	RMB'000	RMB'000
－ 上調5%	－ 5 percent higher	(61,728)	(44,919)	(16,935)	－
－ 下調5%	－ 5 percent lower	61,728	44,919	16,935	－

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.1 市場風險 (續)

(iii) 現金流量及公允價值利率風險

除銀行現金存款以及部分貿易及其他應收款項結餘外，本集團並無其他重大計息資產。

本集團承受的利率變動風險主要來自借款。浮息借款使本集團承受現金流量利率風險。固定利息借款則令本集團承受公允價值利率風險。本集團並無對沖其現金流量或公允價值利率風險。利率及償還借款的條款於附註24披露。

由於預期銀行存款以及部分貿易及其他應收款項結餘的利率不會出現大幅波動，管理層預期利率變動不會對計息資產造成重大影響。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.1 Market risk (Cont'd)

(iii) Cash flow and fair value interest rate risk

Except for cash deposits in the bank and certain balances in trade and other receivables, the Group has no other significant interest-bearing assets.

The Group's exposure to changes in interest rates is mainly attributable to its borrowings. Borrowings at variable rates expose the Group to cash flow interest rate risk. Borrowings at fixed rates expose the Group to fair value interest rate risk. The Group has not hedged its cash flow or fair value interest rate risk. The interest rate and terms of repayments of borrowings are disclosed in note 24.

Management does not anticipate significant impact to interest-bearing assets resulted from the changes in interest rates, because the interest rates of bank deposits and certain balances in trade and other receivables are not expected to change significantly.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.1 市場風險 (續)

(iii) 現金流量及公允價值利率風險 (續)

於2019年及2018年12月31日，倘浮息借款利率上調／下調50個基點，而所有其他可變因素維持不變，則本集團截至2019年及2018年12月31日止年度的除稅後利潤及資本化利息變動如下：

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.1 Market risk (Cont'd)

(iii) Cash flow and fair value interest rate risk (Cont'd)

As at 31 December 2019 and 2018, if interest rates on borrowings with floating rates had been 50 basis points higher/lower with all other variables held constant, the post-tax profit and capitalised interest of the Group for the years ended 31 December 2019 and 2018 would have changed as follows:

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
除稅後利潤增加／(減少)	Post-tax profit increase/(decrease)		
— 上調50個基點	– 50 basis points higher	(30,855)	(20,101)
— 下調50個基點	– 50 basis points lower	30,855	20,101
資本化利息增加／(減少)	Capitalised interest increase/(decrease)		
— 上調50個基點	– 50 basis points higher	151,591	112,297
— 下調50個基點	– 50 basis points lower	(151,591)	(112,297)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.2 信貸風險

信貸風險指金融工具之交易對手未能根據金融工具之條款履行其責任而令本集團蒙受財務損失之風險。本集團於初步確認資產時考慮違約之可能性，亦於各報告期間持續評估信貸風險是否會顯著增加。為評估信貸風險是否顯著增加，本集團比較報告日期與初步確認日期之違約風險。其考慮可得之合理及具支持力之前瞻性資料，尤其納入以下指標：

- 內部信用評級
- 外部信用評級
- 預期導致借款人履行責任之能力出現變動之業務、財務或經濟狀況之實際或預期重大不利變動
- 借款人的經營業績實際發生或預期發生重大變動
- 同一借款人的其他金融工具信貸風險顯著增加
- 借款人預期履約或行為發生重大變化，包括本集團內借款人付款情況之變化及經營業績之變動。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.2 Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge the obligation under the terms of financial instrument and cause a financial loss to the Group. The Group considered the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. To assess whether there's a significant increase in credit risk, the Group compares the risk of a default occurring on the asset at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower
- significant increases in credit risk on other financial instruments of the same borrower
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the Group and changes in the operating results of the borrower.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.2 信貸風險 (續)

(a) 銀行現金

由於該等存款基本上存入國有銀行及其他中大型上市銀行，故本集團預期並無與銀行現金存款相關之重大信貸風險。管理層預期不會有該等交易對手未履約所產生的任何重大虧損。

(b) 貿易應收款項

本集團應用香港財務報告準則第9號訂明之簡化方法對預期信貸虧損計提撥備，其允許對所有貿易應收款項計提使用年期之預期虧損撥備。為計量預期信貸虧損，貿易應收款項已根據攤佔信貸風險特點及逾期天數分類。預期信貸虧損亦包含前瞻性資料。

於2019年及2018年12月31日，貿易應收款項之虧損撥備釐定如下：

於2019年12月31日	As at 31 December 2019	流動 Current
預期虧損率	Expected loss rate	1%
貿易應收款項之總賬面值	Gross carrying amount of trade receivables	648,824
虧損撥備	Loss allowance	6,488

於2018年12月31日	As at 31 December 2018	流動 Current
預期虧損率	Expected loss rate	1%
貿易應收款項之總賬面值	Gross carrying amount of trade receivables	309,362
虧損撥備	Loss allowance	3,094

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.2 信貸風險 (續)

(b) 貿易應收款項 (續)

當無法合理預期可收回時，貿易應收款項即予撇銷。無法合理預期可收回之指標（其中）包括債務人無法與本集團達成還款計劃。本集團於截至2019年12月31日止年度並無撇銷貿易應收款項。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.2 Credit risk (Cont'd)

(b) Trade receivables (Cont'd)

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group. The Group made no written off for trade receivables during the year ended 31 December 2019.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.2 信貸風險 (續)

(c) 其他應收款項

本集團就其他應收款項採用三個類別，反映其信貸風險及釐定各類別虧損撥備之方式。該等內部信貸風險評級與外部信用評級一致。

本集團預期信貸虧損模式基於的假設概述如下：

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.2 Credit risk (Cont'd)

(c) Other receivables

The Group uses three categories for other receivables which reflect their credit risk and how the loss provision is determined for each of those categories. These internal credit risk ratings are aligned to external credit ratings.

A summary of the assumptions underpinning the Group's expected credit loss model is as follows:

類別	本集團對各類別之界定	確認預期信貸虧損撥備之基準	計算利息收入之基準
Category	Group definition of category	Basis for recognition of expected credit loss provision	Basis for calculation of interest revenue
第一級	客戶違約風險低且有能產生合約要求之現金流	12個月預期信貸虧損。倘資產之預期使用年期在12個月之內，則預期虧損按其預期使用年期計量。	總賬面值
Stage one	Customers have a low risk of default and a strong capacity to meet contractual cash flow	12 months expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime.	Gross carrying amount
第二級	自初步確認以來信貸風險顯著增加之應收款項	使用年期預期虧損	總賬面值
Stage two	Receivables for which there is a significant increase in credit risk since initial recognition	Lifetime expected losses	Gross carrying amount
第三級	自初步確認即有信貸虧損的應收款項	使用年期預期虧損	攤銷成本賬面值（扣除信貸撥備）
Stage three	Receivables for which there is credit loss since initial recognition	Lifetime expected losses	Amortised cost carrying amount (net of credit allowance)

合併財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.2 信貸風險 (續)

(c) 其他應收款項 (續)

本公司通過及時就預期虧損適當計提撥備將其信貸風險入賬。於計算預期信貸虧損率時，本集團會考慮各類別應收款項之歷史虧損率，並就前瞻性宏觀經濟數據作出調整。

由於信貸風險自初步確認以來並無顯著增加，所確認之虧損撥備僅限於12個月預期信貸虧損。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.2 Credit risk (Cont'd)

(c) Other receivables (Cont'd)

The Company accounts for its credit risk by appropriately providing for expected losses on a timely basis. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of receivables and adjusts for forward looking macroeconomic data.

Since credit risk has not significantly increased after initial recognition, the loss allowance recognised was therefore limited to 12 months expected losses.

		應收包括 合營企業夥伴 及子公司 非控股股東之 其他方款項 Receivables from others, including joint venture partners and non- controlling shareholders of subsidiaries			合計
		應收政府款項	應收關連方款項		
		Receivables from government related bodies	Due from related parties		Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
於2019年12月31日	As at 31 December 2019				
其他應收款項之總賬面值	Gross carrying amount of other receivables	5,857,629	22,571,773	19,452,232	47,881,634
減：特定項目撥備	Less: Provision for particular item	–	(148,197)	(18,952)	(167,149)
其他應收款項之賬面值	Carrying amount of other receivables	5,857,629	22,423,576	19,433,280	47,714,485
預期信貸虧損率	Expected credit loss rate	0.10%	0.94%	1.00%	
虧損撥備	Loss allowance	(5,858)	(211,861)	(194,333)	(412,052)
其他應收款項淨額	Other receivables – Net	5,851,771	22,211,715	19,238,947	47,302,433

合併財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.2 信貸風險 (續)

(c) 其他應收款項 (續)

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.2 Credit risk (Cont'd)

(c) Other receivables (Cont'd)

		應收政府款項	應收關連方款項	應收包括 合營企業夥伴 及子公司 非控股股東之 其他方款項	合計
		Receivables from government related bodies	Due from related parties	Receivables from others, including joint venture partners and non- controlling shareholders of subsidiaries	Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
2018年12月31日	31 December 2018				
其他應收款項之總賬面值	Gross carrying amount of other receivables	5,009,189	24,350,112	17,078,180	46,437,481
減：特定項目撥備	Less: Provision for particular item	–	–	(16,620)	(16,620)
其他應收款項之賬面值	Carrying amount of other receivables	5,009,189	24,350,112	17,061,560	46,420,861
預期信貸虧損率	Expected credit loss rate	0.1%	1%	1%	
虧損撥備	Loss allowance	(5,009)	(243,501)	(170,616)	(419,126)
其他應收款項淨額	Other receivables – Net	5,004,180	24,106,611	16,890,944	46,001,735

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.2 信貸風險 (續)

(c) 其他應收款項 (續)

當無法合理預期可收回時，其他應收款項即予撇銷。無法合理預期可收回之指標(其中)包括債務人無法與本集團達成還款計劃。本集團於截至2019年12月31日止年度並無撇銷其他應收款項。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.2 Credit risk (Cont'd)

(c) Other receivables (Cont'd)

Other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group. The Group made no written off for other receivables during the year ended 31 December 2019.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.2 信貸風險 (續)

(d) 按攤銷成本計量之金融資產

實體所有按攤銷成本計量的債務投資被視為擁有低信貸風險，故期內確認的虧損撥備限於12個月預期虧損。管理層認為上市債券的「低信貸風險」為至少一家主要評級機構的投資級信貸評級。其他工具在具低違約風險且發行人於短期內具備較強的履行合約現金流量責任的能力時，被視為具有低信貸風險。

(e) 以公允價值計量且其變動計入當期損益的金融資產

本集團亦面臨與債務投資有關的信貸風險，該等投資以公允價值計量且其變動計入當期損益。於報告期末面臨的最大風險乃該等投資的賬面值。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.2 Credit risk (Cont'd)

(d) *Financial assets at amortised cost*

All of the entity's debt investments at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses. Management consider 'low credit risk' for listed bonds to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

(e) *Financial assets at fair value through profit or loss*

The Group is also exposed to credit risk in relation to debt investments that are measured at fair value through profit or loss. The maximum exposure at the end of the reporting period is the carrying amount of these investments.

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3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.2 信貸風險 (續)

(f) 財務擔保

本集團採取政策以確保銷售予財務狀況相對良好及能支付適當比例首期付款之買方。本集團已為本集團物業單位的若干買方安排銀行融資，並就買方還款責任提供擔保。倘買方於擔保期間拖欠按揭貸款，持有該擔保之銀行或會要求本集團償還拖欠之貸款本金及任何應計利息。於此情況下，本集團有權沒收客戶按金並重新出售物業，以收回本集團支付予銀行之任何金額。有鑒於此，董事認為本集團之信貸風險大幅下降。

本集團亦於評估其若干關連方之信貸紀錄及抵押資料後，向該等關連方提供取得借款之擔保。本集團密切監控該等關連方償還相關借款之進度。本集團董事認為，關連方交易乃於日常業務過程中按照本集團與各關連方相互磋商的條款進行。董事認為，由於所有從事物業開發的關連方財務狀況均屬穩健，故拖欠付款之可能性極低，且以公允價值計量之財務擔保並不重大。

3.1.3 流動資金風險

本集團管理層旨在從內部銷售所得款項及充足的承諾信貸融資維持足夠現金以滿足其物業項目的營運需求及承擔。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.2 Credit risk (Cont'd)

(f) Financial guarantee

The Group has policies in place to ensure that sales are made to purchasers with an appropriate financial strength and appropriate percentage of down payments. The Group has arranged bank financing for certain purchasers of the Group's property units and provided guarantees to secure obligations of such purchasers for repayments. If a purchaser defaults on the payment of its mortgage loan during the guarantee period, the bank holding the guarantee may demand the Group to repay the outstanding principal of the loan and any interest accrued thereon. Under such circumstances, the Group is able to forfeit the customer's deposit and resell the property to recover any amounts paid by the Group to the bank. In this regard, the directors consider that the Group's credit risk is significantly reduced.

The Group also provides guarantees to certain related parties of the Group to obtain borrowings after assessing the credit history and pledge information of these related parties. The Group closely monitors the repayment progress of the relevant borrowings by these related parties. In the opinion of the directors of the Group, the related party transactions were carried out in the normal course of business and at terms mutually negotiated between the Group and the respective related parties. The directors consider that the likelihood of default in payments is minimal and the financial guarantees measured at fair value is immaterial, as all the related parties are engaged in property development with solid financial position.

3.1.3 Liquidity risk

Management of the Group aims to maintain sufficient cash through internally generated sales proceeds and an adequate amount of committed credit facilities to meet its operation needs and commitments in respect of property projects.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.3 流動資金風險 (續)

下表乃根據於2019年及2018年12月31日至合約到期日的剩餘期間，按相關到期組別分析本集團金融負債。表內披露的金額為合約未貼現現金流量。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.3 Liquidity risk (Cont'd)

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period as at 31 December 2019 and 2018 to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

		1年內 Within 1 year 人民幣千元 RMB'000	1至2年 Between 1 and 2 years 人民幣千元 RMB'000	2至5年 Between 2 and 5 years 人民幣千元 RMB'000	5年以上 Over 5 years 人民幣千元 RMB'000	合計 Total 人民幣千元 RMB'000
於2019年12月31日	As at 31 December 2019					
借款本金	Borrowings, principal	40,892,883	31,229,427	15,580,910	417,400	88,120,620
以公允價值計量且其變動計入當期損益的金融負債	Financial liabilities at fair value through profit or loss	80,993	—	—	—	80,993
支付借款利息	Interest payments on borrowings	5,273,550	2,567,263	739,595	60,026	8,640,434
貿易及其他應付款項	Trade and other payables	102,355,952	—	—	—	102,355,952
租賃負債	Lease liabilities	149,883	67,263	—	—	217,146
應付股息	Dividends payable	11,938	—	—	—	11,938
有關購買本集團物業而獲授按揭額度的擔保(附註39)	Guarantees in respect of mortgaged facilities granted to purchasers of the Group's properties (note 39)	32,695,536	24,206,297	10,524,633	—	67,426,466
向合營企業及聯營公司就借款作出的擔保(附註40(d))	Guarantees for joint ventures and associates in respect of borrowings (note 40(d))	7,789,885	7,347,401	4,162,342	—	19,299,628
		189,250,620	65,417,651	31,007,480	477,426	286,153,177
於2018年12月31日	As at 31 December 2018					
借款本金	Borrowings, principal	24,998,073	37,213,473	19,504,720	56,250	81,772,516
以公允價值計量且其變動計入當期損益的金融負債	Financial liabilities at fair value through profit or loss	2,069,576	—	—	—	2,069,576
支付借款利息	Interest payments on borrowings	4,873,837	3,312,464	2,689,000	3,954	10,879,255
貿易及其他應付款項	Trade and other payables	72,539,543	144,505	—	—	72,684,048
衍生金融工具	Derivative financial instruments	12,478	—	—	—	12,478
應付股息	Dividends payable	18,058	—	—	—	18,058
有關購買本集團物業而獲授按揭額度的擔保(附註39)	Guarantees in respect of mortgaged facilities granted to purchasers of the Group's properties (note 39)	4,829,947	36,185,584	—	—	41,015,531
向合營企業及聯營公司就借款作出的擔保(附註40(d))	Guarantees for joint ventures and associates in respect of borrowings (note 40(d))	7,733,148	9,877,018	7,608,270	—	25,218,436
		117,074,660	86,733,044	29,801,990	60,204	233,669,898

附註：借款利息並無計及未來借貸，並分別根據2019年及2018年12月31日所持借款計算。浮動利息分別使用2019年及2018年12月31日的即期利率估算。

Note: The interest on borrowings is calculated based on borrowings held as at 31 December 2019 and 2018, respectively, without taking into account future borrowings. Floating-rate interests are estimated using the current interest rate as at 31 December 2019 and 2018, respectively.

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3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.3 流動資金風險 (續)

自最終控股股東因個人因素被刑事拘留以來，本公司受到大量媒體報導。在該等負面或不準確的曝光下，我們的業務夥伴及合作廠商、向我們提供貸款或信貸融資的金融機構及其他各方，可能會於日後暫停、延遲或終止與我們的合作。上述任一情況均可能對我們的業務、財務狀況及經營業績造成重大不利影響，進而可能導致貸款人就我們的未償還借款援用提前償付條款。

鑒於相關業務的動態性質，本集團管理層會密切監控流動資金的風險並採取以下措施管理流動資金風險：

- (i) 編製年度現金流量預測並按月更新該預測以反映最新變化及密切監控流動資金風險；
- (ii) 與主要銀行和其他金融機構保持戰略合作關係以在適當時取得信貸額度；
- (iii) 繼續取得長期融資信貸、附有抵押本集團物業的主要發行優先票據、項目銀行貸款或本集團視為適當的其他資金來源；
- (iv) 積極推動銷售本集團竣工物業及預售在建物業。本集團亦會考慮靈活調整價格及銷量以管理流動資金風險。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.3 Liquidity risk (Cont'd)

The Company has faced lots of media coverage since the ultimate controlling shareholder was being held in criminal custody for personal reasons. Upon such negative or inaccurate publicity, our business partners and collaborators, financial institutions that provide us with loans or credit facilities and other parties may suspend, delay or terminate the collaboration with us in the future. Any of the foregoing could have a material adverse effect on our business, financial condition and results of operations, which may in turn lead to lenders invoking the acceleration clause in relation to our outstanding borrowings.

Due to dynamic nature of the underlying business, the management of the Group is closely monitoring the risk of the liquidity and takes the following actions to manage the liquidity risk:

- (i) prepares annual cash flow forecast and updates such forecast on a monthly basis to reflect the latest changes and monitor the liquidity risk closely;
- (ii) maintains strategic cooperation with major banks and other financial institutions to secure credit facilities where appropriate;
- (iii) continues to obtain longer term financing facilities, mainly issuance of senior notes, project bank loans with pledge of the Group's properties or other resources of funding which the Group considers appropriate;
- (iv) proactively promotes the sales of the Group's completed properties and pre-sales of properties under development. The Group also considers the flexibility of adjusting the price and volume on sale of properties for management of liquidity risk.

合併財務報表附註

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3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.4 資本風險管理

本集團的資本管理目標乃為保障本集團繼續營運的能力，以為股東提供回報和維持最佳的資本結構以降低資金成本。

為維持或調整資本結構，本集團可能會調整派付予股東的股息金額、發行新股份或出售資產以減少債務。

本集團根據資產負債比率監察其資本。此比率按照債務淨額除以資本總額計算。債務淨額為借款總額減去現金及現金等價物。資本總額按合併財務狀況表所列示的權益總額加上債務淨額計算。

於2019年及2018年12月31日，本集團資產負債比率如下：

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.4 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as total equity, as shown in the consolidated statement of financial position, plus net debt.

The gearing ratios of the Group at 31 December 2019 and 2018 were as follows:

		於12月31日 As at 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
借款總額及可換股債券	Total borrowings and convertible bonds	87,846,947	83,572,739
減：現金及現金等價物	Less: Cash and cash equivalents	(59,691,685)	(41,213,881)
債務淨額	Net debt	28,155,262	42,358,858
權益總額	Total equity	57,815,801	45,720,783
資本總額	Total capital	85,971,063	88,079,641
資產負債比率	Gearing ratio	33%	48%

於2019年12月31日的資產負債比率減少乃主要由於現金及現金等價物增加以及權益總額相較於借款較高的增長率所致。

The decrease in the gearing ratio as at 31 December 2019 resulted primarily from the increase of cash and cash equivalent, as well as total equity at a higher rate compared to that of borrowings.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

3 財務風險管理及金融工具 (續)

3.2 公允價值估計

(a) 金融資產及負債

(i) 釐定公允價值的估值法

下表利用估值法分析按公允價值入賬的金融工具。不同層級的定義如下：

- 相同資產或負債的活躍市場報價(未經調整)(第一級)。
- 除第一層所包括的報價外，資產或負債的可直接(即如價格)或間接(即價格衍生品)觀察的輸入值(第二級)。
- 並非依據可觀察的市場數據而釐定的資產或負債的輸入值(即不可觀察輸入值)(第三級)。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.2 Fair value estimation

(a) Financial assets and liabilities

(i) Valuation techniques used to determine fair value

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

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3 財務風險管理及金融工具 (續)

3.2 公允價值估計 (續)

(a) 金融資產及負債 (續)

(ii) 公允價值分層

下表分別呈列本集團於2019年及2018年12月31日按公允價值計量的金融資產。請參閱附註7就投資物業按公允價值計量所作的披露。

		第一級 Level 1 人民幣千元 RMB'000	第二級 Level 2 人民幣千元 RMB'000	第三級 Level 3 人民幣千元 RMB'000	合計 Total 人民幣千元 RMB'000
經常性公允價值計量	Recurring fair value measurements				
於2019年12月31日	At 31 December 2019				
金融資產	Financial assets				
以公允價值計量且其變動計入其他全面收益的金融資產	Financial assets at FVOCI	338,697	–	–	338,697
以公允價值計量且其變動計入當期損益的金融資產	Financial assets at FVPL	–	355,176	960,367	1,315,543
金融資產總額	Total financial assets	338,697	355,176	960,367	1,654,240
金融負債	Financial liabilities				
以公允價值計量且其變動計入當期損益的金融負債	Financial liabilities at FVPL	–	–	80,993	80,993
金融負債總額	Total financial liabilities	–	–	80,993	80,993

		第一級 Level 1 人民幣千元 RMB'000	第二級 Level 2 人民幣千元 RMB'000	第三級 Level 3 人民幣千元 RMB'000	合計 Total 人民幣千元 RMB'000
經常性公允價值計量	Recurring fair value measurements				
於2018年12月31日	At 31 December 2018				
金融資產	Financial assets				
以公允價值計量且其變動計入當期損益的金融資產	Financial assets at FVPL	–	189,160	843,034	1,032,194
衍生金融工具	Derivative financial instrument	12,300	–	139,175	151,475
金融資產總額	Total financial assets	12,300	189,160	982,209	1,183,669
金融負債	Financial liabilities				
以公允價值計量且其變動計入當期損益的金融負債	Financial liabilities at FVPL	2,069,576	–	–	2,069,576
衍生金融工具	Derivative financial instrument	–	12,478	–	12,478
金融負債總額	Total financial liabilities	2,069,576	12,478	–	2,082,054

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3 財務風險管理及金融工具 (續)

3.2 公允價值估計 (續)

(a) 金融資產及負債 (續)

(ii) 公允價值分層 (續)

年內並無就經常性公允價值計量在第一及第三級之間轉移。

本集團的政策為於報告期初確認公允價值等級架構的轉入及轉出數額。

第一級：於活躍市場上買賣的金融工具（如上市債券等）的公允價值乃按報告期末的市場報價釐定。本集團所持有金融資產採用的市場報價為當時買盤價。該等工具計入第一級。

第二級：並非在活躍市場買賣的金融工具（如受限制上市股本證券等）的公允價值採用估值法釐定，該等估值法盡量採用可觀察市場數據，並盡可能不倚賴實體特定估計。倘計算工具公允價值需要的所有重要參數均為可觀察數據，則該工具計入第二級。

第三級：倘一項或多項重要參數並非以可觀察市場數據為基礎，則該工具計入第三級。非上市股本證券主要屬此情況。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.2 Fair value estimation (Cont'd)

(a) Financial assets and liabilities (Cont'd)

(ii) Fair value hierarchy (Cont'd)

There were no transfers between level 1 and 3 for recurring fair value measurements during the year.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the beginning of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as listed bond etc.) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (such as restricted listed equity securities etc.) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case mainly for unlisted equity securities.

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3 財務風險管理及金融工具 (續)

3.2 公允價值估計 (續)

(a) 金融資產及負債 (續)

(iii) 使用重大不可觀察輸入值之公允價值計量

下表呈列截至2019年及2018年12月31日止年度第三級項目之變動：

		以公允價值計量 且其變動計入 當期損益的 金融資產 Financial assets at FVPL 人民幣千元 RMB'000			衍生金融工具 Derivative financial instrument 人民幣千元 RMB'000		合計 Total 人民幣千元 RMB'000	
於2019年1月1日	As at 1 January 2019	843,034			139,175		982,209	
添置	Additions	423,789			–		423,789	
於損益確認之公允價值虧損	Fair value loss recognised in profit or loss	40,891			10,825		51,716	
轉移至第二級	Transfer to level 2	(197,100)			–		(197,100)	
出售	Disposal	(150,247)			(150,000)		(300,247)	
於2019年12月31日	As at 31 December 2019	960,367			–		960,367	

		以公允價值計量 且其變動計入 當期損益的 金融資產 Financial assets at FVPL 人民幣千元 RMB'000			衍生金融工具 Derivative financial instrument 人民幣千元 RMB'000		合計 Total 人民幣千元 RMB'000	
於2018年1月1日	As at 1 January 2018	1,099,526			162,539		1,262,065	
添置	Additions	73,121			–		73,121	
於損益確認之公允價值虧損	Fair value loss recognised in profit or loss	–			(23,364)		(23,364)	
出售	Disposal	(329,613)			–		(329,613)	
於2018年12月31日	As at 31 December 2018	843,034			139,175		982,209	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

3 財務風險管理及金融工具 (續)

3.2 公允價值估計 (續)

(a) 金融資產及負債 (續)

(iv) 公允價值分層

估值輸入值及關連公允價值 (第三級)

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.2 Fair value estimation (Cont'd)

(a) Financial assets and liabilities (Cont'd)

(iv) Fair value hierarchy

Valuation inputs and relationships to fair value (level 3)

說明	於2019年 12月31日的 公允價值 (人民幣千元)	於2018年 12月31日的 公允價值 (人民幣千元)	估值方法	不可觀察輸入值	不可觀察 輸入值的範圍	不可觀察輸入值 與公允價值的關係
Description	Fair value at 31 December 2019 (RMB'000)	Fair value at 31 December 2018 (RMB'000)	Valuation technique(s)	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
以公允價值計量 且其變動計入當期 損益的金融資產	960,367	843,034	市場法	市淨率	0.7370-1.4635	市淨率越高， 公允價值越高
Financial assets at FVPL			Market approach	P/B		The higher the P/B, the higher the fair value
			二項式模型	於模型模擬中之 合成債券收益率	30%-31%	收益率越高， 公允價值越高。
			Binomial model	Bond yield of the synthetic bond in the model simulation		The higher the yield, the higher the fair value.
			參考價格	銀行報價	每單位 人民幣7.50元－ 人民幣7.69元	價格越高， 公允價值越高。
			Price reference	Bank quoted price	RMB7.50 – RMB7.69 per unit	The higher the price, the higher the fair value.
衍生金融資產	–	139,175	期權定價模式	波動率	13%-15%	波動率越高， 公允價值越高
Derivative financial assets			Option pricing model	Volatility		The higher the volatility, the higher the fair value
				無風險收益率	2.56%-2.83%	無風險利率越高， 公允價值越高
				Risk-free interest rate		The higher the risk-free interest rate, the higher the fair value

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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3 財務風險管理及金融工具 (續)

3.2 公允價值估計 (續)

(a) 金融資產及負債 (續)

(v) 估值過程

本集團財務部門內設團隊，專門負責對財務報告所需之非物業項目進行估值，包括第三級公允價值。該團隊直接向首席財務官(CFO)和審計委員會(AC)報告。根據本集團半年度報告期規定，CFO、AC和估值團隊至少每六個月對估值過程和結果進行商議。

CFO、AC和估值團隊在進行半年度估值商議時，會於每個報告期末對第二級和第三級公允價值的變動進行分析。作為這次商議的一部分，該團隊提交了一份報告，以解釋公允價值變動的原因。

(b) 非金融資產及負債

本集團的投資物業按公允價值計量並處於公允價值分層第三級。有關估值詳情，請參閱附註7。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.2 Fair value estimation (Cont'd)

(a) Financial assets and liabilities (Cont'd)

(v) Valuation processes

The finance department of the Group includes a team that performs the valuation of non-property items required for financial reporting purposes, including level 3 fair value. This team reports directly to the chief financial officer (CFO) and the audit committee (AC). Discussion of valuation processes and results are held between the CFO, AC and the valuation team at least once every six months, in line with the Group's half-yearly reporting periods.

Changes in level 2 and 3 fair value are analysed at the end of each reporting period during the half-yearly valuation discussion between the CFO, AC and the valuation team. As part of this discussion, the team presents a report that explains the reason for the fair value movements.

(b) Non-financial assets and liabilities

The Group's investment property is measured at fair value and under level 3 of the fair value hierarchy. Please see note 7 for details of valuation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

4 重大會計估計及判斷

估計及判斷乃根據過往經驗及其他因素（包括在當時情況下對未來事件之合理預期）作持續評估。管理層就未來作出多項估計及假設。按其定義，就此產生之會計估計甚少相等於相關實際結果。具有導致於下一個財政年度內對資產及負債賬面值作出重大調整的主要風險的估計及假設於下文討論。

4.1 直接應佔物業開發活動的開發成本

本集團分配部分土地及開發成本至完工待售及在建銷售物業。由於本集團若干物業開發項目分若干期開發和完成，整個項目的預算開發成本取決於對總開發成果的估算。根據經驗和開發項目的性質，管理層就未來事項作出多項在當時情況下屬合理的估計及假設。鑒於物業開發活動涉及的不確定性因素，相關實際業績可能會高於或低於報告期末估算的金額。估計及假設出現的任何變動將對本集團日後數年的經營表現產生影響。

4.2 完工待售或在建銷售物業減值撥備

管理層根據完工待售或在建銷售物業的估計可收回金額對這些物業計提減值撥備。鑒於中國物業市場的波動性，實際可收回金額可能會高於或低於報告期末的估計。撥備的任何增加或減少將對本集團日後年度的經營表現產生影響。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

4.1 Development costs directly attributable to property development activities

The Group allocates portions of land and development costs to properties held and under development for sale. As certain of the Group's property development projects are developed and completed by phases, the budgeted development costs of the whole project are dependent on the estimate on the outcome of total development. Based on the experience and the nature of the development undertaken, the management makes estimates and assumptions concerning the future events that are believed to be reasonable under the circumstances. Given the uncertainties involved in the property development activities, the related actual results may be higher or lower than the amount estimated at the end of the reporting period. Any change in estimates and assumptions would affect the Group's operating performance in future years.

4.2 Provision for impairment of properties held or under development for sale

The management makes provision for impairment of properties held or under development for sale based on the estimate of the recoverable amount of the properties. Given the volatility of the property market in the PRC, the actual recoverable amount may be higher or lower than the estimate made as at the end of the reporting period. Any increase or decrease in the provision would affect the Group's operating performance in future years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

4 重大會計估計及判斷 (續)

4.3 中國土地增值稅

本集團需繳納中國土地增值稅。然而，由於有關稅項的實施及結算在中國各城市不同的稅務司法權區均有所不同，故須作出重大估計以釐定土地增值稅的金額。本集團根據管理層按其對多個稅務機關對稅務規則詮釋的理解作出的最佳估計，確認此等土地增值稅。最終稅款可能有別於最初錄得的金額，而有關差額將影響獲地方稅務機關確定該等稅項期間的所得稅開支。

4.4 即期及遞延所得稅

本集團須繳納中國企業所得稅。在釐定企業所得稅的撥備時須作出重大判斷。在日常業務過程中，多項交易及計算方式均會導致未能確定最終所定稅項。倘這些事宜最終所得稅務與最初錄得的款額有所差異，有關差額將會影響稅項獲釐定期間的所得稅開支。

倘管理層認為暫時性差異或稅務虧損有可能用以抵銷日後應課稅利潤，則會確認此等暫時性差異及稅務虧損相關的遞延稅項資產。其實際使用結果或會有所不同。

4.5 投資物業的公允價值

投資物業的公允價值乃採用估值法釐定。有關判斷及假設詳情已於附註7披露。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

4.3 Land appreciation tax of the PRC

The Group is subject to land appreciation tax in the PRC. However, since the implementation and settlement of the tax varies among various tax jurisdictions in cities of the PRC, significant estimate is required in determining the amount of the land appreciation tax. The Group recognises the land appreciation tax based on management's best estimates according to its understanding of the interpretation of tax rules by various tax authorities. The final tax outcome could be different from the amounts that were initially recorded, and these differences will impact the income tax expense in the periods in which such taxes have been finalised with local tax authorities.

4.4 Current and deferred income tax

The Group is subject to corporate income tax in the PRC. Significant judgement is required in determining the provision for corporate income tax. There are many transactions and calculations for which the ultimate determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that we initially recorded, such difference will impact the income tax expense in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognised when management considers to be probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. The outcome of their actual utilisation may be different.

4.5 Fair value of investment properties

The fair value of investment properties is determined by using valuation techniques. Details of the judgement and assumptions have been disclosed in note 7.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

4 重大會計估計及判斷 (續)

4.6 子公司、合營企業及聯營公司的分類

在正常業務過程中，本集團透過與其他發展商或機構訂立合作協議而與該等人士發展物業。本集團與其他各方的權利和義務在項目公司的相關合作協議、組織章程等訂明。由於安排複雜，故釐定項目公司是否為本集團子公司、合營企業或聯營公司需作出重大判斷。

本集團根據安排的實質內容及於附註2.3、2.4及2.5披露子公司、合營企業及聯營公司的定義作出判斷。

4.7 金融資產減值

金融資產的虧損撥備乃根據有關違約風險及預期虧損率的假設作出。於各報告期末，本集團根據本集團的過往歷史、現行市況及前瞻性估計採用判斷，以作出該等假設及選擇進行減值計算之輸入數據。有關所採用的主要假設及輸入數據詳情披露於附註3的表格。

4.8 收入確認

釐定收入是否應於某個時間點亦或於一段時間內確認涉及判斷。本集團根據客戶合約規範以及相關法律法規作出判斷。

對於可變金額合約，本集團估計釐定過渡價格的金額，該金額極大可能不會產生重大撥回。

有關收入確認詳情披露於附註2.27。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

4.6 Classification of subsidiary, joint venture and associate

In the normal course of business, the Group develops properties together with other developers or institutions, through entering into co-operation agreements with these parties. The rights and obligations of the Group and the other parties are stipulated by respective co-operation agreements, articles of associations of the project companies, etc. Because of the complexity of the arrangements, significant judgement is needed in determining whether the project company is subsidiary, joint venture or associate of the Group.

The Group makes judgement based on the substance of the arrangements and the definition of subsidiary, joint venture and associate as disclosed in notes 2.3, 2.4 and 2.5.

4.7 Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in the tables in note 3.

4.8 Revenue recognition

Determining whether revenue should be recognized at a point in time or over time involves judgment. The Group makes judgements based on the specification in contracts with customers, as well as relevant laws and regulations.

For contracts with variable amount, the Group estimates the amount that is highly probable that significant reversal will not occur for determining transition price.

Details of revenue recognition is disclosed in note 2.27.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

5 分部資料

管理層根據主要經營決策者（「主要經營決策者」）審核的報告（用於作出戰略決策）釐定營運分部。董事會被視為主要經營決策者。

本集團透過兩個營運分部管理業務，其與就資源分配及表現評估目的向本集團主要經營決策者進行內部資料報告的方式一致。本集團概無合併營運分部以組成下列可呈報分部。

- 新城控股集團股份有限公司（前稱「新城控股集團有限公司」），一家在上海證券交易所上市的公司（「A股公司」或「新城控股」）
- 不屬於A股公司的其他服務公司（「非A股公司」）。

A股公司主要從事作為出售及投資用途的住宅物業開發及多用途綜合樓開發，而非A股公司主要從事服務。集團總部費用亦主要包含於非A股公司分部。所有物業開發項目均位於中國，因此本集團的大部分收入來自中國，且大部分資產位於中國。

主要經營決策者根據收入及除所得稅前利潤的計量評估營運分部的業績。計量基準不包括所得稅開支的影響。

2019年的分部資料已載入香港財務報告準則第16號「租賃」（於2019年1月1日生效）的影響，惟在租賃準則允許下，2018年比較資料並未重列。進一步詳情請參閱附註2.2.1.1(f)。

5 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker (the “CODM”) that are used to make strategic decisions. The board of directors has been identified as the CODM.

The Group manages its business by two operating segments, which is consistent with the way in which information is reported internally to the Group's CODM for the purpose of resources allocation and performance assessment. No operating segments have been aggregated to form the following reportable segments.

- Seazen Holdings Co., Ltd., (formerly known as “Future Land Holdings Co., Ltd.”) a company listed on the Shanghai Stock Exchange (the “A share company” or “Seazen Holdings”)
- Other service companies not within the A share company (the “Non-A share companies”).

The A share company is mainly engaged in development of residential properties and mixed-use complexes for sale and investment, while the Non-A share companies are mainly engaged in services. Corporate expenses are also primarily included in the Non-A share companies segment. All the property development projects are in the PRC, and accordingly majority of the revenue of the Group are derived from the PRC and most of the assets are located in the PRC.

The CODM assesses the performance of the operating segments based on a measure of revenue and profit before income tax. The measurement basis excludes the effects of income tax expense.

The segment information for 2019 has incorporated the impact of HKFRS 16 “Leases” which became effective on 1 January 2019 but as permitted by the leasing standard, the comparative information for 2018 has not been restated. Please refer to note 2.2.1.1(f) for more details.

合併財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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5 分部資料 (續)

5 SEGMENT INFORMATION (Cont'd)

		截至2019年12月31日止年度 Year ended 31 December 2019				
		A股公司 A share company 人民幣千元 RMB'000	非A股公司 Non-A share companies 人民幣千元 RMB'000	分部合計 Total segment 人民幣千元 RMB'000	對銷 Elimination 人民幣千元 RMB'000	本集團合計 Total Group 人民幣千元 RMB'000
分部收入	Segment revenue	85,847,041	1,126,573	86,973,614	(122,436)	86,851,178
– 於一時點	– At a point in time	80,862,931	648,766	81,511,697	(4,472)	81,507,225
– 隨時間	– Over time	2,617,878	477,807	3,095,685	(48,545)	3,047,140
– 租金收入	– Rental income	2,366,232	–	2,366,232	(69,419)	2,296,813
除所得稅開支前分部 利潤/(虧損)	Segment profit/(loss) before income tax expense	22,397,782	1,693,251	24,091,033	(2,465,862)*	21,625,171
投資物業公允價值收益	Fair value gains on investment properties	2,550,616	–	2,550,616	(112,510)	2,438,106
財務收入	Finance income	455,410	474,183	929,593	(423,516)	506,077
融資成本	Finance costs	(1,205,912)	(1,063,254)	(2,269,166)	423,516	(1,845,650)
折舊及攤銷	Depreciation and amortisation	(397,689)	(286,040)	(683,729)	–	(683,729)
應佔聯營公司業績	Share of results of associates	1,822,444	17,341	1,839,785	–	1,839,785
應佔合營企業業績	Share of results of joint ventures	54,722	(280)	54,442	–	54,442

* 對銷主要指A股公司宣派的股息。

* The elimination represents mainly the dividends declared by the A share company.

年度利潤對賬如下：

A reconciliation to profit for the year is as follows:

對銷後除所得稅開支前 分部利潤總額	Total segment profits before income tax expense after elimination	21,625,171
所得稅開支	Income tax expense	(9,018,982)
年度利潤	Profit for the year	12,606,189

合併財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

5 分部資料 (續)

5 SEGMENT INFORMATION (Cont'd)

		於2019年12月31日 As at 31 December 2019				
		A股公司 A share company 人民幣千元 RMB'000	非A股公司 Non-A share companies 人民幣千元 RMB'000	分部合計 Total segment 人民幣千元 RMB'000	對銷 Elimination 人民幣千元 RMB'000	本集團合計 Total Group 人民幣千元 RMB'000
分部資產	Segment assets	462,110,081	15,676,802	477,786,883	(9,544,524)	468,242,359
分部資產包括：	Segment assets include:					
於聯營公司的投資	Investments in associates	7,266,384	3,388,341	10,654,725	(2,820,847)*	7,833,878
於合營企業的投資	Investments in joint ventures	11,622,254	111,868	11,734,122	–	11,734,122
添置非流動資產(金融 工具和遞延稅項 資產除外)	Additions to non-current assets (other than financial instruments and deferred tax assets)	25,427,978	868,660	26,296,638	–	26,296,638
分部負債	Segment liabilities	400,174,770	14,995,313	415,170,083	(4,743,525)	410,426,558

* 對銷主要指於由A股公司
所控制公司的非A股公司
股權。

* The elimination represents mainly the
Non-A share companies' associate
interests in companies controlled by
the A share company.

合併財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

5 分部資料 (續)

5 SEGMENT INFORMATION (Cont'd)

		截至2018年12月31日止年度 Year ended 31 December 2018				
		A股公司 A share company 人民幣千元 RMB'000	非A股公司 Non-A share companies 人民幣千元 RMB'000	分部合計 Total segment 人民幣千元 RMB'000	對銷 Elimination 人民幣千元 RMB'000	本集團合計 Total Group 人民幣千元 RMB'000
分部收入	Segment revenue	54,133,311	716,791	54,850,102	(69,107)	54,780,995
- 於一時點	- At a point in time	51,096,362	374,724	51,471,086	(4,381)	51,466,705
- 隨時間	- Over time	1,753,593	342,067	2,095,660	(24,229)	2,071,431
- 租金收入	- Rental income	1,283,356	-	1,283,356	(40,497)	1,242,859
除所得稅開支前分部 利潤/(虧損)	Segment profit/(loss) before income tax expense	19,094,619	792,840	19,887,459	(1,239,959)*	18,647,500
投資物業公允價值收益	Fair value gains on investment properties	3,285,089	-	3,285,089	-	3,285,089
財務收入	Finance income	186,680	509,021	695,701	(466,075)	229,626
融資成本	Finance costs	(922,778)	(512,865)	(1,435,643)	466,075	(969,568)
折舊及攤銷	Depreciation and amortisation	(264,079)	(180,498)	(444,577)	-	(444,577)
應佔聯營公司業績	Share of results of associates	951,683	38,385	990,068	-	990,068
應佔合營企業業績	Share of results of joint ventures	560,039	(659)	559,380	-	559,380

* 對銷主要指A股公司宣派的股息。

* The elimination represents mainly the dividends declared by the A share company.

年度利潤對賬如下： A reconciliation to profit for the year is as follows:

對銷後除所得稅開支前 分部利潤總額	Total segment profits before income tax expense after elimination	18,647,500
所得稅開支	Income tax expense	(6,599,934)
年度利潤	Profit for the year	12,047,566

		於2018年12月31日 As at 31 December 2018				
		A股公司 A share company 人民幣千元 RMB'000	非A股公司 Non-A share companies 人民幣千元 RMB'000	分部合計 Total segment 人民幣千元 RMB'000	對銷 Elimination 人民幣千元 RMB'000	本集團合計 Total Group 人民幣千元 RMB'000
分部資產	Segment assets	330,318,417	14,718,956	345,037,373	(8,181,835)	336,855,538
分部資產包括：	Segment assets include:					
於聯營公司的投資	Investments in associates	6,288,449	5,031,770	11,320,219	(4,480,070)*	6,840,149
於合營企業的投資	Investments in joint ventures	12,520,106	112,944	12,633,050	-	12,633,050
添置非流動資產(金融 工具和遞延稅項 資產除外)	Additions to non-current assets (other than financial instruments and deferred tax assets)	16,160,864	193,275	16,354,139	-	16,354,139
分部負債	Segment liabilities	279,361,543	13,996,032	293,357,575	(2,222,820)	291,134,755

* 對銷主要指於由A股公司
所控制公司的非A股公司
股權。

* The elimination represents mainly the
Non-A share companies' associate
interests in companies controlled by
the A share company.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

6 物業、廠房及設備

6 PROPERTY, PLANT AND EQUIPMENT

		樓宇	運輸設備	傢俬裝置 及設備	在建工程	租賃物業 裝修	合計
		Buildings	Transport equipment	Furniture, fittings and equipment	Construction in progress	Leasehold improvements	Total
非流動	Non-current	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
於2019年1月1日	At 1 January 2019						
成本	Cost	1,730,003	422,485	1,312,134	12,019	630,251	4,106,892
累計折舊	Accumulated depreciation	(281,614)	(65,594)	(471,710)	–	(273,064)	(1,091,982)
賬面淨值	Net book amount	1,448,389	356,891	840,424	12,019	357,187	3,014,910
截至2019年12月31日	Year ended						
止年度	31 December 2019						
期初賬面淨值	Opening net book amount	1,448,389	356,891	840,424	12,019	357,187	3,014,910
收購子公司	Acquisition of subsidiaries	–	1,355	1,236	–	1,320	3,911
添置	Additions	20,042	21,244	70,782	277,945	175,924	565,937
自投資物業轉撥 (附註7)	Transfer from investment properties (note 7)	1,925,698	–	–	–	–	1,925,698
在建工程竣工	Completion of construction in progress	–	–	133,980	(280,956)	146,976	–
出售	Disposals	–	(2,156)	(71,742)	–	–	(73,898)
出售子公司	Disposal of subsidiaries	–	–	(19)	–	–	(19)
折舊費用(附註30)	Depreciation charge (note 30)	(206,403)	(30,947)	(102,535)	–	(196,935)	(536,820)
期末賬面淨值	Closing net book amount	3,187,726	346,387	872,126	9,008	484,472	4,899,719
於2019年12月31日	At 31 December 2019						
成本	Cost	3,675,743	442,742	1,404,640	9,008	954,471	6,486,604
累計折舊	Accumulated depreciation	(488,017)	(96,355)	(532,514)	–	(469,999)	(1,586,885)
賬面淨值	Net book amount	3,187,726	346,387	872,126	9,008	484,472	4,899,719

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

6 物業、廠房及設備 (續)

6 PROPERTY, PLANT AND EQUIPMENT (Cont'd)

		樓宇	運輸設備	傢俬、裝置 及設備	在建工程	租賃物業 裝修	合計
		Buildings	Transport equipment	Furniture, fittings and equipment	Construction in progress	Leasehold improvements	Total
非流動	Non-current	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
於2018年1月1日	At 1 January 2018						
成本	Cost	1,682,759	398,301	1,087,734	70,107	352,665	3,591,566
累計折舊	Accumulated depreciation	(180,766)	(37,076)	(289,428)	–	(164,593)	(671,863)
賬面淨值	Net book amount	1,501,993	361,225	798,306	70,107	188,072	2,919,703
截至2018年12月31日	Year ended 31 December 2018						
止年度							
期初賬面淨值	Opening net book amount	1,501,993	361,225	798,306	70,107	188,072	2,919,703
收購子公司	Acquisition of subsidiaries	79,494	4,190	14,944	–	14,230	112,858
添置	Additions	5,673	20,217	74,032	269,657	130,552	500,131
在建工程竣工	Completion of construction in progress	–	–	141,293	(274,097)	132,804	–
出售	Disposals	–	–	–	(53,648)	–	(53,648)
成本調整	Cost adjustment	(54,400)	(2,375)	(7,970)	–	–	(64,745)
出售子公司	Disposal of subsidiaries	–	(252)	(831)	–	(381)	(1,464)
折舊費用 (附註30)	Depreciation charge (note 30)	(84,371)	(26,114)	(179,350)	–	(108,090)	(397,925)
期末賬面淨值	Closing net book amount	1,448,389	356,891	840,424	12,019	357,187	3,014,910
於2018年12月31日	At 31 December 2018						
成本	Cost	1,730,003	422,485	1,312,134	12,019	630,251	4,106,892
累計折舊	Accumulated depreciation	(281,614)	(65,594)	(471,710)	–	(273,064)	(1,091,982)
賬面淨值	Net book amount	1,448,389	356,891	840,424	12,019	357,187	3,014,910

本集團的折舊費用人民幣204,885,000元(2018年：人民幣229,160,000元)已計入銷售成本，人民幣85,312,000元(2018年：人民幣2,197,000元)已計入銷售及營銷費用及人民幣246,623,000元(2018年：人民幣166,568,000元)已計入行政開支。

於2019年12月31日，賬面總值為人民幣921,197,000元(2018年：人民幣955,527,000元)的物業、廠房和設備已抵押作本集團借款的抵押品(附註24)。

The Group's depreciation charges of RMB204,885,000 (2018: RMB229,160,000) have been included in cost of sales, RMB85,312,000 (2018: RMB2,197,000) in selling and marketing expenses and RMB246,623,000 (2018: RMB166,568,000) in administrative expenses.

Property, plant and equipment with a total carrying amount of RMB921,197,000 as at 31 December 2019(2018: RMB955,527,000) were pledged as collateral for the Group's borrowings (note 24).

合併財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

6(b) 租賃

倘本集團為承租人，則本附註就租賃提供資料。

(i) 於合併財務狀況表中確認的金額

合併財務狀況表列示下列與租賃有關的金額：

6(b) LEASES

This note provides information for leases where the Group is a lessee.

(i) Amounts recognised in the consolidated statement of financial position

The consolidated statement of financial position shows the following amounts relating to leases:

		於12月31日	
		As at 31 December	
		2019年	2018年
		2019	2018
		人民幣千元	人民幣千元
		RMB'000	RMB'000
使用權資產	Right-of-use assets		
物業、廠房及設備	Property, plant and equipment	191,934	—
租賃負債	Lease liabilities		
流動	Current	144,841	—
非流動	Non-current	58,282	—
		203,123	—

合併財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

6(b) 租賃 (續)

(ii) 於合併損益表中確認的金額

合併損益表列示下列與租賃有關的金額：

6(b) LEASES (Cont'd)

(ii) Amounts recognised in the consolidated statement of profit or loss

The consolidated statement of profit or loss shows the following amounts relating to leases:

		截至12月31日止年度 Year ended 31 December	
		2019年 2019	2018年 2018
		人民幣千元 RMB'000	人民幣千元 RMB'000
		附註 Note	
使用權資產折舊費用	Depreciation charge of right-of-use assets		
物業、廠房及設備	Property, plant and equipment		(73,944) –
利息開支 (計入融資成本)	Interest expense (included in finance cost)	31	(8,251) –
與短期及低價值租賃相關的 開支 (計入銷售商品成本及 行政開支)	Expense relating to short-term and low-value leases (included in cost of goods sales and administrative expenses)	30	(21,761) –

於2019年，租賃的現金流出總額為人民幣71,006,000元。

The total cash outflow for leases in 2019 was RMB71,006,000.

合併財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

7 投資物業

7 INVESTMENT PROPERTIES

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
期初結餘	Opening balance	40,758,000	23,496,000
添置	Additions	19,316,007	12,107,967
收購子公司(附註36)	Acquisition of subsidiaries (note 36)	5,759,242	2,155,802
自在建物業轉撥	Transfer from properties under development	—	700,116
轉撥至物業、廠房及設備(附註6)	Transfer to property, plant and equipment (note 6)	(1,925,698)	—
成本調整	Cost adjustment	(162,864)	(34,974)
公允價值調整所得淨收益	Net gains from fair value adjustments	2,438,106	3,285,089
出售子公司	Disposal of a subsidiary	—	(952,000)
年末結餘	Closing balance	66,182,793	40,758,000

就投資物業於損益確認的金額

Amounts recognised in profit or loss for investment properties

		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
租金收入(附註28)	Rental income (note 28)	2,296,813	1,242,859
產生租金收入的物業直接經營開支	Direct operating expenses from property that generated rental income	207,158	123,309
於其他收入確認的公允價值收益	Fair value gain recognised in other income	2,438,106	3,285,089

本集團持有的投資物業均為位於中國的商用物業。

Investment properties held by the Group are all commercial properties located in the PRC.

截至2019年12月31日止年度，於投資物業資本化的借款成本約為人民幣491,739,000元(2018年：人民幣374,720,000元)。

Borrowing costs capitalised in investment properties for the year ended 31 December 2019 were approximately RMB491,739,000 (2018: RMB374,720,000).

截至2019年12月31日止年度，借款資本化率為6.73%(2018年：6.09%)。

The capitalisation rate of borrowings was 6.73% for the year ended 31 December 2019 (2018: 6.09%).

本集團所有投資物業的公允價值均以第三級計量，有重大不可觀察輸入值。

Fair value of all of the Group's investment properties are measured at Level 3, with significant unobservable inputs.

年內並無在第一、二及三級之間轉移。

There were no transfers between Level 1, 2 and 3 during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

7 投資物業 (續)

使用重大不可觀察輸入值 (第三級)
進行公允價值計量

7 INVESTMENT PROPERTIES (Cont'd)

Fair value measurements using significant
unobservable inputs (Level 3)

		竣工 Completed 人民幣千元 RMB'000	在建 Under development 人民幣千元 RMB'000	合計 Total 人民幣千元 RMB'000
於2019年1月1日	At 1 January 2019	31,839,000	8,919,000	40,758,000
添置	Additions	–	19,316,007	19,316,007
收購子公司	Acquisition of a subsidiary	3,027,242	2,732,000	5,759,242
轉撥至物業、廠房及 設備	Transfer to property, plant and equipment	(1,925,698)	–	(1,925,698)
項目竣工	Completion of projects	12,106,532	(12,106,532)	–
成本調整	Cost adjustment	(162,864)	–	(162,864)
公允價值調整所得淨收益	Net gains from fair value adjustments	2,334,581	103,525	2,438,106
於2019年12月31日	At 31 December 2019	47,218,793	18,964,000	66,182,793
計入損益中的年末持有 資產的年內總利得或 損失，包括在「投資 物業公允價值收益」項下	Total gains or losses for the year included in profit or loss for assets held at the end of the year, under 'Fair value gains on investment properties'	2,334,581	103,525	2,438,106

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

7 投資物業 (續)

使用重大不可觀察輸入值 (第三級)
進行公允價值計量 (續)

7 INVESTMENT PROPERTIES (Cont'd)

Fair value measurements using significant
unobservable inputs (Level 3) (Cont'd)

		竣工 Completed 人民幣千元 RMB'000	在建 Under development 人民幣千元 RMB'000	合計 Total 人民幣千元 RMB'000
於2018年1月1日	At 1 January 2018	15,192,000	8,304,000	23,496,000
添置	Additions	–	12,107,967	12,107,967
收購子公司	Acquisition of subsidiaries	2,155,802	–	2,155,802
自在建物業轉撥	Transfer from properties under development	700,116	–	700,116
項目竣工	Completion of projects	11,201,349	(11,201,349)	–
資本化其後開支	Capitalised subsequent expenditure	(34,974)	–	(34,974)
公允價值調整所得淨收益	Net gains from fair value adjustments	2,624,707	660,382	3,285,089
出售子公司	Disposal of a subsidiary	–	(952,000)	(952,000)
於2018年12月31日	At 31 December 2018	31,839,000	8,919,000	40,758,000
計入損益中的年末持有 資產未實現利得或 損失的變動	Change in unrealised gains or losses for the year included in profit or loss for assets held at the end of the year	2,624,707	665,356	3,290,063

本集團的估值過程

所有投資物業於2019年及2018年12月31日由獨立專業合資格估值師戴德梁行有限公司進行重估。

本集團的財務部將會審閱獨立估值師所進行的估值，包括：

- 查核獨立估值報告內的所有重要輸入值；
- 與上一年度的估值報告進行比較時評估物業估值變動；
- 與獨立估值師進行討論。

Valuation processes of the Group

All investment properties were revalued as at 31 December 2019 and 2018 by DTZ Debenham Tie Leung Limited, the independent professional qualified valuer.

The Group's finance team will review the valuation performed by the independent valuers, including:

- verifies all major inputs to the independent valuation report;
- assesses property valuation movements when compared to the prior year valuation report;
- holds discussions with independent valuers.

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截至2019年12月31日止年度 For the year ended 31 December 2019

7 投資物業 (續)

估值方法

本集團就將予開發及在建投資物業分別採用直接比較法及投資法。直接比較法乃假設該等物業各自按現況交吉出售。經參考有關市場的可資比較銷售交易，選擇鄰近地區的可資比較物業並就位置及物業規模等因素的差異作出調整；投資法計及已產生建設成本及完成該開發項目將產生的成本以反映已竣工開發項目的質量，依據是該物業將根據本集團最近開發計劃予以開發和完成。就已竣工投資物業而言，估值乃根據投資法透過將來自現有租約的淨租金收入（在計及物業未來可享有的潛在收入增長後）作出資本化計算，並經參考於活躍市場上的比較價格後作出。

年內估值方法並無變動。

7 INVESTMENT PROPERTIES (Cont'd)

Valuation techniques

For investment properties to be developed and under development, the Group adopted direct comparison approach and investment approach, respectively. Direct comparison approach assumes sale of each of these properties in its existing state with the benefit of vacant possession. By making reference to sales transactions as available in the relevant market, comparable properties in close proximity have been selected and adjustments have been made to account for the difference in factors such as locations and property size; Investment approach has taken into account the construction costs incurred and the costs that will be incurred to complete the development to reflect the quality of the completed development on the basis that the properties will be developed and completed in accordance with the Group's latest development plan. For completed investment properties, valuations were based on investment approach by capitalisation of the net rental income derived from the existing tenancy agreements with due allowance for reversionary income potential of the properties and by reference to comparable price in an active market.

There were no changes to the valuation techniques during the year.

合併財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

7 投資物業 (續)

估值方法 (續)

有關使用重大不可觀察輸入值 (第三級)
進行公允價值計量的資料：

7 INVESTMENT PROPERTIES (Cont'd)

Valuation techniques (Cont'd)

Information about fair value measurements using significant
unobservable inputs (Level 3):

說明	於2019年 12月31日的 公允價值 (人民幣千元) Fair value at 31 December 2019 (RMB'000)	於2018年 12月31日的 公允價值 (人民幣千元) Fair value at 31 December 2018 (RMB'000)	估值方法 Valuation technique(s)	不可觀察輸入值 Unobservable inputs	不可觀察輸入值的範圍 Range of unobservable inputs	不可觀察輸入值與公允價值的關係 Relationship of unobservable inputs to fair value
Description						
已竣工商用物業 Completed commercial property	47,218,793	31,839,000	投資法 Investment approach	租期收益率 Term yield	經計及可資比較物業的收益率及反映所擔保及將收取租期收入的確定性的調整，租期收益率為4%至6.5% (2018年：4.0%至6.0%)。 Term yield of 4%-6.5% (2018: 4.0%-6.0%), taking into account of yield generated from comparable properties and adjustment to reflect the certainty of term income secured and to be received.	租期收益率越高，公允價值越低 The higher the term yield, the lower the fair value
				復歸收益率 Reversionary yield	經計及可資比較物業的年度單位市場租金收入及單位市場價值，復歸收益率為4.5%至7% (2018年：4.5%至6.5%)。 Reversionary yield of 4.5%-7% (2018: 4.5%-6.5%), taking into account annual unit market rental income and unit market value of the comparable properties.	復歸收益率越高，公允價值越低 The higher the reversionary yield, the lower the fair value
在建商用物業 Commercial property under development	16,869,000	3,259,000	投資法，至竣工的 估計成本 Investment approach with estimated costs to complete	復歸收益率 Reversionary yield	經計及可資比較物業的年度單位市場租金收入及單位市場價值，復歸收益率為6%至11% (2018年：6.0%至11.0%)。 Reversionary yield of 6%-11% (2018: 6.0%-11.0%), taking into account annual unit market rental income and unit market value of the comparable properties.	復歸收益率越高，公允價值越低 The higher the reversionary yield, the lower the fair value
				至竣工的估計建設成本 Estimated construction costs to completion	人民幣98,880,787元至 人民幣827,849,747元 (2018年： 人民幣200,708,223元至人民幣 828,596,427元) RMB98,880,787-RMB827,849,747 2018: RMB200,708,223- RMB828,596,427)	估計建設成本越高，公允價值越低 The higher the estimated construction costs, the lower the fair value
				持有及開發物業 至竣工所需的 估計利潤率 Estimated profit margin required to hold and develop property to completion	物業價值的6%至25% (2018年： 12%至25%) 6%-25% (2018: 12%-25%) of property value	所需利潤率越高，公允價值越低 The higher the profit margin required, the lower the fair value
	2,095,000	5,660,000	銷售比較 Sales comparison	銷售價格 Sales price	人民幣1,037元/平方米至 人民幣3,421元/平方米 (2018年：人民幣137元/平方米至 人民幣1,443元/平方米) RMB1,037-RMB3,421 (2018: RMB137-RMB1,443) per square metre	經調整市價越高，公允價值越高 The higher the adjusted market price, the higher the fair value

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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7 投資物業 (續)

估值方法 (續)

本集團於估算收益率時計及市場數據。已產生的建設成本以會計記錄中所述的已產生的實際成本為基準，而將產生的建設成本以建築物業的最新預算為基準。

倘假設將產生的收益率、建設成本和所需利潤率較管理層的預測數據增加或減少10%，於2019年及2018年12月31日之投資物業的賬面值將變動如下：

		於12月31日 As at 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
投資物業增加／(減少)	Investment properties increase/(decrease)		
– 所用收益率增加10%	– yield rate used 10 percent higher	(4,580,223)	(3,120,981)
– 所用收益率減少10%	– yield rate used 10 percent lower	5,156,857	3,445,361
投資物業增加／(減少)	Investment properties increase/(decrease)		
– 將產生的建設成本增加10%	– construction costs to incur 10 percent higher	(1,853,480)	(1,099,358)
– 將產生的建設成本減少10%	– construction costs to incur 10 percent lower	1,787,423	1,095,759
投資物業增加／(減少)	Investment properties increase/(decrease)		
– 所需利潤率增加10%	– profit margin required 10 percent higher	(708,498)	(294,584)
– 所需利潤率減少10%	– profit margin required 10 percent lower	693,315	281,178

就已竣工物業而言，估值乃透過將現有租約的未來淨租金收入（在計及物業未來可享有的潛在收入增長後）作出資本化計算或運用直接比較法，假設各項物業按現有狀況交吉出售，並參考有關市場的可比較銷售交易作出。

7 INVESTMENT PROPERTIES (Cont'd)

Valuation techniques (Cont'd)

The Group considers the market data when estimating the yield rate. Construction costs incurred are based on the actual costs incurred as reflected in the accounting records, while the construction costs to incur are based on the most updated budget for the construction of the properties.

Were the yield rate, the construction costs to incur and the profit margin required assumed to increase or decrease by 10% from management's estimate, the carrying amount of investment properties as at 31 December 2019 and 2018 would have changed as follows:

For completed properties, valuations were based on either capitalisation of net rental income derived from the existing tenancies with allowance for the reversionary income potential of the properties or on direct comparison approach assuming sale of each of these properties in its existing state with the benefit of vacant possession by making reference to comparable sales transactions as available in the relevant market.

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7 投資物業 (續)

估值方法 (續)

於2019年12月31日，賬面總值為人民幣20,820,000,000元(2018年：人民幣11,851,000,000元)的投資物業已抵押作本集團借款的抵押品(附註24)。

購買、建造或開發投資物業時概無附帶維修、保養或改善等合約義務。

7 INVESTMENT PROPERTIES (Cont'd)

Valuation techniques (Cont'd)

Investment properties with a total carrying amount of RMB20,820,000,000 as at 31 December 2019 (2018: RMB11,851,000,000) were pledged as collateral for the Group's borrowings (note 24).

There's no contractual obligation for purchase, construct or develop investment property as for repairs, maintenance or enhancement.

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8 無形資產

8 INTANGIBLE ASSETS

		商標 Trademarks 人民幣千元 RMB'000	電腦軟件 Computer software 人民幣千元 RMB'000	專利 Patent 人民幣千元 RMB'000	客戶資源 Client Resources 人民幣千元 RMB'000	合計 Total 人民幣千元 RMB'000
非流動資產	Non-current assets					
於2019年1月1日	At 1 January 2019					
成本	Cost	270,800	147,149	180,000	39,619	637,568
累計攤銷	Accumulated amortisation	(14,300)	(73,178)	(9,000)	(1,981)	(98,459)
賬面淨值	Net book amount	256,500	73,971	171,000	37,638	539,109
截至2019年12月31日止年度	Year ended 31 December 2019					
期初賬面淨值	Opening net book amount	256,500	73,971	171,000	37,638	539,109
收購子公司	Acquisition of subsidiaries	–	48	–	–	48
添置	Additions	–	11,761	–	–	11,761
出售	Disposals	–	(4,642)	–	–	(4,642)
攤銷費用	Amortisation charge	(27,000)	(22,360)	(18,000)	(3,926)	(71,322)
期末賬面淨值	Closing net book amount	229,500	58,778	153,000	33,676	474,954
於2019年12月31日	At 31 December 2019					
成本	Cost	270,800	147,378	180,000	39,619	637,797
累計攤銷	Accumulated amortisation	(41,300)	(88,600)	(27,000)	(5,943)	(162,843)
賬面淨值	Net book amount	229,500	58,778	153,000	33,676	474,954
於2018年1月1日	At 1 January 2018					
成本	Cost	800	105,851	–	–	106,651
累計攤銷	Accumulated amortisation	(800)	(46,348)	–	–	(47,148)
賬面淨值	Net book amount	–	59,503	–	–	59,503
截至2018年12月31日止年度	Year ended 31 December 2018					
期初賬面淨值	Opening net book amount	–	59,503	–	–	59,503
收購子公司	Acquisition of subsidiaries	270,000	11,836	180,000	39,619	501,455
添置	Additions	–	23,234	–	–	23,234
出售	Disposals	–	(74)	–	–	(74)
攤銷費用	Amortisation charge	(13,500)	(20,528)	(9,000)	(1,981)	(45,009)
期末賬面淨值	Closing net book amount	256,500	73,971	171,000	37,638	539,109
於2018年12月31日	At 31 December 2018					
成本	Cost	270,800	147,149	180,000	39,619	637,568
累計攤銷	Accumulated amortisation	(14,300)	(73,178)	(9,000)	(1,981)	(98,459)
賬面淨值	Net book amount	256,500	73,971	171,000	37,638	539,109

截至2019年及2018年12月31日止年度，本集團無形資產的攤銷費用已悉數計入行政開支。

The Group's amortisation charges of intangible assets have all been included in administrative expenses for the years ended 31 December 2019 and 2018.

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9 於聯營公司的投資

9 INVESTMENTS IN ASSOCIATES

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
期初結餘	Opening balance	6,840,149	1,954,193
添置	Additions	423,249	2,523,176
收購子公司	Acquisition of subsidiaries	—	890,525
於聯營公司的資本減少	Capital reduction in associates	(10,000)	—
合營企業轉為聯營公司	Change from joint ventures to associates	—	614,800
聯營公司轉為子公司	Change from associates to subsidiaries	—	(369)
子公司轉為聯營公司	Change from subsidiaries to associates	20,000	—
分佔聯營公司股本溢價	Share of capital premium of an associate	5,754	(3,088)
應佔業績	Share of results	1,839,785	990,068
股息	Dividend	(1,285,059)	(129,156)
年末結餘	Ending balance	7,833,878	6,840,149

本集團所有聯營公司均為私營公司，其股權並無市場報價。

All of the Group's associates are private companies and there are no quoted market prices available for such equity interests.

本集團對其於聯營公司的投資承擔於附註38呈列，而本集團為若干聯營公司借款提供擔保（附註40）。

The Group's commitments to its investments in associates are presented in note 38 and the Group provided guarantees for certain associates on their borrowings (note 40).

於截至2019年及2018年12月31日止年度，本集團概無任何個別而言屬重大的聯營公司。

For the years ended 31 December 2019 and 2018, no associate is considered to be material to the Group individually.



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9 於聯營公司的投資 (續)

下表概述本集團聯營公司之財務資料。

9 INVESTMENTS IN ASSOCIATES (Cont'd)

The following table summarizes financial information of the Group's associates.

		於12月31日 As at 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
單獨非重大聯營公司賬面總值	Aggregate carrying amount of individually immaterial associates	7,833,878	6,840,149
本集團應佔以下總額：	Aggregate amounts of the Group's share of:		
持續經營業務的利潤	Profit from continuing operations	1,839,785	990,068
全面收益總額	Total comprehensive income	1,839,785	990,068

10 於合營企業的投資

10 INVESTMENTS IN JOINT VENTURES

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
期初結餘	Opening balance	12,633,050	11,992,973
添置	Additions	1,809,813	1,604,255
子公司轉為合營企業	Change from subsidiaries to joint ventures	5,100	1,132,308
於合營企業的資本減少	Capital reduction in joint ventures	(911,396)	(676,638)
應佔業績	Share of results	54,442	559,380
合營企業轉為聯營公司	Change from joint ventures to associates	—	(614,800)
合營企業轉為子公司 (附註36)	Change from joint ventures to subsidiaries (note 36)	(1,701,887)	(1,364,428)
股息	Dividend	(155,000)	—
年末結餘	Ending balance	11,734,122	12,633,050

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10 於合營企業的投資 (續)

所有本集團的合營企業均為私營公司，其權益並無市場報價。

本集團對其於合營企業的權益承擔於附註38呈列，而本集團亦為若干合營企業之借款提供擔保（附註40）。

於截至2019年及2018年12月31日止年度，本集團概無任何個別而言屬重大的合營企業。

10 INVESTMENTS IN JOINT VENTURES (Cont'd)

All of the Group's joint ventures are private companies and here are no quoted market prices available for such equity interests.

The commitments relating to the Group's interests in joint ventures are presented in note 38 and the Group provided guarantees for certain joint ventures on their borrowings (note 40).

For the year ended 31 December 2019 and 2018, no joint ventures is considered to be material to the Group individually.



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10 於合營企業的投資 (續)

下表概述本集團單獨非重大合營企業之財務資料。

10 INVESTMENTS IN JOINT VENTURES (Cont'd)

The following table summarizes financial information of the Group's individually immaterial joint ventures.

		於12月31日	
		As at 31 December	
		2019年	2018年
		2019	2018
		人民幣千元	人民幣千元
		RMB'000	RMB'000
單獨非重大合營企業賬面總值	Aggregate carrying amount of individually immaterial joint ventures	11,734,122	12,633,050
本集團應佔以下總額：	Aggregate amounts of the Group's share of:		
持續經營業務的利潤	Profit from continuing operations	54,442	559,380
全面收益總額	Total comprehensive income	54,442	559,380

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11 按類別劃分之金融工具

本集團持有下列金融工具：

11 FINANCIAL INSTRUMENTS BY CATEGORY

The Group holds the following financial instruments:

		於12月31日 As at 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
金融資產	Financial assets		
按攤銷成本計量之資產	Assets at amortised cost		
貿易及其他應收款項 (附註18)	Trade and other receivables (note 18)	47,984,652	46,397,608
按攤銷成本計量之金融資產 (附註13)	Financial assets at amortised cost (note 13)	523,693	954,736
現金及現金等價物 (附註20)	Cash and cash equivalents (note 20)	59,691,685	41,213,881
受限制現金 (附註20)	Restricted cash (note 20)	5,882,328	6,441,945
以公允價值計量且其變動計入其他全面收益之金融資產 (附註12)	Financial assets at fair value through other comprehensive income (note 12)	338,697	–
以公允價值計量且其變動計入當期損益之金融資產 (附註12)	Financial assets at fair value through profit or loss (note 12)	1,315,543	1,032,194
衍生金融工具 (附註14)	Derivative financial instruments (note 14)	–	151,475
		115,736,598	96,191,839

		於12月31日 As at 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
金融負債	Financial liabilities		
按攤銷成本計量之負債	Liabilities at amortised cost		
貿易及其他應付款項 (附註25)	Trade and other payables (note 25)	102,355,952	72,684,048
借款 (附註24)	Borrowings (note 24)	87,846,947	81,503,163
租賃負債 (附註6)	Lease liabilities (note 6)	203,123	–
以公允價值計量且其變動計入當期損益之金融負債 (附註27)	Financial liabilities at fair value through profit or loss (note 27)	80,993	2,069,576
衍生金融工具 (附註14)	Derivative financial instruments (note 14)	–	12,478
應付股息	Dividends payables	11,938	18,058
		190,498,953	156,287,323

本集團面臨的與金融工具有關的不同風險於附註3討論。於報告期末面臨的最大信貸風險乃上述各類金融資產的賬面值。

The Group's exposure to various risks associated with the financial instruments is discussed in note 3. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets mentioned above.

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12 以公允價值計量且其變動計入當期損益／其他全面收益的金融資產

(a) 以公允價值計量且其變動計入當期損益的金融資產

(i) 以公允價值計量且其變動計入當期損益的金融資產之分類

12 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS/OTHER COMPREHENSIVE INCOME

(a) Financial assets at fair value through profit or loss

(i) Classification of financial assets at fair value through profit or loss

		於12月31日 As at 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
非流動資產	Non-current assets	581,673	1,032,194
流動資產	Current assets	733,870	–
		1,315,543	1,032,194

(ii) 於損益中確認的金額

年內，以下收益／(虧損) 於損益確認：

(ii) Amounts recognised in profit or loss

During the year, the following gains/(losses) were recognised in profit or loss:

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
以公允價值計量且其變動計入當期損益的金融工具公允價值收益／(虧損)	Fair value gains/(losses) on financial instruments at fair value through profit or loss	131,177	(235,790)

(iii) 風險及公允價值計量

有關本集團面臨價格風險的資料載於附註3。有關釐定公允價值所採用的方法及假設的資料，請參閱附註3。

(iii) Risk exposure and fair value measurements

Information about the Group's exposure to price risk is provided in note 3. For information about the methods and assumptions used in determining fair value please refer to note 3.

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12 以公允價值計量且其變動計入當期損益／其他全面收益的金融資產（續）

(b) 以公允價值計量且其變動計入其他全面收益之金融資產

(i) 以公允價值計量且其變動計入其他全面收益之金融資產之分類

12 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS/OTHER COMPREHENSIVE INCOME (Cont'd)

(b) Financial assets at fair value through other comprehensive income

(i) Classification of financial assets at fair value through other comprehensive income

		於12月31日 As at 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
流動資產	Current assets	338,697	–

(ii) 於其他全面收益確認之金額

年內，以下收益於其他全面收益確認：

(ii) Amounts recognised in other comprehensive income

During the year, the following gains were recognised in other comprehensive income:

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
以公允價值計量且其變動計入其他全面收益的金融工具公允價值收益	Fair value gains on financial instruments at fair value through other comprehensive income	1,503	10,674

(iii) 風險及公允價值計量

有關本集團面臨價格風險的資料載於附註3。有關釐定公允價值所採用的方法及假設的資料，請參閱附註3。

(iii) Risk exposure and fair value measurements

Information about the Group's exposure to price risk is provided in note 3. For information about the methods and assumptions used in determining fair value please refer to note 3.

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13 按攤銷成本計量之金融資產

(i) 按攤銷成本計量之金融資產分類

13 FINANCIAL ASSETS AT AMORTISED COSTS

(i) Classification of financial assets at amortised costs

		於12月31日 As at 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
非流動資產	Non-current assets	488,996	734,735
流動資產	Current assets	34,697	220,001
		523,693	954,736

(ii) 減值及風險

附註3.1.2載列有關金融資產減值及本集團面臨信貸風險的資料。

(ii) Impairment and risk exposure

Note 3.1.2 sets out information about the impairment of financial assets and the Group's exposure to credit risk.

(iii) 按攤銷成本計量之金融資產公允價值

於2019年12月31日，按攤銷成本計量的金融資產的公允價值與其賬面值相若。

(iii) Fair value of financial assets at amortised costs

As at 31 December 2019, the fair value of financial assets at amortised costs approximate their carrying amounts.

14 衍生金融工具

14 DERIVATIVE FINANCIAL INSTRUMENTS

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
資產	Assets		
– 衍生金融工具	– Derivative financial instruments	–	151,475
– 減：非即期部分	– Less: Non-current portion	–	–
即期部分	Current portion	–	151,475
負債	Liabilities		
– 衍生金融工具	– Derivative financial instruments	–	12,478
– 減：非即期部分	– Less: Non-current portion	–	–
即期部分	Current portion	–	12,478

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15 土地使用權

該結餘主要指未來取得必要批文將該地塊重新劃為商業用途後將用於在建銷售物業的土地使用權、經營性酒店的土地使用權及經營性醫院／養老院的土地使用權。於2019年12月31日，並無抵押任何土地使用權作為本集團借款的抵押品（2018年：並無抵押任何土地使用權作為本集團借款的抵押品）（附註24）。

攤銷費用為人民幣1,643,000元（2018年：人民幣1,643,000元）已於銷售及服務成本內列支。

15 LAND USE RIGHTS

The balance represents mainly land use rights to be used for development of properties for sale in the future upon obtaining the necessary approval to re-zone the site for commercial use, land use rights for an operational hotel and land use rights for an operational hospital/nursing house. As at 31 December 2019, no land use rights was pledged as a collateral for the Group's borrowings (2018: no land use rights was pledged as a collateral for the Group's borrowings) (note 24).

The amortisation charges of RMB1,643,000 (2018: RMB1,643,000) have been included in cost of sales and services.



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16 租賃土地預付款項

本集團於2019年12月31日預付人民幣578,819,000元用於購買租賃土地(2018年：人民幣13,610,385,000元)。

16 PREPAYMENTS FOR LEASEHOLD LAND

The Group made prepayments of RMB578,819,000 for the acquisition of leasehold land as at 31 December 2019 (2018: RMB13,610,385,000).

17 完工待售或在建銷售物業

17 PROPERTIES HELD OR UNDER DEVELOPMENT FOR SALE

		於12月31日 As at 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
將予開發的租賃土地	Leasehold land to be developed	11,220,087	11,186,933
在建銷售物業	Properties under development for sale	213,715,243	130,296,605
完工待售物業	Properties held for sale	7,578,150	4,510,903
		232,513,480	145,994,441
減：減值虧損撥備	Less: Provision for impairment loss	(1,229,600)	(397,871)
		231,283,880	145,596,570

完工待售或在建銷售物業均位於中國。

The properties held or under development for sale are all located in the PRC.

截至2019年12月31日止年度，於在建銷售物業及完工待售物業中資本化的融資成本約為人民幣13,103,414,000元(2018年：人民幣8,475,691,000元)，包括借款利息及可換股債券人民幣4,031,964,000元(2018年：人民幣3,115,354,000元)以及合約負債的融資成分人民幣9,071,450,000元(2018年：人民幣5,360,337,000元)。

Financing costs capitalised in properties under development for sale and held for sale for the year ended 31 December 2019 were approximately RMB13,103,414,000 (2018: RMB8,475,691,000), including interest on borrowings and convertible bonds of RMB4,031,964,000 (2018: RMB3,115,354,000) and financing component of contract liabilities of RMB9,071,450,000 (2018: RMB5,360,337,000).

截至2019年12月31日止年度，借款資本化率為6.73%(2018年：6.09%)。

The capitalisation rate of borrowings was 6.73% for the year ended 31 December 2019 (2018: 6.09%).

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17 完工待售或在建銷售物業 (續)

於2019年及2018年12月31日，本集團以下在建銷售物業和完工待售物業已抵押作本集團借款的抵押品(附註24)。

17 PROPERTIES HELD OR UNDER DEVELOPMENT FOR SALE (Cont'd)

As at 31 December 2019 and 2018, the Group's following properties under development for sale and properties held for sale were pledged as collateral for the Group's borrowings (note 24).

		於12月31日 As at 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
已抵押的賬面值：	Carrying value pledged:		
在建銷售物業	Properties under development for sale	56,587,002	44,599,681

截至2019年12月31日止年度，確認為開支及計入物業銷售成本的完工待售物業成本為人民幣55,438,165,000元(2018年：人民幣32,799,201,000元)，連帶撥回的減值撥備人民幣107,927,000元(2018年：撥回人民幣89,882,000元)已計入銷售成本。

For the year ended 31 December 2019, the cost of properties held for sale recognised as expense and included in cost of property sales amounted to RMB55,438,165,000 (2018: RMB32,799,201,000), accompanying by a reversal of provision for impairment of RMB107,927,000 (2018: reversal of RMB89,882,000) credited to cost of sales.

於2019年12月31日，總賬面值為人民幣81,013,049,000元(2018年：人民幣51,417,355,000元)的在建銷售物業與不預期於一年內竣工的物業項目相關，儘管可能會預售若干此等物業。所有將予開發的租賃土地都不會於一年內完工。完工待售或在建銷售物業的其他結餘預計可於一年內變賣。

As at 31 December 2019, properties under development for sale with a total carrying amount of RMB81,013,049,000 (2018: RMB51,417,355,000) were related to property projects which were not scheduled to complete within one year although pre-sales of some of these properties may occur. All the leasehold land to be developed were not scheduled to complete within one year. The other balances in properties held or under development for sale were expected to be recovered within one year.



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18 貿易及其他應收款項以及預付款項

18 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

		於12月31日	
		As at 31 December	
		2019年	2018年
		2019	2018
		人民幣千元	人民幣千元
		RMB'000	RMB'000
貿易應收款項	Trade accounts receivables	648,824	309,362
應收票據	Notes receivables	39,883	89,605
貿易應收款項總額	Total trade receivables	688,707	398,967
減：減值虧損	Less: Impairment losses	(6,488)	(3,094)
貿易應收款項－淨額	Trade receivables – net	682,219	395,873
預付款項	Prepayments		
– 預付所得稅及土地增值稅(a)	– Prepaid income tax and land appreciate tax (a)	8,915,633	5,145,787
– 預付增值稅及將予扣除之進項增值稅(b)	– Prepaid value-added tax and input VAT to be deducted (b)	12,573,262	6,197,867
– 預付附加費及其他稅項	– Prepaid surcharges and other taxes	664,426	344,843
– 預付建設成本	– Prepayments for construction costs	371,622	560,693
– 其他	– Others	500,490	723,146
		23,025,433	12,972,336
應收政府款項	Receivables from government related bodies		
– 重建村落的誠意金	– Earnest money for reconstructing villages	621,810	2,300,000
– 投標保證金	– Tender deposits	1,119,490	345,000
– 交由政府指定機構託管的預收客戶款項	– Advanced proceeds received from customers deposited with a government designated entity	2,203,379	187,759
– 政府發行之購屋者票據	– Government issued coupon for house buyers	199,226	294,478
– 於住房公積金中心的按金	– Deposits with public housing fund centres	283,037	140,923
– 物業維護保證金	– Deposits with property maintenance	249,325	183,340
– 其他	– Others	1,181,362	1,557,689
		5,857,629	5,009,189
減：減值虧損	Less: Impairment losses	(5,858)	(5,009)
		5,851,771	5,004,180
應收關連方款項(附註40)	Due from related parties (note 40)	22,571,773	24,350,112
減：特定項目之減值虧損	Less: Impairment losses for a particular item	(148,197)	–
		22,423,576	24,350,112
減：其他項目之減值虧損	Less: Impairment losses for other items	(211,861)	(243,501)
		22,211,715	24,106,611

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18 貿易及其他應收款項以及預付款項 (續)

18 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Cont'd)

		於12月31日	
		As at 31 December	
		2019年	2018年
		2019	2018
		人民幣千元	人民幣千元
		RMB'000	RMB'000
應收合營企業夥伴款項(c)	Receivables from joint venture partners (c)	1,927,279	5,636,983
應收子公司非控股股東款項(c)	Receivables from non-controlling shareholders of subsidiaries (c)	14,650,229	9,983,992
		16,577,508	15,620,975
減：減值虧損	Less: Impairment losses	(165,775)	(156,210)
		16,411,733	15,464,765
應收其他款項(c)	Receivables from others (c)		
– 向被投資公司借款	– Lending to an investee	250,241	390,485
– 其他按金	– Other deposits	1,042,785	121,901
– 其他	– Others	1,581,698	944,819
		2,874,724	1,457,205
減：特定項目之減值虧損	Less: Impairment losses for a particular item	(18,952)	(16,620)
		2,855,772	1,440,585
減：其他項目之減值虧損	Less: Impairment losses for other items	(28,558)	(14,406)
		2,827,214	1,426,179
貿易及其他應收款項以及預付款項總額	Total trade and other receivables and prepayments	71,595,774	59,808,784
減：減值虧損總額	Less: Total impairment losses	(585,689)	(438,840)
		71,010,085	59,369,944
減：非即期部分	Less: Non-current portion	(250,654)	(463,427)
即期部分	Current portion	70,759,431	58,906,517

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18 貿易及其他應收款項以及預付款項 (續)

貿易應收款項主要來自物業銷售、投資物業租賃及其他服務業務。物業銷售的所得款項一般於簽訂有關買賣協議後三個月內收取，而物業租賃的租金一般預先收取。尚處於開發階段的其他服務業務的客戶一般被給予30天至90天的信貸期。

(a) 於本集團收取預收客戶款項時土地增值稅暫按地稅局規定的稅率徵收，在確認有關收入之前按預付增值稅記賬。此外，計算應課稅收入時所收取預收客戶款項的5%至15%視作利潤加至會計收入預付所得稅按預付款項記賬。

(b) 自2016年5月1日起，本集團銷售物業須繳納增值稅(「增值稅」)。按照通用增值稅辦法，本集團須就增值金額繳納9%的增值稅(自2018年5月1日至2019年3月31日為10%)。但符合資格的舊建設項目，即於2016年4月30日或之前開工的項目可選擇簡單的增值稅辦法，按銷售額的5%計徵，而不扣除進項增值稅。本集團在收取預收客戶款項時按3%或5%預付增值稅，且確認有關收入之前，該等付款按預付增值稅記賬。進項增值稅主要來自開發成本，並可按照通用增值稅辦法與銷項增值稅抵銷。

18 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Cont'd)

Trade receivables are mainly arisen from sales of properties, leases of investment properties and other services businesses. Proceeds in respect of properties sold are normally received within three months after signing of related sales and purchase agreements, and rentals in respect of leased properties are generally received in advance. Customers of other services businesses are generally granted a credit term of 30 days to 90 days.

(a) Land appreciation tax is provisionally levied based on rates required by the local tax bureaus when the Group receives advances from customers, which are recorded as prepayments before the relevant revenue is recognised. In addition, a deemed profit of 5% to 15% of advances received from the customers is added to the accounting income when calculating taxable income and the prepaid income tax is similarly recorded as prepayments.

(b) Effective from 1 May 2016, the Group's sale of properties are subject to value-added tax ("VAT"). Under general VAT method, the Group is subject to 9% (10% from 1 May 2018 to 31 March 2019) VAT on value added amount. Qualified old construction projects, which are those with construction commenced on or before 30 April 2016, however, has an alternative to elect a simplified VAT method, which is 5% on sales with no deduction of input VAT. The Group prepay VAT at 3% or 5% when receiving advances from customers and such payment is recorded as prepaid VAT before the relevant revenue is recognised. Input VAT arises mainly from development costs and can be offset against the output VAT under general VAT method.

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18 貿易及其他應收款項以及預付款項 (續)

- (c) 該等應收款項為無抵押、免息及無固定還款期限。

於2019年及2018年12月31日，貿易應收款項及應收票據基於發票日期的賬齡如下：

		於12月31日	
		As at 31 December	
		2019年	2018年
		2019	2018
		人民幣千元	人民幣千元
		RMB'000	RMB'000
1年內	Less than 1 year	588,928	367,084
1年至2年	Between 1 and 2 years	91,714	31,883
2年至3年	Between 2 and 3 years	8,065	–
		688,707	398,967

於2019年及2018年12月31日承受的最大信貸風險是上述各類應收款項的賬面值。本集團並無持有任何抵押品。

於2019年及2018年12月31日，貿易及其他應收款項的公允價值與其賬面值相若。

於2019年及2018年12月31日，貿易及其他應收款項以及預付款項的賬面值主要以人民幣計值。

有關貿易及其他應收款項減值以及本集團面臨的信貸風險，請參閱附註3.1.2。

18 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Cont'd)

- (c) Such receivables are unsecured, non-interest bearing and have no fixed repayment terms.

The aging of trade receivables and notes receivable based on invoice date as at 31 December 2019 and 2018 are as follows:

The maximum exposure to credit risk at 31 December 2019 and 2018 is the carrying value of each class of receivables mentioned above. The Group does not hold any collateral security.

As at 31 December 2019 and 2018, the fair value of trade and other receivables approximate their carrying amounts.

As at 31 December 2019 and 2018, the carrying amounts of trade and other receivables and prepayments are primarily denominated in RMB.

Please refer to note 3.1.2 for the impairment of trade and other receivables and the Group's exposure to credit risk.

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19 子公司

於2019年及2018年12月31日，本集團子公司及子公司就借款予以抵押的股份詳情載於附註44。

(a) 重大限制

現金及短期存款人民幣63,575,457,000元(2018年：人民幣47,039,283,000元)乃由中國內地子公司所持有，並受當地匯兌控制規例所規限。該等當地匯兌控制規例訂明對國家輸出資金（並非透過正常股息）的限制。

(b) 重大非控股權益

於2019年12月31日的非控股權益總額為人民幣32,803,080,000元(2018年：人民幣26,568,692,000元)，其中人民幣32,472,177,000元(2018年：人民幣26,238,133,000元)屬於A股公司新城控股。

持有屬重大的非控股權益的子公司財務資料概要

以下載列持有對本集團屬重大的非控股權益的新城控股財務資料概要。

19 SUBSIDIARIES

Particulars of the subsidiaries of the Group as at 31 December 2019 and 2018 and shares of subsidiaries pledged for the Group's borrowings are set out in note 44.

(a) Significant restrictions

Cash and short-term deposits of RMB63,575,457,000 (2018: RMB47,039,283,000) are held by subsidiaries in Mainland China and are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the country, other than through normal dividends.

(b) Material non-controlling interests

The total non-controlling interests as at 31 December 2019 was RMB 32,823,080,000 (2018: RMB26,568,692,000), among which RMB32,472,177,000 (2018: RMB26,238,133,000) was for Seazen Holdings, the A share company.

Summarised financial information on subsidiaries with material non-controlling interests

Set out below are the summarised financial information for Seazen Holdings, which has non-controlling interests that are material to the Group.

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19 子公司 (續)

(b) 重大非控股權益 (續)

財務狀況表概要

19 SUBSIDIARIES (Cont'd)

(b) Material non-controlling interests (Cont'd)

Summarised statement of financial position

		新城控股 Seazen Holdings 2019年 2019 人民幣千元 RMB'000	新城控股 Seazen Holdings 2018年 2018 人民幣千元 RMB'000
流動	Current		
資產	Assets	367,752,067	264,227,114
負債	Liabilities	(352,228,562)	(225,495,518)
總流動資產淨值	Total current net assets	15,523,505	38,731,596
非流動	Non-current		
資產	Assets	94,358,014	66,091,304
負債	Liabilities	(47,946,209)	(53,866,026)
總非流動資產淨值	Total non-current net assets	46,411,805	12,225,278
資產淨值	Net assets	61,935,310	50,956,874
下列各方應佔資產淨值	Net assets attributable to		
– 新城控股權益持有人	– Equity holders of Seazen Holdings	38,427,409	30,493,299
– 非控股權益*	– Non-controlling interests*	23,507,901	20,463,575
		61,935,310	50,956,874

* 新城控股的非控股權益包括本集團所控制的新城控股同系子公司人民幣2,820,847,000元。

* Non-controlling interest of Seazen Holdings included RMB2,820,847,000 from fellow subsidiaries of Seazen Holdings controlled by the Group.

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19 子公司 (續)

(b) 重大非控股權益 (續)

全面收益表概要

		新城控股 Seazen Holdings 2019年 2019 人民幣千元 RMB'000	新城控股 Seazen Holdings 2018年 2018 人民幣千元 RMB'000
營業額	Revenue	85,847,041	54,133,311
除投資物業公允價值收益 和所得稅開支前的利潤	Profit before fair value gains on investment properties and income tax expense	19,847,167	15,809,530
投資物業公允價值收益	Fair value gains on investment properties	2,550,616	3,285,089
所得稅開支	Income tax expense	(9,067,880)	(6,528,895)
除稅後利潤	Post-tax profit	13,329,903	12,565,724
其他全面收益	Other comprehensive income	(233,718)	(302,551)
全面收益總額	Total comprehensive income	13,096,185	12,263,173
分配至非控股權益的全面收益總額	Total comprehensive income allocated to non-controlling interests	675,875	5,704,362
向非控股權益 支付股息	Dividends paid to non-controlling interests	225,234	643,763

以上財務資料乃就與本公司相同的報告期間並採用一致的會計政策編製。

19 SUBSIDIARIES (Cont'd)

(b) Material non-controlling interests (Cont'd)

Summarised statement of comprehensive income

The above financial information was prepared for the same reporting period as the Company, using consistent accounting policies.

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19 子公司 (續)

(b) 重大非控股權益 (續)

現金流量表概要

		新城控股 Seazen Holdings 2019年 2019 人民幣千元 RMB'000	新城控股 Seazen Holdings 2018年 2018 人民幣千元 RMB'000
經營活動所得現金淨額	Net cash generated from operating activities	43,580,182	3,816,995
投資活動所用現金淨額	Net cash used in investing activities	(9,026,964)	(20,012,975)
融資活動 (所用)/ 所得現金淨額	Net cash (used in)/generated from financing activities	(15,516,528)	35,890,503
現金及現金等價物增加淨額	Net increase in cash and cash equivalents	19,036,690	19,694,523
年初的現金及現金等價物	Cash and cash equivalents at beginning of the year	40,008,729	20,280,892
現金及現金等價物的淨匯兌收益	Net exchange gain on cash and cash equivalents	35,565	33,314
年末的現金及現金等價物	Cash and cash equivalents at end of the year	59,080,984	40,008,729

上述資料為對銷集團內公司間交易前的金額。

The information above is the amount before intra-group transactions elimination.



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20 銀行及手頭現金

20 CASH AT BANK AND ON HAND

		於12月31日	
		As at 31 December	
		2019年	2018年
		2019	2018
		人民幣千元	人民幣千元
		RMB'000	RMB'000
銀行及手頭現金	Cash at bank and on hand		
以人民幣計值	Denominated in RMB	62,263,174	46,300,640
以美元計值	Denominated in USD	3,295,564	1,167,594
以港元計值	Denominated in HKD	15,239	187,556
以英鎊計值	Denominated in GBP	36	36
		65,574,013	47,655,826

於2019年12月31日，本集團銀行存款的實際利率為1.00%（2018年：1.27%）。

The effective interest rate on the Group's bank deposits as at 31 December 2019 was 1.00% (2018: 1.27%).

本集團的現金及現金等價物釐定如下：

Cash and cash equivalents of the Group were determined as follows:

		於12月31日	
		As at 31 December	
		2019年	2018年
		2019	2018
		人民幣千元	人民幣千元
		RMB'000	RMB'000
銀行及手頭現金	Cash at bank and on hand	65,574,013	47,655,826
減：受限制現金	Less: Restricted cash	(5,882,328)	(6,441,945)
		59,691,685	41,213,881

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截至2019年12月31日止年度 For the year ended 31 December 2019

20 銀行及手頭現金 (續)

本集團的受限制現金包括以下各項：

20 CASH AT BANK AND ON HAND (Cont'd)

Restricted cash of the Group comprised of the following:

		於12月31日 As at 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
已發行票據保證金	Margin deposits for notes issued	358,967	1,446,177
作為項目建設簽發保函的保證金	Deposits for letters of guarantee issued for project construction	4,043,670	3,476,472
購房者按揭貸款保證金(a)	Deposits as security for property purchasers' mortgage loans (a)	457,608	409,212
作為借款抵押的存款(附註24)	Deposits pledged for borrowings (note 24)	1,022,083	1,110,084
		5,882,328	6,441,945

(a) 該等受限制銀行存款用於確保本集團若干購房者根據若干城市的地方法規能取得銀行貸款。該等存款將於政府部門向該等購房者發出物業所有權證並向按揭銀行提交時予以解除。

(a) These bank deposits are restricted to secure the bank loans taken by certain property purchasers of the Group pursuant to the local regulations of certain cities. Such deposits will be released upon the issue of the properties' ownership certificate by government authorities to these purchasers and submitted to the mortgage banks.

21 股本

(a) 法定股本

21 SHARE CAPITAL

(a) Authorised shares

		法定股本數目 Number of authorised shares 港元股份 HKD share
於2018年1月1日、2018年12月31日及2019年12月31日	As at 1 January 2018, 31 December 2018, and 31 December 2019	10,000,000,000

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21 股本 (續)

(b) 已發行股份

		已發行股份數目 Number of issued shares 每股0.001港元 HKD0.001 each	普通股 Ordinary shares 人民幣千元 RMB'000
於2019年1月1日之年初結餘	Opening balance as at 1 January 2019	5,907,000,000	4,813
註銷股份(i)	Cancellation of shares (i)	(8,000,000)	(6)
於2019年12月31日的年末結餘	Closing balance as at 31 December 2019	5,899,000,000	4,807

(i) 截至2019年12月31日止年度，本公司已註銷以代價39,194,000港元（相等於約人民幣34,793,000元）購回的8,000,000股股份。

21 SHARE CAPITAL (Cont'd)

(b) Issued shares

(i) During the year ended 31 December 2019, the Company cancelled 8,000,000 shares, which was bought back at the cost of HKD39,194,000 (equivalent to RMB34,793,000 approximately).

22 以股份為基礎的支付

(a) 首次公開發售前股份獎勵計劃

根據2011年9月12日的決議案，本公司採納首次公開發售前股份獎勵計劃（「首次公開發售前股份獎勵計劃」）。根據首次公開發售前股份獎勵計劃，合共159,800,000股股份和21,250,000股股份分別發行和授予選定現任僱員（包括董事）和若干第三方。第三方包括前僱員和若干第三方公司。授予第三方公司的股份乃為認可其過往服務。

至於授予現任僱員（包括董事）的股份，在本公司於2012年12月31日前在香港聯合交易所有限公司主板上市及僱員於各歸屬期末仍在職的情況下，授出的股份可分別於2012年、2013年、2014年和2015年12月31日分四等份歸屬。

22 SHARE-BASED PAYMENTS

(a) Pre-IPO Share Award Scheme

Pursuant to a resolution dated 12 September 2011, the Company adopted a Pre-IPO share award scheme (the "Pre-IPO Share Award Scheme"). Under the Pre-IPO Share Award Scheme, a total number of 159,800,000 shares and 21,250,000 shares were issued and granted to selected current employees (including directors) and certain third parties, respectively. The third parties include former employees and certain third party companies. The shares granted to third parties are for recognition of their past services.

For shares granted to current employees (including directors), subject to the meeting of the criteria of the Company being listed on the Main Board of the Stock Exchange of Hong Kong Limited before 31 December 2012 and the employee being still on service at the end of each vesting period, the granted shares can be vested in four equal tranches on 31 December 2012, 2013, 2014 and 2015, respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

22 以股份為基礎的支付 (續)

(a) 首次公開發售前股份獎勵計劃 (續)

根據日期為2012年12月31日的股東決議案，首次公開發售前股份獎勵計劃的歸屬期由2012年至2015年止四年修訂為由2013年至2016年止四年。

於2012年12月31日，本公司修訂以股份為基礎的支付的條件，延長本公司於2012年12月31日前於香港聯合交易所有限公司主板上市的要求至2013年12月31日前。

根據股份獎勵計劃授出的股份於2011年9月15日（授出日期）的公允價值為人民幣119,766,309元，此價值根據資產基礎法釐定，且總體業績亦通過使用市場法反復審核。根據資產基礎法釐定各項資產／負債的價值須使用多種估值法／技術，如投資物業使用剩餘法估值，而非流通股則使用可資比較公司法估值，並以期權定價模式幫助釐定非流動性折扣。

首次公開發售前股份獎勵計劃已於2016年12月31日完成。截至2019年12月31日止年度，本集團就本公司授予現任僱員（包括董事）的股份確認人民幣0元（2018年：無）的費用。

22 SHARE-BASED PAYMENTS (Cont'd)

(a) Pre-IPO Share Award Scheme (Cont'd)

Pursuant to the resolutions of the Shareholders dated 31 December 2012, the vesting period of the Pre-IPO Share Award Scheme was amended from four years from 2012 to 2015 to four years from 2013 to 2016.

On 31 December 2012, the Company modified the condition for the share-based payments by extending the criteria of the Company being listed on the Main Board of the Stock Exchange of Hong Kong Limited before 31 December 2012 to 31 December 2013.

The fair value of the shares granted under the Share Award Scheme as at 15 September 2011, the grant date, was RMB119,766,309, and was determined using the asset-based approach and the overall result was also cross-checked by using the market approach. Various valuation methods/techniques were applied to determine the value of each asset/liability under the asset-based approach, for example the investment properties were valued using the residual method while the non-tradable shares were valued using the comparable company method with option pricing model to help determine the illiquidity discount.

The Pre-IPO Share Award Scheme had been completed as of 31 December 2016. For the year ended 31 December 2019, there was nil (2018: Nil) expense recognised by the Group in relation to the share award by the Company to the current employees (including directors).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

22 以股份為基礎的支付 (續)

(b) 附屬公司2016年限制性股票激勵計劃

於2016年10月17日，新城控股股東大會條件採納受限制股票激勵計劃（「附屬公司2016年限制性股票激勵計劃」）。根據附屬公司2016年限制性股票激勵計劃，共42,000,000股新城控股A股股份將予發行及授予新城控股選定現任僱員（包括董事）（「參與者」）。倘全部限制性股票獲發行及解除限售，本公司於新城控股的控股將由68.27%逐漸減少至67.00%。

獲授限制性股票的參與者有權於授出日購買限制性股票，並於有關限制性股票的解除限售期間待解除限售後出售限制性股票，惟須待該計劃項下有關條件獲達成。

倘參與者為新城控股的董事或高級管理層成員，彼等每年出售的A股數目不得超過彼等在任職期間持有新城控股A股總數的25%，且不得於彼等離職後六個月內出售彼等持有的新城控股A股。

於2016年，新城控股根據首批授予按每股A股股份人民幣6.9元發行38,500,000股限制性股票，及錄得自參與者獲得款項人民幣265,650,000元，入賬列入其他應付款項（附註25）。

22 SHARE-BASED PAYMENTS (Cont'd)

(b) Subsidiary's 2016 Restricted Share Incentive Scheme

On 17 October 2016, the general meeting of Seazen Holdings, conditionally adopted a restricted share incentive scheme (the "Subsidiary's 2016 Restricted Share Incentive Scheme"). Under the 2016 Subsidiary Restricted Share Incentive Scheme, a total number of 42,000,000 A shares of Seazen Holdings were to be issued and granted to selected current employees (including directors) of Seazen Holdings (the "Participants"). The Company's shareholding in Seazen Holdings will be reduced gradually from 68.27% to 67.00% if all restricted shares are issued and unlocked.

Participants who are granted with the restricted shares were entitled to acquire the restricted shares on the grant day and sell the restricted shares after unlocking during the unlocking period of the relevant restricted shares, subject to the fulfilment of the relevant conditions under the Scheme.

If a participant is a director or a member of the senior management of Seazen Holdings, the number of A shares to be disposed of by them each year shall not exceed 25% of the total number of A shares of Seazen Holdings held by them during their tenure, and no A shares of Seazen Holdings held by them shall be disposed of within 6 months following the end of their employment.

Under the first tranche grant, Seazen Holdings issued 38,500,000 restricted shares at a price of RMB6.9 per A share in year 2016 and the amount of RMB265,650,000 received from the Participants is recorded as other payables (note 25).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

22 以股份為基礎的支付 (續)

(b) 附屬公司2016年限制性股票激勵計劃 (續)

首批38,500,000股股份將分三次解除限售，詳情如下：

解除限售安排	解除限售期間	限制性股票數目的解除限售比重 Proportion for unlocking to the number of the restricted shares
Unlocking arrangement	Unlocking period	
第一次解除限售	自首個授出日起滿12個月後的自首個交易日至授出日起滿24個月的最後一個交易日止	40%
First unlocking	Commencing from the first trading day upon the expiry of 12 months from the first grant day and ending on the last trading day within 24 months from the grant day	40%
第二次解除限售	自首個授出日起滿24個月後的自首個交易日至授出日起滿36個月的最後一個交易日止	30%
Second unlocking	Commencing from the first trading day upon the expiry of 24 months from the first grant day and ending on the last trading day within 36 months from the grant day	30%
第三次解除限售	自首個授出日起滿36個月後的自首個交易日至授出日起滿48個月的最後一個交易日止	30%
Third unlocking	Commencing from the first trading day upon the expiry of 36 months from the first grant day and ending on the last trading day within 48 months from the grant day	30%

新城控股將根據該計劃進行表現評估，而達致表現評估目標將為參與者的解除限售條件。

22 SHARE-BASED PAYMENTS (Cont'd)

(b) Subsidiary's 2016 Restricted Share Incentive Scheme (Cont'd)

The first tranche of 38,500,000 shares will be unlocked in three batches as follows:

Seazen Holdings will conduct performance appraisals under the Scheme and reaching the performance appraisal targets shall be the unlocking conditions for the Participants.

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22 以股份為基礎的支付 (續)

(b) 附屬公司2016年限制性股票激勵計劃 (續)

各年度表現評估的具體目標載列如下：

解除限售期間 Unlocking period	新城控股表現評估目標 Performance appraisal target of Seazen Holdings
第一次解除限售 First unlocking	2016年歸屬於母公司股東的淨利潤達致人民幣25億元 Net profit attributable to shareholders of the parent company reaching RMB2.5 billion in 2016
第二次解除限售 Second unlocking	2017年歸屬於母公司股東的淨利潤達致人民幣35億元 Net profit attributable to shareholders of the parent company reaching RMB3.5 billion in 2017
第三次解除限售 Third unlocking	2018年歸屬於母公司股東的淨利潤達致人民幣50億元 Net profit attributable to shareholders of the parent company reaching RMB5.0 billion in 2018

於2016年10月22日（首次授出日期）根據附屬公司2016年限制性股票激勵計劃授出的限制性股票之公允價值人民幣136,672,000元，須於授出日起至首批授出各部分不同解除限售日止期間攤銷。倘參與者非新城控股的董事或高級管理層成員，首批限制性股票的公允價值即授出日的收市價。倘參與者為新城控股的董事或高級管理層成員，彼等須承受限制性股票可解除限售但不得轉讓的限制，因此造成一定限制成本，該成本採用布萊克－休斯模型(Black-Scholes model)計算。因此，首批限制性股票的公允價值為授出日的收市價減去董事及高級管理層成員轉讓限制的單位成本。

22 SHARE-BASED PAYMENTS (Cont'd)

(b) Subsidiary's 2016 Restricted Share Incentive Scheme (Cont'd)

The specific targets for the performance appraisal of each year are listed as follows:

The fair value of the restricted shares granted under the Subsidiary's 2016 Restricted Share Incentive Scheme measured as at 22 October 2016 (the first grant date) amounted to RMB136,672,000 are required to be amortised over the period from the grant day to the various unlocking dates for different portion of the first tranche grant. For Participants who are not directors or members of the senior management of Seazen Holdings, the fair value of the restricted shares in the first tranche is its closing price on the grant date. For directors and members of the senior management of Seazen Holdings, they shall be subject to the restriction that the restricted shares may be unlocked but not transferred, resulting in certain amount of restriction cost, which is calculated based on the Black-Scholes model. Thus, the fair value of the restricted shares in the first tranche is its closing price on the grant date excluding the unit cost of transfer restriction for directors and members of the senior management.

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22 以股份為基礎的支付 (續)

(b) 附屬公司2016年限制性股票激勵計劃 (續)

於2017年11月30日，首批授予的14,760,000股股份已達所有條件而解除限售。因此，其他應付款項減少約人民幣97.0百萬元，同時，本集團的其他儲備及非控股權益則分別增加人民幣26.0百萬元及人民幣71.0百萬元。本公司於A股公司的持股自68.27%減少至67.81%。

於2018年12月8日，第二批授予的10,740,000股股份已達所有條件而解除限售。因此，其他應付款項減少約人民幣61.9百萬元，同時，其他儲備減少人民幣34.0百萬元，而本集團的非控股權益則增加人民幣95.9百萬元。本公司於A股公司的持股自67.81%減少至67.49%。

於2019年12月16日，第二批授予的10,740,000股股份已達所有條件而解除限售。因此，其他應付款項減少人民幣1.8百萬元，同時，其他儲備減少人民幣83.1百萬元，而非控股權益則增加人民幣144.9百萬元。本公司於A股公司的持股自67.84%減少至67.52%。

截至2019年12月31日止年度，本集團確認與2016年附屬公司限制性股票激勵計劃有關的開支人民幣11,102,000元（2018年：人民幣29,489,000元）。

22 SHARE-BASED PAYMENTS (Cont'd)

(b) Subsidiary's 2016 Restricted Share Incentive Scheme (Cont'd)

On 30 November 2017, 14,760,000 shares of the first tranche grant were unlock with all the conditions met. Accordingly, other payable was reduced by approximately RMB97.0 million, while at the same time, other reserves and non-controlling interest of the Group was increased by RMB26.0 million and RMB71.0 million respectively. The Company's shareholding in the A Share Company was reduced from 68.27% to 67.81%.

On 8 December 2018, 10,740,000 shares of the second tranche grant were unlock with all the conditions met. Accordingly, other payable was reduced by approximately RMB61.9 million, while at the same time, other reserves was decreased by RMB34.0 million, and non-controlling interest of the Group was increased by RMB95.9 million. The Company's shareholding in the A Share Company was reduced from 67.81% to 67.49%.

On 16 December 2019, 10,740,000 shares of the second tranche grant were unlock with all the conditions met. Accordingly, other payable decreased RMB1.8 million, while at the same time, other reserves decreased RMB83.1 million, and non-controlling interest increased RMB144.9 million. The Company's shareholding in the A Share Company was reduced from 67.84% to 67.52%.

For the year ended 31 December 2019, the Group recognised an expense of RMB11,102,000 (2018: RMB29,489,000) in relation to the 2016 Subsidiary Restricted Share Incentive Scheme.

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22 以股份為基礎的支付 (續)

(c) 2019年購股權獎勵計劃

根據2019年11月6日的決議案，本公司採納購股權獎勵計劃（以下稱「2019年購股權獎勵計劃」）。根據2019年購股權獎勵計劃，合共15,075,000份購股權授予選定現任僱員（包括董事）以認購15,075,000股本公司股本中每股面值0.001港元的股份，行使價為每股8.62港元。授出購股權乃為認可僱員的貢獻，並激勵僱員持續為本集團未來長期增長作出更大貢獻。

就授予僱員（包括董事）的購股權而言，在相關歸屬日期前一年的年度個人績效標準達到至少「合格」的情況下，授出的購股權方可分別於2020年11月1日、2021年11月1日及2022年11月1日分三等份歸屬，解除限售比例分別為40%、30%及30%。購股權自歸屬日起至2023年10月31日有效。

根據購股權獎勵計劃授出的購股權於2019年11月1日（授出日期）的公允價值為人民幣34,958,000元，該價值乃使用經調整的布萊克-斯科爾斯模型(Black-Scholes model) (包括蒙特卡羅模擬法(Monte Carlo simulation model))釐定，並計及行使價、購股權的年限、攤薄的影響（倘屬重大）、於授出日期的股份價格及相關股份的預期價格波動、預期股息收益率、購股權年限之內的無風險利率，以及同類集團公司的關連系數及波幅。

截至2019年12月31日止年度，本集團已就該購股權計劃確認開支人民幣3,735,000元。

22 SHARE-BASED PAYMENTS (Cont'd)

(c) 2019 Share Option Award Scheme

Pursuant to a resolution dated 6 November 2019, the Company adopted a share option award scheme (hereinafter the "2019 Share Option Award Scheme"). Under the 2019 Share Option Award Scheme, a total number of 15,075,000 shares options were granted to selected current employees (including directors) to subscribe for 15,075,000 shares of HK\$0.001 each in the share capital of the Company with exercise price of HK\$8.62 per share. The shares options granted are for recognition the contribution of employees and to provide incentives for the employees to continuously make greater contributions for the Group's long-term growth in the future.

For shares options granted to employees (including directors), subject to the meeting of the criteria of annual individual performance reaching at least the grade of "Pass" for the year before the relevant Vesting date, the granted shares options can be vested in three equal tranches on 1 November 2020, 1 November 2021 and 1 November 2022 in the proportion for unlocking at 40%, 30% and 30%, respectively. The share options are valid from the vesting date to October 31, 2023.

The fair value of the shares options granted under the Share Option Award Scheme as at 1 November 2019, the grant date, was RMB34,958,000, and was determined using an adjusted form of the Black Scholes model which includes a Monte Carlo simulation model that takes into account the exercise price, the term of the option, the impact of dilution (where material), the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk free interest rate for the term of the option and the correlations and volatilities of the peer group companies.

For the year ended 31 December 2019, the Group recognized RMB3,735,000 expense in relation to the share option scheme.

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22 以股份為基礎的支付 (續)

(d) 附屬公司2019年限制性股票激勵計劃

於2019年11月12日，新城控股股東大會通過有條件採納限制性股票激勵計劃（「附屬公司2019年限制性股票激勵計劃」）。根據2019年限制性股票激勵計劃，共11,663,600股限制性A股將予發行及授予新城控股選定現任僱員（包括董事）（「參與者」）。

根據附屬公司2019年限制性股票激勵計劃，獲授限制性股票的參與者有權於授予日購買限制性股票，並於有關限制性股票的解除限售期間待解除限售後出售限制性股票，惟須待有關條件獲達成。

倘參與者為新城控股的董事或高級管理層成員，彼等每年出售的A股數目不得超過彼等在任職期間持有新城控股A股總數的25%，且不得於彼等離職後6個月內出售彼等持有的新城控股A股。

於2019年，已根據附屬公司2019年限制性股票激勵計劃作出一批授出，據此，新城控股按每股A股股份人民幣13.70元發行10,369,000股限制性股票，及錄得自參與者獲得款項人民幣142,055,300元，入賬列入其他應付款項（附註25）。

22 SHARE-BASED PAYMENTS (Cont'd)

(d) Subsidiary's 2019 Restricted Share Incentive Scheme

On 12 November 2019, the general meeting of Seazen Holdings conditionally adopted a Restricted Share Incentive Scheme (the "Subsidiary's 2019 Restricted Share Incentive Scheme"). Under the 2019 Restricted Share Incentive Scheme, a total number of 11,663,600 of restricted A shares were to be issued and granted to selected current employees (including directors) of Seazen Holdings (the "Participants").

Under the Subsidiary's 2019 Restricted Share Incentive Scheme, participants who are granted with the restricted shares were entitled to acquire the restricted shares on the grant day and sell the restricted shares after unlocking during the unlocking period of the relevant restricted shares, subject to the fulfilment of the relevant conditions.

If a participant is a director or a member of the senior management of Seazen Holdings, the number of A shares to be disposed of by them each year shall not exceed 25% of the total number of A shares of Seazen Holdings held by them during their tenure, and no A shares of Seazen Holdings held by them shall be disposed of within 6 months following the end of their employment.

One grant was made under Subsidiary's 2019 Restricted Share Incentive Scheme in 2019, under which Seazen Holdings issued 10,369,000 restricted shares at a price of RMB13.70 per A share and the amount of RMB142,055,300 received from the Participants was recorded as other payables (note 25).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

22 以股份為基礎的支付 (續)

(d) 附屬公司2019年限制性股票激勵計劃 (續)

11,663,600股限制性股票將分三批解除限售如下：

22 SHARE-BASED PAYMENTS (Cont'd)

(d) Subsidiary's 2019 Restricted Share Incentive Scheme (Cont'd)

The grant of 11,663,600 restricted shares will be unlocked in three tranches as follows:

解除限售安排	解除限售期間	限制性股票數目的解除限售比重 Proportion for unlocking to the number of the restricted shares
Unlocking arrangement	Unlocking period	
第一次解除限售	自首個授出日起滿12個月後的自首個交易日至授出日起滿24個月的最後一個交易日止	40%
First unlocking	Commencing from the first trading day upon the expiry of 12 months from the first grant day and ending on the last trading day within 24 months from the grant day	40%
第二次解除限售	自首個授出日起滿24個月後的自首個交易日至授出日起滿36個月的最後一個交易日止	30%
Second unlocking	Commencing from the first trading day upon the expiry of 24 months from the first grant day and ending on the last trading day within 36 months from the grant day	30%
第三次解除限售	自首個授出日起滿36個月後的自首個交易日至授出日起滿48個月的最後一個交易日止	30%
Third unlocking	Commencing from the first trading day upon the expiry of 36 months from the first grant day and ending on the last trading day within 48 months from the grant day	30%

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22 以股份為基礎的支付（續）

(d) 附屬公司2019年限制性股票激勵計劃（續）

新城控股將根據附屬公司2019年限制性股票激勵計劃進行表現評估，而達致表現評估目標將為參與者的解除限售條件。

各年度表現評估的具體目標載列如下：

解除限售期間 Unlocking period	新城控股表現評估目標 Performance appraisal target of Seazen Holdings
第一次解除限售 First unlocking	2019年新城控股股東應佔淨利潤較2018年增加至少20% Net profit attributable to shareholders of Seazen Holdings increases at least 20% in 2019 compared with that of 2018
第二次解除限售 Second unlocking	2020年新城控股股東應佔淨利潤較2018年增加至少70% Net profit attributable to shareholders of Seazen Holdings increases at least 70% in 2020 compared with that of 2018
第三次解除限售 Third unlocking	2021年新城控股股東應佔淨利潤較2018年增加至少120% Net profit attributable to shareholders of Seazen Holdings increases at least 120% in 2021 compared with that of 2018

22 SHARE-BASED PAYMENTS (Cont'd)

(d) Subsidiary's 2019 Restricted Share Incentive Scheme (Cont'd)

Seazen Holdings will conduct performance appraisals under the Subsidiary's 2019 Restricted Share Incentive Scheme and reaching the performance appraisal targets shall be the unlocking conditions for the Participants.

The specific targets for the performance appraisal of each year are listed as follows:



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截至2019年12月31日止年度 For the year ended 31 December 2019

22 以股份為基礎的支付 (續)

(d) 附屬公司2019年限制性股票激勵計劃 (續)

於2019年11月12日(授出日期)根據附屬公司2019年限制性股票激勵計劃授出的限制性股票之公允價值為人民幣194,211,400元，須於授出日期起至三批各自解除限售日期止期間攤銷。倘參與者非新城控股的董事或高級管理層成員，首批限制性股票的公允價值即授出日期的收市價。倘參與者為新城控股的董事或高級管理層成員，彼等須承受限制性股票可解除限售但不得轉讓的限制，因此造成一定限制成本，該成本採用布萊克－休斯模型(Black-Scholes model)計算。因此，首批限制性股票的公允價值為授出日期的收市價減去董事及高級管理層成員轉讓限制的單位成本。

截至2019年12月31日止年度，本集團已就附屬公司2019年限制性股票激勵計劃確認開支人民幣16,601,000元(附註32)。

22 SHARE-BASED PAYMENTS (Cont'd)

(d) Subsidiary's 2019 Restricted Share Incentive Scheme (Cont'd)

The fair value of the restricted shares granted under the Subsidiary's 2019 Restricted Share Incentive Scheme measured as at 12 November 2019 (the grant date) amounted to RMB194,211,400 are required to be amortised over the period from the grant date to the respective unlocking dates for three different tranches. For Participants who are not directors or members of the senior management of Seazen Holdings, the fair value of the restricted shares in the first tranche is its closing price on the grant date. For directors and members of the senior management of Seazen Holdings, they shall be subject to the restriction that the restricted shares may be unlocked but not transferred, resulting in certain amount of restriction cost, which is calculated based on the Black-Scholes model. Thus, the fair value of the restricted shares in the first tranche is its closing price on the grant date excluding the unit cost of transfer restriction for directors and members of the senior management.

For the year ended 31 December 2019, the Group recognised an expense of RMB16,601,000 (note 32) in relation to the Subsidiary's 2019 Restricted Share Incentive Scheme.

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截至2019年12月31日止年度 For the year ended 31 December 2019

22 以股份為基礎的支付 (續)

(e) 附屬公司2019年購股權獎勵計劃

於2019年11月12日，新城控股股東大會通過採納購股權計劃（「附屬公司2019年股票期權激勵計劃」）。根據附屬公司2019年股票期權激勵計劃，共15,568,800份購股權將授予新城控股選定現任僱員（包括董事）（「參與者」）。其中，14,172,000份購股權已授予新城控股選定現任僱員（包括董事）以按每股A股行使價人民幣27.40元認購新城控股股份。授出購股權乃為認可僱員的貢獻，並激勵僱員持續為本集團未來長期增長作出更大貢獻。

各年度解除限售時間表及表現評估的具體目標與2019年附屬公司限制性股票激勵計劃相若。詳情請參閱附註22(d)。

根據附屬公司2019年購股權獎勵計劃授出的購股權於2019年11月12日（授出日期）的公允價值為人民幣112,213,900元，該價值乃使用經調整的布萊克－休斯模型(Black-Scholes model)（包括蒙特卡羅模擬法(Monte Carlo simulation model)）釐定，並計及行使價、購股權的年限、攤薄的影響（倘屬重大）、於授出日期的股份價格及相關股份的預期價格波動、預期股息收益率、購股權年限之內的無風險利率，以及同類集團公司的關連系數及波幅。

截至2019年12月31日止年度，本集團已就2019年附屬公司購股權獎勵計劃確認開支人民幣9,592,000元。

22 SHARE-BASED PAYMENTS (Cont'd)

(e) Subsidiary's 2019 Share Option Award Scheme

On 12 November 2019, the general meeting of Seazen Holdings conditionally adopted a Share Option Scheme (the "Subsidiary's 2019 Share Option Incentive Scheme"). Under the 2019 Subsidiary Share Option Incentive Scheme, a total number of 15,568,800 of share options will be used to be granted to selected current employees (including directors) of Seazen Holdings (the "Participants"). Of the total number, 14,172,000 shares options were granted to selected current employees (including directors) to subscribe for the shares of Seazen Holdings each at an exercise price of RMB27.40 per A share. The shares options granted are for recognition the contribution of employees and to provide incentives for the employees to continuously make greater contributions for the Group's long-term growth in the future.

The unlock schedule and the specific targets for the performance appraisal of each year are the same with the 2019 Subsidiary Restricted Share Incentive Scheme. For detail, please refer to note 22(d).

The fair value of the share options granted under the Subsidiary's 2019 Share Option Award Scheme as at 12 November 2019, the grant date, was RMB112,213,900, and was determined using an adjusted form of the Black Scholes Model which includes a Monte Carlo simulation model that takes into account the exercise price, the term of the option, the impact of dilution (where material), the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk free interest rate for the term of the option and the correlations and volatilities of the peer group companies.

For the year ended 31 December 2019, the Group recognized an expense of RMB9,592,000 in relation to the 2019 Subsidiary Share Option Award Scheme.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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23 本公司權益持有人應佔的儲備及保留盈利

23 RESERVES AND RETAINED EARNINGS ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

		股份溢價	其他儲備	其他權益 － 庫存股 Other equity- Treasury stock	保留盈利	合計
		Share premium 人民幣千元 RMB'000 (附註(a)) (Note (a))	Other reserves 人民幣千元 RMB'000 (附註(b)) (Note (b))	Retained earnings 人民幣千元 RMB'000 (附註(b)) (Note (b))	Total 人民幣千元 RMB'000	
於2019年1月1日的結餘	Balance at 1 January 2019	488,365	(391,522)	(34,793)	19,085,228	19,147,278
全面收益	Comprehensive income					
年度利潤	Profit for the year	－	－	－	7,812,268	7,812,268
其他全面收益	Other comprehensive income	－	(164,131)	－	－	(164,131)
年度全面收益總額	Total comprehensive income for the year	－	(164,131)	－	7,812,268	7,648,137
與擁有人之交易	Transactions with owners					
註銷股份	Cancellation of shares	－	(34,787)	34,793	－	6
聯營公司投資人 投入的股本溢價	Capital premium from an investor of an associate	－	5,754	－	－	5,754
附屬公司限制性股票 激勵計劃	Subsidiary Restricted Share Incentive Scheme	－	(83,069)	－	－	(83,069)
2019年購股權獎勵計劃	2019 Share Option Award Scheme	－	3,735	－	－	3,735
2018年末期股息	2018 final dividend	(488,365)	－	－	(1,281,335)	(1,769,700)
與非控股權益交易	Transactions with non-controlling interests	－	136,980	－	－	136,980
子公司購回股份	Share buy back of a subsidiary	－	(101,207)	－	－	(101,207)
		(488,365)	(72,594)	34,793	(1,281,335)	(1,807,501)
於2019年12月31日的結餘	Balance at 31 December 2019	－	(628,247)	－	25,616,161	24,987,914
代表：	Representing:					
建議末期股息	Proposed final dividend	－	－	－	1,925,100	1,925,100
其他	Others	－	(628,247)	－	23,691,061	23,062,814
		－	(628,247)	－	25,616,161	24,987,914

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23 本公司權益持有人應佔的儲備及保留盈利（續）

23 RESERVES AND RETAINED EARNINGS ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY (Cont'd)

		股份溢價	其他儲備	其他權益 — 庫存股 Other equity- Treasury stock	保留盈利	合計
		Share premium	Other reserves		Retained earnings	Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
		(附註(a)) (Note (a))			(附註(b)) (Note (b))	
於2019年1月1日的結餘	Balance at 1 January 2019	546,640	31,682	—	12,324,224	12,902,546
全面收益	Comprehensive income					
年度利潤	Profit for the year	—	—	—	6,761,004	6,761,004
其他全面收益	Other comprehensive income	—	(195,305)	—	—	(195,305)
年度全面收益總額	Total comprehensive income for the year	—	(195,305)	—	6,761,004	6,565,699
與擁有人之交易	Transactions with owners					
發行新股分	Issue of new shares	1,268,261	—	—	—	1,268,261
購回股份	Share buy back	—	(89,617)	(34,793)	—	(124,410)
分佔聯營公司股本溢價	Share of capital premium of an associate	—	(3,088)	—	—	(3,088)
子公司之股份激勵計劃	Share incentive scheme of a subsidiary	—	(33,987)	—	—	(33,987)
股息	Dividends	(1,326,536)	—	—	—	(1,326,536)
子公司擁有權權益 變動而控制權不變	Changes in ownership interests in subsidiaries without change of control	—	(101,207)	—	—	(101,207)
		(58,275)	(227,899)	(34,793)	—	(320,967)
於2018年12月31日的結餘	Balance at 31 December 2018	488,365	(391,522)	(34,793)	19,085,228	19,147,278
代表：	Representing:					
建議末期股息	Proposed final dividend	488,365	—	—	1,281,335	1,769,700
其他	Others	—	(391,522)	(34,793)	17,803,893	17,377,578
		488,365	(391,522)	(34,793)	19,085,228	19,147,278

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2019年12月31日止年度 For the year ended 31 December 2019

23 本公司權益持有人應佔的儲備及保留盈利 (續)

(a) 於2012年11月29日，本公司就上市按每股1.45港元發行1,418,000,000股每股0.001港元的港元普通股，並籌得總額約2,056,100,000港元（相等於人民幣1,668,936,000元）的款項。所得款項超過發行1,418,000,000股港元普通股面值共為人民幣1,150,992元的金額為人民幣1,667,785,008元，扣除發行新股直接相關的增量成本共人民幣65,165,000元後為人民幣1,602,620,008元，此金額撥入「股份溢價」賬。

(b) 根據開曼群島公司法（2003年修訂版）第34條及本公司的組織章程細則，如本公司具備償還能力且本公司組織章程細則有所規定，則可以本公司的股份溢價向股東作出分派。有關建議末期股息詳情載列於附註35。

23 RESERVES AND RETAINED EARNINGS ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY (Cont'd)

(a) On 29 November 2012, the Company issued 1,418,000,000 HKD ordinary shares of HKD0.001 each at HKD1.45 per share in connection with the Listing, and raised gross proceeds of approximately HKD2,056,100,000 (equivalent to RMB1,668,936,000). The excess of RMB1,667,785,008 over the par value of RMB1,150,992 for the 1,418,000,000 HKD ordinary shares issued, net of the relevant incremental costs of RMB65,165,000 directly contributable to the new shares issued, was credited to "share premium" with amount of RMB1,602,620,008.

(b) Pursuant to Section 34 of the Cayman Companies Law (2003 Revision) and the articles of association of the Company, share premium of the Company is available for distribution to shareholders subject to a solvency test on the Company and the provision of the articles of association of the Company. Details of the proposed final dividend are set out in note 35.

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24 借款

24 BORROWINGS

		於12月31日 As at 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
非即期、有抵押：	Non-current, secured:		
– 銀行貸款及非銀行金融機構	– Bank loans and non-bank financial institutions	29,993,247	30,360,065
– 信託融資安排	– Trust financing arrangements	4,406,800	3,576,239
– 優先票據	– Senior notes	7,976,092	4,408,200
– 擔保優先票據	– Guaranteed senior notes	12,716,031	8,067,678
– 資產支持票據	– Asset backed notes	2,080,750	2,100,000
		57,172,920	48,512,182
非即期、無抵押：	Non-current, unsecured:		
– 中期票據	– Middle term notes	8,500,000	6,500,000
– 私募票據	– Private placement notes	4,500,000	4,500,000
– 公司債券	– Corporate bonds	6,419,845	11,193,345
		19,419,845	22,193,345
減：長期借款的即期部分	Less: Current portion of long-term borrowings	(29,594,826)	(14,190,154)
		46,997,939	56,515,373
即期、有抵押：	Current, secured:		
– 銀行貸款及非銀行金融機構	– Bank loans and non-bank financial institutions	1,946,615	1,339,067
– 信託融資安排	– Trust financing arrangements	2,839,110	2,212,060
– 擔保優先票據	– Guaranteed senior notes	2,091,910	2,058,022
– 資產支持票據	– Asset backed notes	1,480,000	–
– 證券化安排下的融資	– Financing under securitisation arrangements	1,593,000	1,811,800
		9,950,635	7,420,949
即期、無抵押：	Current, unsecured:		
– 銀行貸款	– Bank loans	134,370	136,687
– 公司債券	– Corporate bonds	1,169,177	840,000
– 短期商業票據	– Short-term Commercial Paper	–	2,400,000
		1,303,547	3,376,687
長期借款的即期部分	Current portion of long-term borrowings	29,594,826	14,190,154
		40,849,008	24,987,790

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24 借款 (續)

本集團之借款由具下列賬面淨值之資產抵押：

24 BORROWINGS (Cont'd)

The Group's borrowings were secured by assets with the following net book values:

		於12月31日 As at 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
物業、廠房及設備	Property, plant and equipment	921,197	955,527
投資物業	Investment properties	20,820,000	11,851,000
受限制現金	Restricted cash	1,022,083	1,110,084
完工待售或在建銷售物業	Property held or under development for sale	56,587,002	44,599,681

此外，本集團於2019年12月31日之借款人民幣10,639,462,450元（2018年：人民幣9,902,020,000元）由本公司擔保及由本集團於若干子公司之股權抵押（附註44）。

In addition, the Group's borrowings as at 31 December 2019 of RMB10,639,462,450 (2018: RMB9,902,020,000) were guaranteed by the Company and secured by the Group's equity interests in certain subsidiaries (note 44).

於2019年及2018年12月31日，非流動借款的到期情況列示如下：

The maturity of the non-current borrowings as at 31 December 2019 and 2018 are as follows:

		於12月31日 As at 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
1年至2年	Between 1 and 2 years	31,100,376	37,106,386
2年至5年	Between 2 and 5 years	15,480,163	19,352,737
5年以上	Over 5 years	417,400	56,250
		46,997,939	56,515,373

於2019年12月31日，本集團借款總額的加權平均實際利率為6.72%（2018年：6.09%）。

The weighted average effective rates for the Group's total borrowings was 6.72% as at 31 December 2019 (2018:6.09%).

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24 借款 (續)

於2019年及2018年12月31日，非流動借款的賬面值及公允價值如下：

24 BORROWINGS (Cont'd)

The carrying amounts and fair value of non-current borrowings as at 31 December 2019 and 2018 are as follows:

		賬面值		公允價值	
		Carrying amount		Fair value	
		於12月31日		於12月31日	
		As at 31 December		As at 31 December	
		2019年	2018年	2019年	2018年
		2019	2018	2019	2018
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
		RMB'000	RMB'000	RMB'000	RMB'000
銀行貸款及非銀行 金融機構(c)	Bank loans and non-bank financial institutions (c)	22,168,467	22,832,405	22,168,467	22,832,405
信託融資安排(c)	Trust financing arrangements (c)	2,265,200	2,589,400	2,265,200	2,589,400
優先票據(a)	Senior notes (a)	3,459,723	4,408,200	3,459,723	4,408,200
擔保優先票據(a)	Guaranteed senior notes (a)	12,716,031	8,067,678	12,549,628	7,902,013
資產支持票據(a)	Asset backed notes (a)	–	2,100,000	–	2,116,111
中期票據(a)	Middle term notes (a)	2,000,000	6,500,000	1,967,806	6,474,510
私募票據(b)	Private placement notes (b)	1,800,000	4,500,000	1,731,891	4,478,168
公司債券(a)	Corporate bonds (a)	2,588,518	5,517,690	2,495,941	5,618,266
		46,997,939	56,515,373	46,638,656	56,419,073

(a) 該等票據／債券均於上海／新加坡證券交易所或銀行間債券市場上市，其公允價值乃按報價釐定並歸類於公允價值分層的第一層。

(b) 該票據為私募票據，其公允價值乃按折現現金流量釐定並歸類於公允價值分層的第二層。

(c) 銀行借款、信託融資安排及非銀行金融機構貸款的公允價值乃按折現現金流量釐定並歸類於公允價值分層的第二層。

(a) These notes/bonds are listed on Shanghai/Singapore Stock Exchange or interbank bond markets and the fair value are determined based on quoted price and are categorised within Level 1 of the fair value hierarchy.

(b) This note is private placements with fair value determined based on discounted cash flows and are categorised within Level 2 of the fair value hierarchy.

(c) Fair value of bank borrowings, trust financing arrangements and loans from non-bank financial institutions are based on discounted cash flows and are categorised within Level 2 of the fair value hierarchy.

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24 借款 (續)

本集團借款的利率變動風險及合同重新定價日或到期日 (以較早者為準) 如下：

24 BORROWINGS (Cont'd)

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates or maturity whichever is the earlier date is as follows:

		6個月或以內 6 months or less 人民幣千元 RMB'000	6至12個月 6-12 months 人民幣千元 RMB'000	1至5年 1-5 years 人民幣千元 RMB'000	5年以上 Over 5 years 人民幣千元 RMB'000	合計 Total 人民幣千元 RMB'000
計入非流動負債的借款	Borrowings included in non-current liabilities					
於2019年12月31日	As at 31 December 2019	2,898,000	13,430,208	30,287,331	382,400	46,997,939
於2018年12月31日	As at 31 December 2018	4,100,500	16,300,283	36,114,590	–	56,515,373
計入流動負債的借款	Borrowings included in current liabilities					
於2019年12月31日	As at 31 December 2019	24,963,761	15,885,247	–	–	40,849,008
於2018年12月31日	As at 31 December 2018	18,012,555	6,975,235	–	–	24,987,790

於2019年12月31日，按固定息率計息的借款本金總額為人民幣67,667,387,000元 (2018年：人民幣53,683,453,000元)。

As at 31 December 2019, the aggregate principal of borrowings amounted to RMB67,667,387,000 are at fixed interest rates (2018: RMB53,683,453,000).

本集團借款之賬面值以下列貨幣計值：

The carrying values of the Group's borrowings are denominated in the following currencies:

		於12月31日 As at 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
人民幣	RMB	63,341,607	64,644,304
美元	USD	23,511,988	15,307,302
港元	HKD	946,197	1,504,205
歐元	EUR	47,155	47,352
		87,846,947	81,503,163

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25 貿易及其他應付款項

25 TRADE AND OTHER PAYABLES

		於12月31日	
		As at 31 December	
		2019年	2018年
		2019	2018
		人民幣千元	人民幣千元
		RMB'000	RMB'000
貿易應付款項	Trade payables	36,785,256	26,291,978
應付票據	Notes payable	4,267,825	1,680,056
應付關連方款項(附註40)	Payables to related parties (note 40)	30,599,865	31,415,600
應付收購子公司、合營企業 及聯營公司款項	Payables for acquisition of subsidiaries, joint ventures and associates	1,145,549	1,215,328
子公司非控股股東的暫借款(a)	Advances from non-controlling shareholders of subsidiaries (a)	3,464,387	5,812,882
應計工資	Accrued payroll	1,827,052	1,360,853
物業項目潛在投資所得金額(b)	Amounts received for potential investments in property projects (b)	2,217,980	1,679,451
增值稅和其他應付稅項	Value-added and other taxes payable	2,120,176	1,623,750
建設投標保證金及租賃押金	Deposits for construction biddings and rental deposits	2,511,944	1,506,274
應付利息	Interest payable	1,371,484	1,212,088
其他	Others	19,991,662	1,870,391
		106,303,180	75,668,651
減：非即期部分	Less: Non-current portion	—	(144,505)
即期部分	Current portion	106,303,180	75,524,146

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25 貿易及其他應付款項 (續)

- (a) 於2019年12月31日，此結餘包括就土地使用權向本集團子公司支付的非控股股東貸款。該股東貸款不計息、無抵押且沒有固定還款日期。
- (b) 該等款項將於土地競拍失敗時退還，或在土地競拍成功情況下，作為該等其他人士對本集團新成立子公司或合營企業的出資入賬。該等款項為無抵押、免息及無固定還款期限。

於2019年及2018年12月31日，貿易應付款項及應付票據基於發票日期的賬齡分析如下：

25 TRADE AND OTHER PAYABLES (Cont'd)

- (a) As at 31 December 2019, included in the balance is non-controlling shareholders' loans to the Group's subsidiaries for payment of land use rights. The shareholders' loans are non-interest bearing, unsecured and have no fixed repayment terms.
- (b) These amounts will either be returned upon unsuccessful land biddings or be treated as the other parties' contribution to new subsidiaries or joint venture of the Group for successful land biddings. They are unsecured, non-interest bearing and have no fixed repayment terms.

The aging analysis of trade payables and notes payable based on invoice date as at 31 December 2019 and 2018 are as follows:

		於12月31日 As at 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
1年內	Less than 1 year	39,101,037	23,829,427
1年至2年	Between 1 and 2 years	914,412	3,479,076
2年至3年	Between 2 and 3 years	487,357	593,155
3年以上	Over 3 years	550,275	70,376
		41,053,081	27,972,034

於2019年及2018年12月31日，貿易及其他應付款項的公允價值與其賬面值相若。

As at 31 December 2019 and 2018, the fair value of trade and other payables approximate their carrying amounts.

於2019年及2018年12月31日，貿易及其他應付款項的賬面值主要以人民幣計值。

As at 31 December 2019 and 2018, the carrying amounts of trade and other payables are primarily denominated in RMB.

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26 遞延所得稅

26 DEFERRED INCOME TAX

		於12月31日 As at 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
將可收回的遞延稅項資產	Deferred tax assets to be recovered		
– 12個月內	– within 12 months	1,321,262	859,709
– 12個月後	– after 12 months	2,579,654	2,171,739
		3,900,916	3,031,448
將予結清的遞延稅項負債	Deferred tax liabilities to be settled		
– 12個月內	– within 12 months	(57,499)	(80,340)
– 12個月後	– after 12 months	(4,428,554)	(3,640,326)
		(4,486,053)	(3,720,666)
遞延稅項負債淨額	Deferred tax liabilities, net	(585,137)	(689,218)

遞延所得稅賬目的變動列示如下：

The gross movement on the deferred income tax account is as follows:

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
年初	At the beginning of the year	(689,218)	(96,763)
採納香港財務報告準則第9號及第15號之調整	Adjustment of adoption of HKFRS 9 and 15	–	(56,859)
年初（於採納香港財務報告準則第9號及第15號後）	At the beginning of the year, after adoption of HKFRS 9 and 15	(689,218)	(153,622)
貸記／（支銷）入合併損益表內（附註33）	Credited/(charged) to the consolidated statement of profit or loss (note 33)	275,653	(18,420)
出售子公司	Disposal of subsidiaries	(5,511)	(40,516)
收購子公司	Acquisition of subsidiaries	(166,061)	(476,660)
年末	At the end of the year	(585,137)	(689,218)

於2019年12月31日，人民幣523,016,000元的遞延所得稅資產和遞延所得稅負債已相互抵銷（2018年：人民幣319,252,000元）。

As at 31 December 2019, deferred income tax assets and deferred income tax liabilities amounted to RMB523,016,000 were offset (2018: RMB319,252,000).

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26 遞延所得稅 (續)

於截至2019年及2018年12月31日止年度，遞延所得稅資產和負債的原額變動（未經考慮抵銷同一稅務司法權區內的結餘）列示如下：

遞延所得稅資產

		稅務虧損	完工待售 物業撥備 Provisions for properties held for sale	應計費用 Accruals	土地增值稅 Land appreciation tax	合計 Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
於2019年1月1日	At 1 January 2019	1,596,013	209,178	573,520	971,989	3,350,700
貸記入合併損益表內	Credited to the consolidated statement of profit or loss	444,076	244,680	(72,804)	420,122	1,036,074
出售子公司	Disposal of subsidiaries	(7,666)	–	–	–	(7,666)
收購子公司	Acquisition of subsidiaries	44,824	–	–	–	44,824
於2019年12月31日	At 31 December 2019	2,077,247	453,858	500,716	1,392,111	4,423,932
於2018年1月1日	At 1 January 2018	651,175	60,252	311,164	727,591	1,750,182
貸記／(支銷)入合併損益表	Credited/(charged) to the consolidated statement of profit or loss	977,169	83,661	262,356	141,971	1,465,157
採納香港財務報告準則第9號及第15號之調整	Adjustment of adoption of HKFRS 9 and 15	–	65,265	–	–	65,265
出售子公司	Disposal of subsidiaries	(40,699)	–	–	–	(40,699)
收購子公司	Acquisition of subsidiaries	8,368	–	–	102,427	110,795
於2018年12月31日	At 31 December 2018	1,596,013	209,178	573,520	971,989	3,350,700

根據中國法律及法規，稅務虧損可結轉五年以抵銷未來應課稅利潤。倘若有充足應課稅利潤可供遞延稅項資產動用，則確認此等未動用稅務虧損的遞延稅項資產。

本集團並未就於2019年12月31日金額為人民幣2,718,488,000元（2018年：人民幣856,432,000元）的稅務虧損確認相應的遞延所得稅資產人民幣679,622,000元（2018年：人民幣214,109,000元）。所有該等稅務虧損將於五年內到期。

26 DEFERRED INCOME TAX (Cont'd)

The gross movement in deferred income tax assets and liabilities for the years ended 31 December 2019 and 2018, without taking into consideration the offsetting of balances within the same tax jurisdiction, are as follows:

Deferred income tax assets

In accordance with the PRC laws and regulations, tax losses could be carried forward for a period of five years to offset against its future taxable profits. Deferred tax assets relating to unutilised tax losses are recognised to the extent that it is probable that sufficient taxable profit will be available to allow such deferred tax assets to be utilised.

The Group did not recognise deferred income tax assets of RMB679,622,000 (2018: RMB214,109,000) in respect of tax losses amounting to RMB2,718,488,000 as at 31 December 2019 (2018: RMB856,432,000). All these tax losses will expire within five years.

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26 遞延所得稅 (續)

遞延所得稅負債

26 DEFERRED INCOME TAX (Cont'd)

Deferred income tax liabilities

		公允價值收益	收購子公司	對銷公司間交易	待售物業 成本分攤差異 Unsold property cost	合同取得 成本差額	中國子公司 的未分配利潤	投資物業折舊	合計
		Fair value gains	Acquisition of subsidiaries	Elimination of inter-company transactions	allocation differences	Difference in contract cost	Undistributed profits of PRC subsidiaries	Depreciation of investment properties	Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
							(附註(a)) (note (a))		
於2019年1月1日	At 1 January 2019	1,885,292	396,171	6,138	1,060,144	122,124	205,923	364,126	4,039,918
支銷/(貸記)入合併利潤表	Charged/(credited) to the consolidated statement of income	642,321	36,586	5,715	(237,669)	181,262	(95,243)	227,629	760,421
出售子公司	Disposal of a subsidiary	-	-	-	(2,155)	-	-	-	(2,155)
收購子公司	Acquisition of subsidiaries	15,933	194,952	-	-	-	-	-	210,855
於2019年12月31日	At 31 December 2019	2,543,546	627,709	11,853	820,320	303,386	110,500	591,755	5,009,069
於2018年1月1日	At 1 January 2018	1,070,541	154,188	6,138	285,240	-	121,852	208,986	1,846,945
支銷/(貸記)入合併利潤表	Charged/(credited) to the consolidated statement of income	814,751	(345,472)	-	775,087	-	84,071	155,140	1,483,577
採納香港財務報告準則第9號及第15號之調整	Adjustment of adoption of HKFRS 9 and 15	-	-	-	-	122,124	-	-	122,124
出售子公司	Disposal of a subsidiary	-	-	-	(183)	-	-	-	(183)
收購子公司	Acquisition of subsidiaries	-	587,455	-	-	-	-	-	587,455
於2018年12月31日	At 31 December 2018	1,885,292	396,171	6,138	1,060,144	122,124	205,923	364,126	4,039,918

(a) 於2019年12月31日，本集團已就中國境外投資者應佔若干中國子公司部份未匯出可供分配利潤在匯出時應支付的預扣稅確認遞延所得稅負債人民幣110,500,000元(2018年：人民幣205,923,000元)。

於2019年12月31日，本集團未就中國境外投資者應佔若干中國子公司為數人民幣7,129,985,000元(2018年：人民幣11,583,058,000元)的未匯出可分派利潤在匯出時應支付的預扣稅確認相關的遞延所得稅負債人民幣356,499,000元(2018年：人民幣579,153,000元)，此乃由於該等利潤擬作為再投資。

(a) As at 31 December 2019, deferred income tax liabilities of RMB110,500,000 (2018: RMB205,923,000) have been recognised for the withholding tax that would be payable upon remittance, in respect of a portion of the unremitted distributable profits of certain PRC subsidiaries attributable to the investors outside PRC.

As at 31 December 2019, deferred income tax liabilities of RMB356,499,000 (2018: RMB579,153,000) have not been recognised for the withholding tax that would be payable upon remittance, in respect of the (unremitted distributable profits) (of certain PRC subsidiaries) (attributable to the investors outside PRC amounting to RMB7,129,985,000 (2018: RMB11,583,058,000) as such profits are intended to be reinvested.

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27 以公允價值計量且其變動計入當期損益之金融負債

分類為以公允價值計量且其變動計入當期損益的金融負債且於2018年12月31日賬面值為人民幣2,069,576,000元的可換股債券已於2019年2月10日償還，可換股債券本金額悉數未獲轉換。

27 FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS

Convertible bonds classified as financial liabilities at fair value through profit or loss with book value of RMB2,069,576,000 as at 31 December 2018 was repaid on 10 February 2019 and none of the principal amount of the convertible bonds was converted.

28 營業額

(a) 分拆來自客戶合約的收入。

本集團的收入來自於一段時間內或於某一時間點轉移貨品及服務，主要包括以下方面：

28 REVENUE

(a) Disaggregation of revenue from contract with customer.

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major line:

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
於一個時點確認的來自客戶合約收入	Revenue from contract with customers recognised at a point in time		
A股公司	A share company		
– 銷售物業	– Sales of properties	80,322,329	50,838,235
– 其他服務	– Others services	540,602	258,127
非A股公司	Non-A share company		
– 其他服務	– Others services	644,294	370,343
		81,507,225	51,466,705
隨時間確認的來自客戶合約收入	Revenue from contract with customers recognised over time		
A股公司	A share company		
– 商業物業管理服務	– Commercial property management services	1,640,085	905,831
– 其他服務	– Others services	929,248	823,533
非A股公司	Non-A share company		
– 其他服務	– Others services	477,807	342,067
		3,047,140	2,071,431
租金收入	Rental income	2,296,813	1,242,859
		86,851,178	54,780,995

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28 營業額 (續)

(b) 與客戶合約相關的資產及負債

本集團已確認下列與客戶合約相關的資產及負債：

		2019年12月31日 31 December 2019 人民幣千元 RMB'000	2019年1月1日 1 January 2019 人民幣千元 RMB'000
合同取得成本	Contract costs	1,962,747	1,229,533
合約負債	Contract liabilities	197,667,554	118,230,992

(i) 合約負債的重大變動

合約負債增加人民幣79,436,562,000元，乃由於本集團業務擴展所致。

(ii) 有關合約負債的已確認收入

下表列示於當前報告期確認的收入中有多少與結轉合約負債有關。

28 REVENUE (Cont'd)

(b) Assets and liabilities related to contracts with customers

The Group has recognised the following assets and liabilities related to contracts with customers:

(i) Significant changes in contract liabilities

Contract liabilities increased by RMB79,436,562,000 due to the expansion of the Group's business.

(ii) Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognized in the current reporting period relates to carried-forward contract liabilities.

		截至2019年 12月31日止年度 Year ended 31 December 2019 人民幣千元 RMB'000
計入合約負債的已確認收入	Revenue recognized that was included in the contract liabilities	
年初的結餘	Balance at the beginning of the year	
— 銷售物業	— Sales of properties	71,910,993

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28 營業額 (續)

(b) 與客戶合約相關的資產及負債 (續)

(iii) 未來將確認的合約金額

下表列示物業開發及銷售日後將確認的合約金額。

		2019年12月31日 31 December 2019 人民幣千元 RMB'000
預期將於2020年及2021年間確認	Expected to be recognized between year 2020 and 2021	209,591,192

(iv) 合同取得成本

本集團已確認一項與取得合約產生的直接成本有關的資產(如印花稅及銷售佣金)。截至2019年12月31日，合同取得成本之結餘為人民幣1,962,747,000元(2018年12月31日：人民幣1,229,533,000元)。

28 REVENUE (Cont'd)

(b) Assets and liabilities related to contracts with customers (Cont'd)

(iii) Contracted amounts to be recognized in future

The following table shows the contracted amounts to be recognized in future resulting from property development and sales.

(iv) Contract costs

The Group has recognised an asset in relation to costs directly attributable to obtaining a contract such as stamp duty and sales commissions. As of 31 December 2019, contract costs balance is RMB1,962,747,000 (31 December 2018: RMB1,229,533,000).

29 其他收入／其他開支／其他收益－淨額

(a) 其他收入

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
政府補貼	Government grants	129,865	91,476
股息收入(i)	Dividend income (i)	6,919	6,453
		136,784	97,929

(i) 股息收入來自非上市投資。

(i) The dividend income is from unlisted investment.

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29 其他收入／其他開支／其他收益－淨額 (續) 29 OTHER INCOME/OTHER EXPENSES/OTHER GAINS – NET (Cont'd)

(b) 其他開支

(b) Other expenses

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
捐贈	Donations	(12,650)	(23,788)

(c) 其他收益－淨額

(c) Other gains – net

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
出售物業、廠房及設備以及無形資產產生之虧損	Losses on disposal of property, plant and equipment and intangible assets	(22,009)	(1,641)
取消銷售合約獲得之賠償	Compensation for cancellation of sales contracts	52,585	48,798
出售子公司產生的淨收益 (附註42)	Net gain from disposal of subsidiaries (note 42)	45,350	72,487
合營企業轉為子公司的股權重新計量收益 (附註36)	Remeasurement gain on equity interests in joint ventures converted into subsidiaries (note 36)	282,968	677,445
來自向聯營公司及合營企業發放貸款的利息收入	Interest income from lendings to associates and joint ventures	214,840	–
其他	Others	328,548	43,059
		902,282	840,148

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30 按性質劃分的開支

計入銷售及服務成本、銷售和營銷費用
及行政開支的開支分析如下：

30 EXPENSES BY NATURE

Expenses included in cost of sales and services, selling and marketing expenses and administrative expenses are analysed as follows:

		截至2019年12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
土地使用權成本	Land use rights costs	19,875,924	11,799,749
建設成本	Construction costs	26,955,905	15,935,062
資本化利息	Capitalised interest	8,714,263	5,154,272
稅金及附加費	Tax and surcharges	357,855	327,362
完工待售或在建銷售物業減值撥備	Provision for impairment of properties held or under development for sale	939,796	263,684
物業、廠房及設備折舊（附註6）	Depreciation of property, plant and equipment (note 6)	536,820	397,925
使用權資產、無形資產及 土地使用權攤銷（附註8及15）	Amortisation of right-of-use assets, intangible assets and land use rights (note 8 and 15)	146,909	46,652
銀行手續費	Bank charges	141,643	123,228
員工成本（附註32）	Staff costs (note 32)	5,495,655	3,248,609
招待費	Entertainment expenses	322,400	202,863
印花稅及其他稅項	Stamp duty and other taxes	689,800	334,662
專業費用	Professional fees	198,108	138,050
核數師酬金	Auditors' remuneration		
— 本集團的年度審計及中期審閱	— annual audit and interim review of the Group	2,400	2,400
— A股公司核數師對該公司的 年度審計	— annual audit of the A share company charged by its auditor	5,200	4,200
— 非審計服務	— non-audit services	2,530	1,041
銷售佣金	Sales commission	956,204	287,088
廣告及宣傳費用	Advertising and publicity costs	1,634,600	1,027,253
低價值及短期租賃租賃開支	Rental expenses of low-value and short-term leases	21,761	187,313
差旅費用	Travelling expenses	319,475	226,278
其他開支	Other expenses	1,912,263	1,041,129
銷售及服務成本、銷售和營銷費用 及行政開支總計	Total cost of sales and services, selling and marketing expenses and administrative expenses	69,229,511	40,748,820

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31 財務收入及融資成本

31 FINANCE INCOME AND COSTS

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
融資成本	Finance costs		
– 借款利息	– Interest on borrowings	(6,100,222)	(4,025,386)
– 向客戶預售的所得款項利息	– Interest on proceeds from pre-sale to customers	(9,071,450)	(5,360,337)
– 支付予／應付予租賃負債的利息及融資費用	– Interest and finance charges paid/payable for lease liabilities	(8,251)	–
– 減：資本化利息 (附註7及附註17)	– Less: Interest capitalised (note 7 and note 17)	13,595,153	8,850,411
		(1,584,770)	(535,312)
– 匯兌虧損淨額	– Net foreign exchange losses	(260,880)	(434,256)
融資成本總額	Total finance costs	(1,845,650)	(969,568)
財務收入	Finance income		
– 銀行存款的利息收入	– Interest income on bank deposits	506,077	229,626
融資成本淨額	Net finance costs	(1,339,573)	(739,942)

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32 員工成本(包含董事酬金)

32 STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS)

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
工資和薪金	Wages and salaries	6,974,339	4,675,051
退休金	Pension	337,924	285,646
其他福利開支	Other welfare benefit expenses	641,769	532,928
以股份為基礎的支付(附註22)	Share-based payment (note 22)	41,030	29,489
		7,995,062	5,523,114
自損益表扣除(附註30)	Charged to statement of profit or loss (note 30)	5,495,655	3,248,609
撥入完工待售或在建銷售物業	Capitalised to properties held or under development for sale	2,499,407	2,274,505
僱員數目	Number of employees	30,908	22,903

本集團的所有中國內地僱員參加由政府機構設立及管理的定額供款僱員社會保險計劃，包括退休、醫療、住房及其他福利計劃。本集團並無其他重大職工福利承諾。

根據有關規定，本集團按僱員工資總額的一定比例且在不超过規定上限的基礎上承擔保險費及福利計劃供款，並向勞動和社會保障機構繳納。

All mainland China employees of the Group participate in defined contribution employee social security plans, including pension, medical, housing and other welfare benefits, organised and administered by the governmental authorities. The Group has no other substantial commitments to employees.

According to the relevant regulations, the premiums and welfare benefit contributions that should be borne by the Group are calculated based on percentages of the total salary of employees, subject to a certain ceiling, and are paid to the labour and social welfare authorities.

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32 員工成本(包含董事酬金)(續)

(a) 董事及主要行政人員的酬金

董事及主要行政人員的酬金列示如下：

32 STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS) (Cont'd)

(a) Directors' and chief executive's emoluments

The directors' and chief executive's emoluments are set out below:

董事姓名	Name of director	袍金	薪金及其他津貼	績效獎金	退休計劃供款	以股份為基礎 的支付	合計
		Fees	Salaries and other allowances	Performance related bonus	Retirement scheme contributions	Share-based payment	Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
截至2019年12月31日 止年度	Year ended 31 December 2019						
董事長 王曉松(i)	Chairman Wang Xiaosong(i)	-	4,800	1,200	80	-	6,080
執行董事 呂小平(ii)	Executive directors Lv Xiaoping(ii)	-	3,600	900	80	372	4,952
陸忠明(iii)	Lu Zhongming(iii)	-	3,090	910	80	297	4,377
曲德君(i)	Qu Dejun(i)	-	2,910	-	30	-	2,940
王振華(i)	Wang Zhenhua(i)	-	2,400	-	40	-	2,440
非執行董事 章晟曼(iv)	Non-executive director Zhang Shengman(iv)	-	5,340	-	18	297	5,655
獨立非執行董事	Independent non-executive director						
朱增進	Zhu Zengjin	300	-	-	-	-	300
鍾偉	Zhong Wei	300	-	-	-	-	300
陳華康	Chen Huakang	300	-	-	-	-	300
		900	22,140	3,010	328	966	27,344

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32 員工成本(包含董事酬金)(續)

(a) 董事及主要行政人員的酬金 (續)

董事及主要行政人員的酬金列示如下：(續)

32 STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS) (Cont'd)

(a) Directors' and chief executive's emoluments (Cont'd)

The directors' and chief executive's emoluments are set out below: (Cont'd)

董事姓名	Name of director	袍金 Fees 人民幣千元 RMB'000	薪金及其他津貼 Salaries and other allowances 人民幣千元 RMB'000	績效獎金 Performance related bonus 人民幣千元 RMB'000	退休計劃供款 Retirement scheme contributions 人民幣千元 RMB'000	以股份為基礎 的支付 Share-based payment 人民幣千元 RMB'000	合計 Total 人民幣千元 RMB'000
截至2018年12月31日止年度		Year ended 31 December 2018					
董事長	Chairman						
王振華(i)	Wang Zhenhua (i)	-	4,697	1,200	103	-	6,000
執行董事	Executive directors						
劉源滿(v)	Liu Yuanman (v)	-	750	-	26	-	776
呂小平(ii)	Lu Xiaoping (ii)	-	3,600	900	103	-	4,603
陸忠明(iii)	Lu Zhongming (iii)	-	3,000	1,000	103	-	4,103
陳偉健(vi)	Chan Wai Kin (vi)	-	3,251	-	16	-	3,267
非執行董事	Non-executive director						
王曉松	Wang Xiaosong	-	1,497	400	103	-	2,000
章晟曼(iv)	Zhang Shengman (iv)	-	5,257	1,314	16	-	6,587
獨立非執行董事	Independent non-executive director						
朱增進	Zhu Zengjin	300	-	-	-	-	300
鍾偉	Zhong Wei	300	-	-	-	-	300
陳華康	Chen Huakang	300	-	-	-	-	300
		900	22,052	4,814	470	-	28,236

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32 員工成本(包含董事酬金)(續)

(a) 董事及主要行政人員的酬金 (續)

- (i) 王振華先生已分別在2019年7月3日及2019年7月8日離任董事會主席及辭任執行董事職務。王曉松先生自2019年7月3日起獲委任為董事會主席；曲德君先生已獲委任為執行董事兼副董事長，自2019年7月8日起生效。
- (ii) 呂小平先生於2016年1月7日獲委任為本公司執行董事。
- (iii) 陸忠明先生於2016年1月7日獲委任為本公司執行董事。
- (iv) 章晟曼先生於2018年3月21日獲委任為本公司非執行董事。
- (v) 劉源滿先生已辭任本公司執行董事，自2018年3月21日起生效。
- (vi) 陳偉健先生已辭任本公司執行董事，自2018年8月28日起生效。

32 STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS) (Cont'd)

(a) Directors' and chief executive's emoluments (Cont'd)

- (i) Mr. Wang Zhenhua has been removed as the chairman of the Board and resigned as the executive director on 3 July 2019 and 8 July 2019, respectively. Mr. Wang Xiaosong was duly appointed as the chairman of the Board on 3 July 2019 and Mr. Qu Dejun was duly appointed as the executive director and vice-chairman of the Board on 8 July 2019.
- (ii) Mr. Lv Xiaoping was appointed as executive director of the Company with effect from 7 January 2016.
- (iii) Mr. Lu Zhongming was appointed as executive director of the Company with effect from 7 January 2016.
- (iv) Mr. Zhang Shengman was appointed as non-executive director of the Company with effect from 21 March 2018.
- (v) Mr. Liu Yuanman has resigned as executive director of the Company with effect from 21 March 2018.
- (vi) Mr. Chan Wai Kin has resigned as executive director of the Company with effect from 28 August 2018.

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32 員工成本(包含董事酬金)(續)

(b) 五名最高薪人士

截至2019年12月31日止年度，本集團五名最高薪酬人士包括兩名(2018年：兩名)董事，彼等之酬金已於上文呈列的分析中反映。截至2019年12月31日止年度，應付餘下三名(2018年：三名)人士的酬金如下：

32 STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS) (Cont'd)

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group during the year ended 31 December 2019 include two directors (2018: two) whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining three (2018: three) individuals for the year ended 31 December 2019 are as follows:

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
基本薪金、住房津貼、 以股份為基礎的支付、 其他津貼及實物福利	Basic salaries, housing allowances, share-based payment, other allowances and benefits in kind	18,413	14,400
獎金	Bonuses	2,400	2,400
		20,813	16,800

該三名人士的酬金乃介乎下列範圍：

The emoluments to the three individuals fell within the following band:

		截至12月31日止年度 Year ended 31 December	
		2019年 2019	2018年 2018
酬金範圍	Emoluments band		
7,000,001港元至8,500,000港元	HKD7,000,001 – HKD8,500,000	2	–
6,500,001港元至7,000,000港元	HKD6,500,001 – HKD7,000,000	1	2
5,000,001港元至6,500,000港元	HKD5,000,001 – HKD6,500,000	–	1

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32 員工成本(包含董事酬金)(續)

- (c) 截至2019年及2018年12月31日止年度，概無董事或任何五名最高薪人士向本集團收取任何酬金作為加入或在加入或離開本集團時的獎勵或補償或作為離職補償。本集團年內亦無向任何第三方支付代價，以獲取董事服務(2018年：無)。
- (d) 於年末或年內任何時間，概無訂立以股東、與董事有關聯實體所控制的法團為受益人的貸款、准貸款及其他交易(2018年：無)。

32 STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS) (Cont'd)

- (c) During the years ended 31 December 2019 and 2018, no director or any of the five highest paid individuals received any emolument from the Group as an inducement to join, upon joining the Group, leave the Group or as compensation for loss of office. Also, the Group did not pay consideration to any third parties for making available directors' services during the year (2018: Nil).
- (d) No loans, quasi-loans and other dealings were made available in favour of directors, bodies corporate controlled by and entities connected with directors subsisted at the end of the year or at any time during the year (2018: Nil).

33 所得稅開支

(a) 所得稅開支

33 INCOME TAX EXPENSE

(a) Income tax expense

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
即期所得稅	Current income tax		
— 中國土地增值稅(a)	— PRC land appreciation tax (a)	4,584,788	2,851,589
— 中國企業所得稅	— PRC corporate income tax	4,709,847	3,729,925
		9,294,635	6,581,514
遞延所得稅(附註26)	Deferred income tax (note 26)	(275,653)	18,420
年度列支的所得稅總額	Total income tax charged for the year	9,018,982	6,599,934

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33 所得稅開支 (續)

(a) 所得稅開支 (續)

- (a) 截至2019年12月31日止年度的土地增值稅包括年內確認的物業銷售收入的土地增值稅金額人民幣4,723,282,000元及於本年度10個項目於有關稅局結稅後撥回的之前累計的土地增值稅人民幣138,494,000元。

本集團除所得稅前利潤的所得稅有別於使用本集團旗下各公司所在國頒佈的稅率計算的理論金額，茲載列如下：

33 INCOME TAX EXPENSE (Cont'd)

(a) Income tax expense (Cont'd)

- (a) Land appreciation tax for the year ended 31 December 2019 includes the amount of land appreciation tax of RMB4,723,282,000 on property sales revenue recognised during the year; and a reversal of the previously accrued land appreciation tax of RMB138,494,000 upon the clearance of 10 projects with relevant tax bureaus during the year.

The income tax on the Group's profit before income tax differs from the theoretical amount that would arise using the enacted tax rate of the home country of the companies within the Group as follows:

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
除所得稅前利潤	Profit before income tax	21,625,171	18,647,500
中國土地增值稅	PRC land appreciation tax	(4,584,788)	(2,851,589)
		17,040,383	15,795,911
按25%法定稅率計算的所得稅	Income tax calculated at statutory rate of 25%	4,260,096	3,948,978
不可扣減開支(i)	Non-deductible expenses (i)	262,836	118,721
非課稅收入(ii)	Non-taxable income (ii)	(548,575)	(579,715)
動用過往未確認的稅務虧損	Utilisation of previously unrecognised tax losses	(3,929)	(6,932)
未確認為遞延稅項資產的稅務虧損	Tax losses not recognised as deferred tax assets	469,442	86,998
不同稅率導致的差額	Differences caused by different tax rates	99,220	99,475
過往年度稅項調整	Prior year tax adjustments	(9,473)	(4,154)
中國預扣稅	PRC withholding tax	(95,423)	84,974
中國土地增值稅	PRC land appreciation tax	4,584,788	2,851,589
所得稅開支總額	Total income tax expense	9,018,982	6,599,934

- (i) 就所得稅而言，不可扣減開支主要來自優先票據的借貸成本、有關股份獎勵的開支及不可扣減招待費的開支。

- (ii) 非課稅收入主要包括應佔聯營公司及合營企業業績，合營企業或聯營公司轉為子公司時之股權收益。

- (i) Non-deductible expenses for income tax purposes mainly resulted from borrowing costs on senior notes, the expense in relation to the share award and non-deductible entertainment expense.

- (ii) Non-taxable income includes mainly share of results of associates and joint ventures, gain on equity interest in joint ventures or associates converted into subsidiaries.

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33 所得稅開支 (續)

香港利得稅

本集團按16.5%對香港利得稅作出撥備，因為本集團於本年度錄得來自香港的應課稅利潤（2018年：16.5%）。

中國企業所得稅

根據中國企業所得稅法（「企業所得稅法」），本集團旗下於中國內地的子公司適用的企業所得稅率為25%。

企業所得稅法及其實施細則規定中國居民企業就2008年1月1日起產生的盈利向其中國境外的直接控股公司派發的股息須繳納10%的預扣稅，而於2008年1月1日前產生的未分派盈利則獲豁免繳納該預扣稅。根據中國與香港訂立的稅務協約安排，若直接控股公司成立於香港，可應用較低的5%預扣稅稅率。截至2019年12月31日止年度，本集團就其中國實體產生的部分盈利按5%的稅率計提中國預扣稅撥備。本集團控制該等子公司的股息政策並已確定可能不會於可見未來分派大部分該等盈利。

土地增值稅

中國土地增值稅以銷售物業所得款項減去可扣減開支（包括土地使用權租賃費用及所有物業開發開支）的土地增值按介乎30%至60%的累進稅率徵收，並於合併損益表內列作所得稅開支。

33 INCOME TAX EXPENSE (Cont'd)

Hong Kong profits tax

Hong Kong profits tax has been provided at 16.5% for as the Group has assessable profits in Hong Kong during the year (2018: 16.5%).

PRC corporate income tax

Under the Corporate Income Tax Law of the PRC (the "CIT Law"), the CIT rate applicable to the Group's subsidiaries located in mainland China is 25%.

The CIT Law and its implementation rules impose a withholding tax at 10% for dividends distributed by a PRC-resident enterprise to its immediate holding company outside PRC for earnings generated beginning 1 January 2008 and undistributed earnings generated prior to 1 January 2008 are exempted from such withholding tax. A lower 5% withholding tax rate may be applied when the immediate holding companies are established in Hong Kong according to the tax treaty arrangement between the PRC and Hong Kong. For the year ended 31 December 2019, the Group accrued for PRC withholding tax based on the tax rate of 5% on a portion of the earnings generated by its PRC entities. The Group controls the dividend policies of these subsidiaries and it has been determined that it is probable that a majority of these earnings will not be distributed in the foreseeable future.

Land appreciation tax

PRC land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of properties less deductible expenditures including lease charges for land use rights and all property development expenditures, and is included in the consolidated statement of profit or loss as income tax expense.

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34 每股盈利

年內每股基本盈利乃按本公司權益持有人應佔本集團利潤除以年內已發行普通股加權平均數計算。

34 EARNINGS PER SHARE

Basic earnings per share for the year is calculated by dividing the profit of the Group attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

		截至12月31日止年度 Year ended 31 December	
		2019年 2019	2018年 2018
本公司權益持有人應佔合併利潤 (人民幣千元)	Consolidated profit attributable to equity holders of the Company (RMB'000)	7,812,268	6,761,004
已發行普通股加權平均數 (千股)	Weighted average number of ordinary shares in issue ('000)	5,899,000	5,903,687
每股基本盈利 (人民幣元)	Basic earnings per share (RMB)	1.32	1.15

每股攤薄盈利乃透過調整發行在外普通股的加權平均數以假設轉換所有攤薄潛在普通股計算。誠如附註22所披露，截至2019年12月31日止年度，本公司有尚未行使之購股權。然而，截至2019年12月31日止年度，該等購股權具反攤薄影響。

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. As disclosed in note 22, the Company has share options outstanding for the year ended 31 December 2019. However they are anti-dilutive for the year ended 31 December 2019.

		截至12月31日止年度 Year ended 31 December	
		2019年 2019	2018年 2018
本公司普通權益持有人應佔合併利潤 (人民幣千元)	Consolidated profit attributable to ordinary equity holders of the Company (RMB'000)	7,812,268	6,761,004
加：可換股債券之利息調整扣除稅項 (人民幣千元)	Add: interest savings of convertible bonds (RMB'000)	—	58,746
於計算每股攤薄盈利時本公司權益持有人應佔合併利潤 (人民幣千元)	Consolidated profit attributable to equity holders of the Company in calculating diluted earnings per share (RMB'000)	7,812,268	6,819,750
已發行普通股加權平均數 (千股)	Weighted average number of ordinary shares in issue ('000)	5,899,000	5,903,687
加：最大轉換數 (千股)	Add: maximum conversion ('000)	—	205,933
於計算每股攤薄盈利時已發行及潛在普通股加權平均數 (千股)	Weighted average number of ordinary shares in issue and potential ordinary shares used as the denominator in calculating diluted earnings per share ('000)	5,899,000	6,109,620
每股攤薄盈利 (人民幣元)	Diluted earnings per share(RMB)	1.32	1.12

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35 股息

35 DIVIDENDS

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
擬派末期股息每股普通股人民幣0.31元 (2018年：人民幣0.3元)	Proposed final dividend of RMB0.31 (2018: RMB0.3) per ordinary share	1,925,100	1,769,700
特別股息 (2018年：每股普通股港幣7分)	Special dividend (2018: HKD7 cents per ordinary share)	—	367,894

年內並無宣派中期股息 (2018年：無)，
惟上一年度有宣派特別股息。

No interim dividend was declared during the year (2018: Nil),
however a special dividend was declared last year.

於2020年3月27日舉行的董事會會議
上，董事提議使用股份溢價賬及保留盈
利派發2019年度末期股息每股普通股人
民幣0.31元。擬派股息並無於此等財務
報表反映為應付股息，惟待股東於本公
司應屆股東週年大會批准後將反映為截
至2020年12月31日止年度的儲備撥付。

At a Board meeting held on 27 March 2020, the directors
proposed a final dividend for 2019 of RMB0.31 per ordinary
share using the share premium account and the retained
earnings account. This proposed dividend is not reflected as
a dividend payable in these financial statements, but will be
reflected as an appropriation of reserves for the year ending
31 December 2020 upon approval by the shareholders at the
forthcoming annual general meeting of the Company.

本公司於2019年5月8日舉行的股東
週年大會已批准派付2018年末期股息
每股普通股人民幣0.3元，共人民幣
1,769,700,000元。有關股息反映為截
至2019年12月31日止年度的股份溢價及
保留盈利分派。截至2019年12月31日，
該筆末期股息已獲悉數派付。

A final dividend in respect of 2018 of RMB0.3 per ordinary
share, amounting to RMB1,769,700,000, was approved at the
annual general meeting of the Company held on 8 May 2019.
The dividend is reflected as an appropriation of share premium
and retained earnings for the year ended 31 December 2019. As
of 31 December 2019, such amount of final dividend had been
fully paid.

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36 收購子公司(業務合併及資產收購)

(a) 業務合併

於2019年4月29日，本集團以代價人民幣59,000,000元收購Hefei Xincheng Chuangsheng Real Estate Development Co., Ltd. (「Hefei Chuangsheng」) 的50%股權，持股比例增加至100%，並獲得其控制權。

於2019年1月2日，本集團以代價人民幣204,591,000元收購Tianjin Jinnan Wuyue Real Estate Development Co., Ltd. (「Tianjin Jinnan」) 的30%股權，持股比例增加至100%，並獲得其控制權。

於2019年6月25日，本集團以代價人民幣633,589,000元收購Shanghai Diyu Business Operation Co., Ltd. (「Shanghai Diyu」) 的100%股權，持股比例增加至100%，並獲得其控制權。

於2019年9月18日，本集團以代價人民幣210,000,000元收購Suzhou Yusheng Real Estate Development Co., Ltd. (「Suzhou Yusheng」) 的35%股權，持股比例增加至100%，並獲得其控制權。

於2019年11月21日，本集團以代價人民幣197,106,000元收購Jianyang Jingxin Real Estate Development Co., Ltd. (「Jianyang Jingxin」) 的51%股權，持股比例增加至100%，並獲得其控制權。

36 ACQUISITIONS OF SUBSIDIARIES (BUSINESS COMBINATION AND ASSET ACQUISITIONS)

(a) Business combination

On 29 April 2019, the Group acquired 50% equity interests, increasing shareholding percentage to 100% and obtained the control of Hefei Xincheng Chuangsheng Real Estate Development Co., Ltd. ("Hefei Chuangsheng"), at a consideration of RMB59,000,000.

On 2 January 2019, the Group acquired 30% equity interests, increasing shareholding percentage to 100% and obtained the control of Tianjin Jinnan Wuyue Real Estate Development Co., Ltd. ("Tianjin Jinnan"), at a consideration of RMB204,591,000.

On 25 June 2019, the Group acquired 100% equity interests, increasing shareholding percentage to 100% and obtained the control of Shanghai Diyu Business Operation Co., Ltd. ("Shanghai Diyu") at a consideration of RMB633,589,000.

On 18 September 2019, the Group acquired 35% equity interests, increasing shareholding percentage to 100% and obtained the control of Suzhou Yusheng Real Estate Development Co., Ltd. ("Suzhou Yusheng") at a consideration of RMB210,000,000.

On 21 November 2019, the Group acquired 51% equity interests, increasing shareholding percentage to 100% and obtained the control of Jianyang Jingxin Real Estate Development Co., Ltd. ("Jianyang Jingxin") at a consideration of RMB197,106,000.

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36 收購子公司(業務合併及資產收購)(續)

(a) 業務合併 (續)

於2019年12月27日，本集團以代價人民幣124,986,000元收購Nanjing Xincheng Wanbo Real Estate Development Co., Ltd. (「Nanjing Wanbo」) 的30%股權，持股比例增加至100%，並獲得其控制權。

於2019年12月16日，本集團以代價人民幣109,851,000元收購Changzhou Xincheng Zidong Real Estate Development Co., Ltd. (「Changzhou Zidong」) 的22%股權，持股比例增加至100%，並獲得其控制權。

於2019年12月17日，本集團以代價人民幣82,500,000元收購Jianyang Jiaxin Real Estate Development Co., Ltd. (「Jianyang Jiaxin」) 的15%股權，持股比例增加至51%，並獲得其控制權。

36 ACQUISITIONS OF SUBSIDIARIES (BUSINESS COMBINATION AND ASSET ACQUISITIONS)

(Cont'd)

(a) Business combination (Cont'd)

On 27 December 2019, the Group acquired 30% equity interests, increasing shareholding percentage to 100% and obtained the control of Nanjing Xincheng Wanbo Real Estate Development Co., Ltd. ("Nanjing Wanbo") at a consideration of RMB124,986,000.

On 16 December 2019, the Group acquired 22% equity interests, increasing shareholding percentage to 100% and obtained the control of Changzhou Xincheng Zidong Real Estate Development Co., Ltd. ("Changzhou Zidong") at a consideration of RMB109,851,000.

On 17 December 2019, the Group acquired 15% equity interests, increasing shareholding percentage to 51% and obtained the control of Jianyang Jiaxin Real Estate Development Co., Ltd. ("Jianyang Jiaxin") at a consideration of RMB82,500,000.

收購代價	Purchase consideration	Hefei Chuangsheng 人民幣千元 RMB'000	Tianjin Jinnan 人民幣千元 RMB'000	Shanghai Diyu 人民幣千元 RMB'000	Suzhou Yusheng 人民幣千元 RMB'000	Jianyang Jingxin 人民幣千元 RMB'000	Nanjing Wanbo 人民幣千元 RMB'000	Changzhou Zidong 人民幣千元 RMB'000	Jianyang Jiaxin 人民幣千元 RMB'000	合計 Total 人民幣千元 RMB'000
收購前所持有的股權賬面值	Carrying amount of equity interest previously held before acquisition	14,146	378,412	-	383,592	146,232	291,543	355,653	132,307	1,701,885
合營企業轉為子公司之時所持有的股權重新計量收益	Remeasurement gain of equity interest upon conversion from joint venture to subsidiary	44,854	98,968	-	6,408	43,145	90	23,810	65,693	282,968
來自衍生金融工具的款項	Payment from Derivative financial instruments	-	-	150,000	-	-	-	-	-	150,000
已付現金	Cash paid	59,000	204,591	483,589	210,000	197,106	124,986	109,851	82,500	1,471,623
轉讓代價總額	Total consideration transferred	118,000	681,971	633,589	600,000	386,483	416,619	489,314	280,500	3,606,476

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36 收購子公司(業務合併及資產收購)(續)

(a) 業務合併 (續)

該等收購所確認的資產及負債如下：

36 ACQUISITIONS OF SUBSIDIARIES (BUSINESS COMBINATION AND ASSET ACQUISITIONS)

(Cont'd)

(a) Business combination (Cont'd)

The assets and liabilities recognized as a result of these acquisitions are as follows:

		Hefei Chuangsheng	Tianjin Jinnan	Shanghai Diyu	Suzhou Yusheng	Jianyang Jingxin	Nanjing Wanbo	Changzhou Zidong	Jianyang Jiaxin	合計 Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
現金及現金等價物	Cash and cash equivalents	186,157	453,986	53,868	541,560	326,980	318,822	5,374	509,668	2,396,415
貿易及其他應收款項以及預付款項	Trade and other receivables and prepayments	994,276	2,096,385	1,733	4,314,783	537,568	1,407,219	4,409,375	545,556	14,306,895
完工待售或在建銷售物業	Properties held or under development for sale	1,891,664	1,600,161	80,341	12,784,461	665,025	2,085,458	1,174,315	917,696	21,199,121
物業、廠房及設備	Property, plant and equipment	245	761	478	1,002	59	429	937	-	3,911
無形資產	Intangible assets	-	36	-	5	-	-	7	-	48
投資物業	Investment properties	-	603,000	1,117,242	1,235,000	-	1,497,000	1,307,000	-	5,759,242
遞延所得稅資產	Deferred income tax assets	-	75	9,910	8,656	-	8,718	17,465	-	44,824
貿易及其他應付款項	Trade and other payables	(1,463,230)	(4,025,305)	(613,748)	(6,173,770)	(13,179)	(1,663,455)	(2,900,113)	(156,228)	(17,009,028)
合約負債	Contract liabilities	(761,210)	-	(16,235)	(6,309,411)	(1,100,620)	(2,241,414)	(2,514,812)	(1,205,865)	(14,149,567)
借款	Borrowings	(700,000)	-	-	(5,799,000)	-	(966,000)	(1,000,000)	-	(8,465,000)
遞延所得稅負債	Deferred income tax liabilities	(29,902)	(47,128)	-	(3,286)	(29,350)	(30,158)	(10,234)	(60,827)	(210,885)
按公允價值收購的可識別資產淨值	Net identifiable assets acquired at fair value	118,000	681,971	633,589	600,000	386,483	416,619	489,314	550,000	3,875,976
減：非控股權益	Less: non-controlling interests	-	-	-	-	-	-	-	(269,500)	(269,500)
按公允價值收購的總資產淨值	Total acquired net assets at fair value	118,000	681,971	633,589	600,000	386,483	416,619	489,314	280,500	3,606,476
收購所得現金(流出)/流入	Cash (outflow)/inflow on acquisitions	(59,000)	(204,591)	(483,589)	(210,000)	(197,106)	(124,986)	(109,851)	(82,500)	(1,471,623)
以現金結算之代價總額	Total considerations settled by cash	(59,000)	(204,591)	(483,589)	(210,000)	(197,106)	(124,986)	(109,851)	(82,500)	(1,471,623)
於已收購子公司取得的現金	Cash acquired in the subsidiaries acquired	186,157	453,986	53,868	541,560	326,980	318,822	5,374	509,668	2,396,415
收購所得現金流入/(流出)	Cash inflow(outflow) on acquisitions	127,157	249,395	(429,721)	331,560	129,874	193,836	(104,477)	427,168	924,792

已收購業務於收購日期至2019年12月31日期間為本集團貢獻收入人民幣3,955,112,000元及產生利潤人民幣458,701,000元。

The acquired business contributed revenues of RMB3,955,112,000 and profit of RMB458,701,000 to the Group for the year from acquisition date to 31 December 2019.

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36 收購子公司(業務合併及資產收購)(續)

(a) 業務合併 (續)

倘收購於2019年1月1日發生，則截至2019年12月31日止年度的合併備考收入將增加人民幣12,019,769,289元，及截至2019年12月31日止年度的除所得稅前利潤將增加人民幣3,831,052,852元。

36 ACQUISITIONS OF SUBSIDIARIES (BUSINESS COMBINATION AND ASSET ACQUISITIONS) (Cont'd)

(a) Business combination (Cont'd)

If the acquisition had occurred on 1 January 2019, consolidated pro-forma revenue for the year ended 31 December 2019 would have RMB12,019,769,289 higher and profit before income tax for the year ended 31 December 2019 would have RMB3,831,052,852 higher.

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37 現金流信息

(a) 經營活動所得現金

37 INFORMATION ON CASH FLOWS

(a) Cash generated from operations

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
除所得稅前利潤	Profit before income tax	21,625,171	18,647,500
就下列各項作出調整：	Adjustments for:		
— 折舊 (附註30)	— Depreciation (note 30)	536,820	397,925
— 攤銷 (附註30)	— Amortisation (note 30)	146,909	46,652
— 出售物業、廠房及設備以及 無形資產產生之虧損 (附註29)	— Losses on disposal of property, plant and equipment and intangible assets (note 29)	22,009	1,641
— 出售子公司所得收益 (附註42)	— Gains from disposal of subsidiaries (note 42)	(45,350)	(72,487)
— 於合營企業及聯營公司轉變為 子公司時股權重新計量的 收益 (附註29)	— Remeasurement gain on equity interest in joint ventures and associates converted into subsidiaries (note 29)	(282,968)	(677,445)
— 出售合營企業所得收益	— Gains on disposal of joint ventures	(134,409)	—
— 出售聯營公司所得收益	— Gains on disposal of associates	(966)	—
— 以股份為基礎的支付開支 (附註22)	— Share-based payment expenses (note 22)	41,030	29,489
— 來自聯營公司的利息收入	— Interest income from associates	(138,425)	—
— 來自合營企業的利息收入	— Interest income from joint ventures	(76,415)	—
— 投資物業公允價值收益 (附註7)	— Fair value gains on investment properties (note 7)	(2,438,106)	(3,285,089)
— 以公允價值計量且其變動計入 當期損益的金融工具公允 價值 (收益) / 虧損 (附註12)	— Fair value (gains)/losses on financial instruments at fair value through profit or loss (note 12)	(131,177)	235,790
— 完工待售 (或在建銷售) 物業減值撥備 (附註30)	— Provision for impairment of properties held (or under development) for sale (note 30)	939,796	263,684
— 金融資產減值虧損淨額	— Net impairment losses on financial assets	146,849	157,769
— 完工待售 (或在建銷售) 物業撥備撥回	— Reversal of provision for properties held (or under development) for sale	(108,066)	(89,882)
— 應佔聯營公司業績 (附註9)	— Share of results of associates (note 9)	(1,839,785)	(990,068)
— 應佔合營企業業績 (附註10)	— Share of results of joint ventures (note 10)	(54,442)	(559,380)
— 以公允價值計量且其變動計入 當期損益的金融資產收益	— Gains on financial assets at fair value through profit or loss	(127,530)	—
— 股息收入 (附註29)	— Dividend income (note 29)	(6,919)	(6,453)
— 融資成本 (附註31)	— Finance costs (note 31)	1,584,770	535,312
— 匯兌淨額 (附註31)	— Net foreign exchange (note 31)	260,880	434,256
— 利息收入 (附註31)	— Interest income (note 31)	(506,077)	(229,626)
— 成本調整	— Cost adjustment	—	53,648
營運資金變動	Changes in working capital		
— 與經營活動相關的 受限制現金 (附註20)	— Restricted cash relating to operating activities (note 20)	471,616	(3,665,432)
— 租賃土地預付款項	— Prepayments for leasehold land	13,031,568	(3,801,954)
— 完工待售或在建銷售物業 (不包括資本化利息)	— Properties held or under development for sale (excluding capitalised interest)	(65,673,452)	(65,430,700)
— 貿易及其他應收款項以及 預付款項	— Trade and other receivables and prepayments	(5,341,196)	(3,928,551)
— 合同取得成本	— Contract cost	(733,214)	(741,041)
— 合約負債及其他預收客戶款項	— Contract liabilities and other advances from customers	62,445,488	51,792,625
— 貿易及其他應付款項	— Trade and other payables	28,756,767	20,260,593
經營活動所得現金	Cash generated from operations	52,371,176	9,378,776

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37 現金流信息 (續)

(b) 債務淨額對賬

37 INFORMATION ON CASH FLOWS (Cont'd)

(b) Net debt reconciliation

		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
債務淨額	Net debt		
現金及現金等價物	Cash and cash equivalents	59,691,685	41,213,881
借款－於一年內償還 (包括透支及可換股債券)	Borrowings – repayable within one year (including overdraft and convertible bonds)	(40,849,008)	(27,057,366)
借款－於一年後償還	Borrowings – repayable after one year	(46,997,939)	(56,515,373)
債務淨額	Net debt	(28,155,262)	(42,358,858)
現金及流動資金投資	Cash and liquid investments	59,691,685	41,213,881
債務總額－固定利率	Gross debt – fixed interest rates	(67,667,387)	(55,753,029)
債務總額－浮動利率	Gross debt – variable interest rates	(20,179,560)	(27,819,710)
債務淨額	Net debt	(28,155,262)	(42,358,858)

		其他資產 Other assets	融資活動產生之負債 Liabilities from financing activities		
		現金／銀行透支 Cash/bank overdraft	1年內到期 之借款 Borrowings due within 1 year	1年後到期 之借款 Borrowings due after 1 year	合計 Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
於2018年12月31日之 債務淨額	Net debt as at 31 December 2018	41,213,881	(27,057,366)	(56,515,373)	(42,358,858)
現金流量	Cash flows	18,520,025	17,536,516	(14,457,016)	21,599,525
匯兌虧損	Foreign exchange losses	(42,221)	(109,555)	(109,104)	(260,880)
匯兌差額	Currency translation differences	–	(26,506)	(207,211)	(233,717)
由1年後重新分類至1年內	Reclassification from after 1 year to within 1 year	–	(30,135,141)	30,135,141	–
收購子公司	Acquisition of subsidiaries	–	(1,000,000)	(7,465,000)	(8,465,000)
出售子公司	Disposal of subsidiaries	–	–	1,647,130	1,647,130
折讓及溢價攤銷	Amortisation of discount and premium	–	(56,956)	(26,506)	(83,462)
於2019年12月31日之 債務淨額	Net debt as at 31 December 2019	59,691,685	(40,849,008)	(46,997,939)	(28,155,262)

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37 現金流信息 (續)

(b) 債務淨額對賬 (續)

於合併現金流量表內，出售物業、廠房及設備以及無形資產的所得款項包括：

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
賬面淨值	Net book value	78,540	64,819
出售物業、廠房及設備以及無形資產產生之虧損 (附註29)	Losses on disposal of property, plant and equipment and intangible assets (note 29)	(22,009)	(1,641)
出售物業、廠房及設備以及無形資產所得款項	Proceeds from disposal of property, plant and equipment and intangible assets	56,531	63,178

37 INFORMATION ON CASH FLOWS (Cont'd)

(b) Net debt reconciliation (Cont'd)

In the consolidated statement of cash flows, proceeds from disposal of property, plant and equipment and intangible assets comprise:

38 承擔

(a) 物業開發支出承擔

於2019年及2018年12月31日，尚未發生但已作出承擔的物業開發支出如下：

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
已訂約但未撥備	Contracted but not provided for	46,156,456	38,008,186

38 COMMITMENTS

(a) Property development expenditure commitments

As at 31 December 2019 and 2018, property development expenditure committed but not yet incurred are as follows:

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38 承擔 (續)

(b) 設備收購承擔

於2019年及2018年12月31日，已承擔但未發生的資本承擔如下：

38 COMMITMENTS (Cont'd)

(b) Equipment acquisition commitments

As at 31 December 2019 and 2018, capital committed but not yet incurred are as follows:

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
設備收購承擔	Committed acquisition of equipment	22,400	180,663

(c) 投資承擔

於2019年及2018年12月31日，投資承擔如下：

(c) Investment commitments

As at 31 December 2019 and 2018, committed investments are as follows:

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
聯營公司投資承擔	Committed investments in associates	602,010	678,272
合營企業投資承擔	Committed investments in joint ventures	263,920	181,419
		865,930	859,691

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38 承擔 (續)

(d) 經營租賃應收租金

於2019年及2018年12月31日，就土地及建築物以不可撤銷經營租賃租出而產生的未來最低租金收款總額將於以下期間收取：

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
1年以內	Within 1 year	4,951,499	3,061,578
1至5年	1 to 5 years	10,268,399	7,280,000
5年後	After 5 years	4,517,766	3,346,619
		19,737,664	13,688,197

(e) 經營租賃承擔 – 作為承租人

自2019年1月1日起，本集團已就租賃確認使用權資產，惟下列短期及低價值資產除外：

38 COMMITMENTS (Cont'd)

(d) Operating lease rentals receivable

As at 31 December 2019 and 2018, the future aggregate minimum rental receipts under non-cancellable operating leases in respect of land and buildings are receivable in the following periods:

(e) Operating lease commitments – as lessee

From 1 January 2019, the Group has recognised right-of-use assets for leases, except for short-term and low-value leases as below:

		於12月31日 As at 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
1年以內	No later than 1 year	2,835	188,987
1年以上及5年以內	Later than 1 year and no later 5 years	11	201,514
5年後	After 5 years	–	19,130
		2,846	409,631

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39 財務擔保及或然負債

除本合併財務報表披露者外，於2019年及2018年12月31日，本集團就財務擔保產生的或然負債如下。

(a) 按揭融資的擔保

39 FINANCIAL GUARANTEES AND CONTINGENT LIABILITIES

Save as disclosed in this consolidated financial statements, the Group had the following contingent liabilities in respect of financial guarantees as at 31 December 2019 and 2018.

(a) Guarantees on mortgage facilities

		於12月31日 As at 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
就本集團物業的若干買家的按揭融資作出的擔保	Guarantees in respect of mortgage facilities for certain purchasers of the Group's properties	67,426,466	41,015,531

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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39 財務擔保及或然負債 (續)

(a) 按揭融資的擔保 (續)

本集團已為本集團物業若干買家安排銀行融資，並就買家的還款責任提供擔保。該等擔保將按下列較早者終止：(i)房地產所有權證由政府部門發出予買家，此證一般在擔保登記完成後平均兩至三年內發出，並向按揭銀行提交時；或(ii)物業買家清償按揭貸款時。

根據擔保條款，在該等買家拖欠按揭還款時，本集團須負責向銀行償還買家拖欠的按揭本金連同應計利息及罰金，而本集團有權接收相關物業的法定業權及所有權。本集團的擔保期由授出按揭日期起開始。董事認為買家拖欠付款的可能性極小，因此，按公允價值計量的財務擔保並非重大。

(b) 公司擔保

於2019年及2018年12月31日，本集團的子公司就借款(附註24)相互提供若干企業擔保。董事認為各子公司有足夠財務資源償付其債務。

於2019年12月31日，本集團向其合營企業及聯營公司提供人民幣19,300百萬元之擔保(於2018年12月31日：人民幣25,218百萬元)。

39 FINANCIAL GUARANTEES AND CONTINGENT LIABILITIES (Cont'd)

(a) Guarantees on mortgage facilities (Cont'd)

The Group has arranged bank financing for certain purchasers of the Group's properties and provided guarantees to secure obligations of such purchaser for repayments. Such guarantees will terminate upon the earlier of (i) the issue of the real estate ownership certificate by government authorities to the purchaser which will generally occur within an average period of two to three years from the completion of the guarantee registration and submitted to the mortgage bank; or (ii) the satisfaction of mortgage loans by the purchasers of the properties.

Pursuant to the terms of the guarantees, upon default of mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principal together with accrued interest and penalties owed by the defaulting purchasers to the banks and the Group is entitled to take over the legal title and possession of the related properties. The Group's guarantee period starts from the date of grant of mortgage. The directors consider that the likelihood of default of payments by the purchasers is minimal and therefore the financial guarantee measured at fair value is immaterial.

(b) Corporate guarantees

There are certain corporate guarantees provided by the Group's subsidiaries for each other in respect of borrowings (note 24) as at 31 December 2019 and 2018. The directors consider that the subsidiaries are able to sufficiently financially resourced to settle their obligations.

As at 31 December 2019, the Group provided guarantee with the amount of RMB19,300 million (as at 31 December 2018: 25,218 million) to its joint ventures and associates.

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39 財務擔保及或然負債 (續)

(c) 未決訴訟

於2019年12月31日，本集團涉及若干未決的法律爭議。於該等爭議中，一名第三方人士向本集團子公司 Suzhou Future Land Chuangjia Real Estate Co. Ltd. (以下稱「Future Land Suzhou」) 就一樁約人民幣1,015.71百萬元之股份轉讓爭議對本集團提起告訴，宣稱Future Land Suzhou及其他五位第三方人士及第三方公司之間的股份轉讓協議均屬無效。本集團已評估包括以上股份轉讓爭議的該等宣稱，並認為該等法律爭議的最終結果將不會對本集團之財務狀況造成重大不利影響，故不會就該法律爭議作出任何撥備。

40 關連方交易

(a) 最終控股股東及子公司

本公司由王振華先生(「最終控股股東」)最終控制。

於子公司之權益載於附註19。

39 FINANCIAL GUARANTEES AND CONTINGENT LIABILITIES (Cont'd)

(c) Pending litigation

The Group were involved in certain outstanding legal disputes as at 31 December 2019. Among these, a share transfer dispute of approximately RMB1,015.71 million was filed against one of the Group's subsidiary, Suzhou Future Land Chuangjia Real Estate Co. Ltd. (hereafter "Future Land Suzhou") of the Group by one third-party individual, who claims that the share transfer agreements between Future Land Suzhou with other five third party individuals and a third party company are both invalid. The Group have assessed the claims including the above share transfer dispute and considered that the ultimate outcome of the legal disputes will not have a material adverse effect on the Group's financial position. No provision was made against the legal disputes.

40 RELATED PARTY TRANSACTIONS

(a) Ultimate controlling shareholder and subsidiaries

The Company is ultimately controlled by Mr. Wang Zhenhua (the "Ultimate Controlling Shareholder").

Interests in subsidiaries are set at in note 19.

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40 關連方交易 (續)

(b) 與關連方之交易

於截至2019年12月31日止年度，
本集團進行了以下關連方交易：

40 RELATED PARTY TRANSACTIONS (Cont'd)

(b) Transaction with related parties

During the year ended 31 December 2019, the Group has
the following related party transactions:

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
向關連方撥款	Fundings to related parties		
– 合營企業	– Joint ventures	62,350,307	83,837,840
– 聯營公司	– Associates	15,360,531	12,610,813
		77,710,838	96,448,653
向關連方計息撥款	Interest-bearing fundings to related parties		
– 合營企業	– Joint ventures	1,033,586	–
– 聯營公司	– Associates	2,684,580	–
		3,718,166	–
來自關連方的利息收入	Interest income from related parties		
– 合營企業	– Joint ventures	76,415	–
– 聯營公司	– Associates	138,425	–
		214,840	–
來自關連方的撥款	Fundings from related parties		
– 合營企業	– Joint ventures	66,678,683	80,956,842
– 聯營公司	– Associates	16,880,209	20,502,410
– 一間由王先生控制之實體	– An entity controlled by Mr. Wang	44,605	33,208
		83,603,497	101,492,460
為關連方代墊款	Payment made on behalf of related parties		
– 合營企業	– Joint ventures	751,174	2,903,439
– 聯營公司	– Associates	416,110	3,990,450
– 一間由王先生控制之實體	– An entity controlled by Mr. Wang	44,605	33,208
		1,211,889	6,927,097
物業管理服務產生之服務費來自	Service fees incurred for property management services from		
– 一間由王先生控制之實體	– An entity controlled by Mr. Wang	727,878	271,714
接受建設服務產生之開支來自	Expenses incurred for accepting construction services from		
– 一間聯營公司	– An associate	227,601	121,052
項目管理服務收入來自	Project management service income from		
– 合營企業	– Joint ventures	249,729	283,226
– 聯營公司	– Associates	165,835	90,438
		415,564	373,664
向以下支付之租金開支	Rental expenses to		
– 一間合營企業	– A joint venture	–	49,774
收購使用權資產來自	Acquisition of right-of-use assets from		
– 一間合營企業	– A joint venture	70,715	–
與租賃負債相關的利息開支	Interest expenses related to lease liabilities		
– 一間合營企業	– A joint venture	2,358	–
諮詢服務收入來自	Consulting service income from		
– 合營企業	– Joint ventures	180,139	27,496
– 聯營公司	– Associates	165,844	33,030
		345,983	60,526
租金收入來自	Rental income from		
– 一間由王先生控制之實體	– An entity controlled by Mr. Wang	1,893	1,549

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40 關連方交易 (續)

(c) 主要管理層報酬

		截至12月31日止年度 Year ended 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
薪金及其他短期僱員福利	Salaries and other short-term employee benefits	48,157	45,036

(d) 為關連方提供擔保

(d) Guarantees provided to related parties

		於12月31日 As at 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
為合營企業擔保	Guarantee to joint ventures	15,229,195	16,566,906
為聯營公司擔保	Guarantee to associates	4,070,433	8,651,530
		19,299,628	25,218,436

(e) 為關連方借款提供投資抵押

(e) Investment pledged for their borrowings of related parties

		於12月31日 As at 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
為合營企業提供股份抵押	Shares pledged for joint ventures	5,882,204	5,959,574
為聯營公司提供股份抵押	Shares pledged for associates	1,234,922	1,383,251
		7,117,126	7,342,825

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40 關連方交易 (續)

(f) 關連方結餘

		於12月31日	
		As at 31 December	
		2019年	2018年
		2019	2018
		人民幣千元	人民幣千元
		RMB'000	RMB'000
應收關連方款項 (附註18)	Amounts due from related parties (note 18)		
– 合營企業	– Joint ventures	15,966,886	19,972,102
– 聯營公司	– Associates	6,604,887	4,378,010
		22,571,773	24,350,112
應付關連方款項 (附註25)	Amounts due to related parties (note 25)		
– 合營企業	– Joint ventures	20,611,717	21,690,595
– 聯營公司	– Associates	9,988,148	9,725,005
		30,599,865	31,415,600
貿易應付款項	Trade payables		
– 一間由王先生控制之實體	– An entity controlled by Mr. Wang	102,906	29,909

於2019年12月31日，應收常熟新城悅欣房地產開發有限公司及北京市京西置地有限責任公司的款項為計息、無抵押及須按要求償還。於2019年，加權平均利率約為8.00% (2018年：無)。

除上文所述者外，於2019年及2018年12月31日，所有應收及應付關連方款項均為無抵押、免息及須按要求償還。

40 RELATED PARTY TRANSACTIONS (Cont'd)

(f) Related-party balances

As at 31 December 2019, the amounts due from Changshu Xincheng Yuexin Real Estate Development Co., Ltd. and Beijing Jingxi Real Estate Development Co., Ltd. were interest-bearing payments, unsecured and repayable on demand. In 2019, the weighted average interest rate was approximately 8.00% (2018: Nil).

Except for those mentioned above, as at 31 December 2019 and 2018, all due from and due to related parties are unsecured, non-interested bearing and repayable on demand.

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41 與非控股權益交易

於截至2019年12月31日止年度，本集團子公司新城控股已按人民幣149,960,000元的價格購回本身股份共6,134,500股。由於股份回購，其他儲備及非控股權益分別減少人民幣101,207,000元及人民幣48,753,000元。

於截至2019年12月31日止年度，本集團子公司新城控股已按人民幣1,851,240,000元的總代價收購若干子公司的額外權益。本集團確認非控股權益總額減少人民幣1,988,220,000元及其他儲備增加人民幣136,980,000元。

41 TRANSACTIONS WITH NON-CONTROLLING INTERESTS

During the year ended 31 December 2019, Seazen Holdings, a subsidiary of the Group, has bought back a total number of 6,134,500 of its own share at a price of RMB149,960,000. Other reserves and non-controlling interests decreased by RMB101,207,000 and RMB48,753,000 respectively due to the share buy-back.

During the year ended 31 December 2019, Seazen Holdings, a subsidiary of the Group, has acquired addition interests in certain subsidiaries for total consideration of RMB1,851,240,000. The Group recognised a decrease in total non-controlling interests of RMB1,988,220,000 and an increase in other reserves of RMB136,980,000.

42 出售子公司及業務

於截至2019年12月31日止年度，本集團若干子公司按人民幣2,152,727,000元的總代價出售若干子公司。有關出售詳情如下：

42 DISPOSAL OF SUBSIDIARIES AND BUSINESS

During the year ended 31 December 2019, certain subsidiaries of the Group disposed certain subsidiaries for a total consideration of RMB2,152,727,000. Details of the disposals are as follows:

		人民幣千元 RMB'000
出售代價	Disposal consideration	
— 來自出售若干子公司的現金及現金等價物	— Cash and cash equivalents received from disposal of certain subsidiaries	2,152,727
出售子公司之資產淨額總額	Total net assets of subsidiaries disposed of	2,471,136
出售非控股權益	Non-controlling interest disposed of	(363,759)
		2,107,377
出售收益	Gains on disposal	45,350
來自出售之現金所得款項 (扣除所出售現金)	Cash proceeds from disposal, net of cash disposed of	2,152,727
— 減：所出售子公司之現金及現金等價物	— Less: cash and cash equivalents in the subsidiaries disposed of	(263,781)
出售現金流出淨額	Net cash outflow on disposal	1,888,946

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43 本公司財務狀況表及儲備變動

43 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENTS OF THE COMPANY

		於12月31日 As at 31 December	
		2019年 2019 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000
資產	ASSETS		
非流動資產	Non-current assets		
物業、廠房及設備	Property, plant and equipment	32	761
於子公司的投資	Investments in subsidiaries	479,817	479,817
		479,849	480,578
流動資產	Current assets		
貿易及其他應收款項	Trade and other receivables	11,055,405	9,621,659
現金及現金等價物	Cash and cash equivalents	13,641	170,946
		11,069,046	9,792,605
資產總額	Total assets	11,548,895	10,273,183
權益	EQUITY		
本公司權益持有人應佔股本及儲備	Capital and reserves attributable to equity holders of the Company		
股本：面值	Share capital: nominal value	4,807	4,813
儲備(a)	Reserves(a)	1,975,751	1,935,958
權益總額	Total equity	1,980,558	1,940,771
非流動負債	Non-current liabilities		
借款	Borrowings	3,459,723	5,015,593
流動負債	Current liabilities		
貿易及其他應付款項	Trade and other payables	512,872	427,120
借款	Borrowings	5,595,742	2,889,699
負債總額	Total liabilities	9,568,337	8,332,412
權益及負債總額	Total equity and liabilities	11,548,895	10,273,183

本公司財務狀況表已於2020年3月27日獲董事會批准，並由下列董事代表董事會簽署：

The statement of financial position of the Company was approved by the Board of Directors on 27 March 2020 and was signed on its behalf by:

王曉松
Wang Xiaosong
Director
董事

陸忠明
Lu Zhongming
Director
董事

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43 本公司財務狀況表及儲備變動
(續)

43 STATEMENT OF FINANCIAL POSITION AND
RESERVE MOVEMENTS OF THE COMPANY
(Cont'd)

(a) 本公司儲備變動

(a) Reserve movement of the Company

		股份溢價 Share premium 人民幣千元 RMB'000	其他儲備 Other reserves 人民幣千元 RMB'000	庫存股 Treasury stock 人民幣千元 RMB'000	保留盈利 Retained earnings 人民幣千元 RMB'000	合計 Total 人民幣千元 RMB'000
於2019年1月1日的結餘	Balance at 1 January 2019	488,365	21,254	(34,793)	1,461,132	1,935,958
全面收益	Comprehensive income					
年度利潤	Profit for the year	-	-	-	1,805,752	1,805,752
其他全面收益	Other comprehensive income	-	-	-	-	-
年度全面收益總額	Total comprehensive income for the year	-	-	-	1,805,752	1,805,752
與擁有人之交易	Transactions with owners					
註銷股份	Cancellation of shares	-	(34,787)	34,793	-	6
2019年購股權獎勵計劃	2019 Share Option Award Scheme	-	3,735	-	-	3,735
股息	Dividends	(488,365)	-	-	(1,281,335)	(1,769,700)
擁有人出資及向其分派總額	Total contributions by and distributions to owners	(488,365)	(31,052)	34,793	(1,281,335)	(1,765,959)
於2019年12月31日的結餘	Balance at 31 December 2019	-	(9,798)	-	1,985,549	1,975,751
代表：	Representing:					
建議末期股息	Proposed final dividend	-	-	-	1,925,100	1,925,100
其他	Others	-	(9,798)	-	60,449	50,651
		-	(9,798)	-	1,985,549	1,975,751
於2018年1月1日的結餘	Balance at 1 January 2018	546,640	110,871	-	465,081	1,122,592
全面收益	Comprehensive income					
年度利潤	Profit for the year	-	-	-	996,051	996,051
其他全面收益	Other comprehensive income	-	-	-	-	-
年度全面收益總額	Total comprehensive income for the year	-	-	-	996,051	996,051
與擁有人之交易	Transactions with owners					
發行新股份	Issue of new shares	1,268,261	-	-	-	1,268,261
購回股份	Share buy back	-	(89,617)	(34,793)	-	(124,410)
股息	Dividends	(1,326,536)	-	-	-	(1,326,536)
擁有人出資及向其分派總額	Total contributions by and distributions to owners	(58,275)	(89,617)	(34,793)	-	(182,685)
於2018年12月31日的結餘	Balance at 31 December 2018	488,365	21,254	(34,793)	1,461,132	1,935,958
代表：	Representing:					
建議末期股息	Proposed final dividend	488,365	-	-	1,281,335	1,769,700
其他	Others	-	21,254	(34,793)	179,797	166,258
		488,365	21,254	(34,793)	1,461,132	1,935,958

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44 子公司詳情

本集團子公司於2019年及2018年12月31日的詳情載列如下：

44 PARTICULARS OF SUBSIDIARIES

Particulars of the subsidiaries of the Group as at 31 December 2019 and 2018 are as follows:

	註冊成立／ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
新城控股集團股份有限公司 Seazen Holdings Co., Ltd.	1996年6月14日 14-Jun-96	2,256,724	2,256,724	67.52%	67.49%	物業開發及銷售 Development and sale of properties
常州新城房產開發有限公司 Changzhou Future Land Real Estate Development Co., Ltd.	1998年4月26日 26-Apr-98	1,100,500	1,100,500	64.65%	64.63%	物業開發及銷售 Development and sale of properties
南京新城創置房地產有限公司 Nanjing Future Land Chuangzhi Real Estate Co., Ltd.	2002年9月9日 9-Sep-02	120,000	120,000	64.94%	64.91%	物業開發及銷售 Development and sale of properties
上海新城創置房地產有限公司 Shanghai Future Land Chuangzhi Real Estate Co., Ltd.	2003年1月29日 29-Jan-03	10,000	10,000	67.07%	64.76%	物業開發及銷售 Development and sale of properties
上海新城萬嘉房地產有限公司 Shanghai Future Land Wanjia Real Estate Co., Ltd.	2003年3月19日 19-Mar-03	100,000	20,240	67.07%	64.76%	物業開發及銷售 Development and sale of properties
常州新龍創置房地產開發有限公司 Changzhou Xinlong Chuangzhi Real Estate Development Co., Ltd.	2004年9月16日 16-Sep-04	20,000	20,000	66.95%	66.92%	物業開發及銷售 Development and sale of properties
蘇州新城萬嘉房地產有限公司 Suzhou Future Land Wanjia Real Estate Co., Ltd.	2004年9月17日 17-Sep-04	20,000	20,000	64.94%	64.91%	物業開發及銷售 Development and sale of properties
常州鼎佳房地產開發有限公司 Changzhou Dingjia Property Real Estate Development Co., Ltd.	2005年5月27日 27-May-05	10,000	10,000	65.02%	64.99%	物業開發及銷售 Development and sale of properties
常州新城東郡房地產開發有限公司 Changzhou Future Land Dongjun Real Estate Development Co., Ltd.	2005年12月27日 27-Dec-05	10,000	10,000	67.29%	67.26%	物業開發及銷售 Development and sale of properties
昆山新城創置發展有限公司 Kunshan Future Land Chuangzhi Development Co., Ltd.	2006年4月7日 7-Apr-06	20,000	20,000	64.71%	64.69%	物業開發及銷售 Development and sale of properties
常州新城資產經營管理有限公司 Changzhou Future Land Assets Operation and Management Co., Ltd.	2006年10月24日 24-Oct-06	1,000	1,000	64.94%	64.91%	資產運營及管理 Asset operation and management

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
常州新城置地房地產開發有限公司 Changzhou Future Land Zhidi Real Estate Development Co., Ltd.	2006年12月13日 13-Dec-06	10,000	10,000	64.65%	64.63%	物業開發及銷售 Development and sale of properties
常州嘉馳汽車配件有限公司 Changzhou Jia Chi Auto Parts Co., Ltd.	2007年1月16日 16-Jan-07	15,000	15,000	64.65%	64.63%	汽車配件設計、製造及銷售 Auto parts design, manufacturing and sales
常州萬方新城房地產開發有限公司 Changzhou Wanfang Future Land Real Estate Development Co., Ltd.	2007年2月6日 6-Feb-07	20,000	20,000	64.72%	64.70%	物業開發及銷售 Development and sale of properties
常州福隆房地產開發有限公司 Changzhou Fu Long Real Estate Development Co., Ltd.	2007年2月6日 6-Feb-07	10,000	10,000	66.85%	67.49%	物業開發及銷售 Development and sale of properties
常州新城萬博置業有限公司 Changzhou Future Land Wanbo Property Co., Ltd.	2007年5月16日 16-May-07	10,000	10,000	66.85%	67.49%	物業開發及銷售 Development and sale of properties
上海東郡房地產開發有限公司 Shanghai Dongjun Real Estate Development Co., Ltd.	2007年5月31日 31-May-07	10,000	10,000	67.52%	67.49%	物業開發及銷售 Development and sale of properties
無錫新城萬嘉置業有限公司 Wuxi Future Land Wanjia Property Co., Ltd.	2007年8月14日 14-Aug-07	420,500	420,500	67.44%	67.41%	物業開發及銷售 Development and sale of properties
蘇州新城創佳置業有限公司 Suzhou Future Land Chuangjia Property Co., Ltd.	2007年10月11日 11-Oct-07	200,200	200,200	67.45%	66.82%	物業開發及銷售 Development and sale of properties
常州萬嘉置業諮詢有限公司 Changzhou Wanjia Property Consultancy Co., Ltd.	2008年1月18日 18-Jan-08	1,000	1,000	67.52%	67.49%	諮詢服務 Consulting
新城萬博置業有限公司 Future Land Wanbo Property Co., Ltd.	2008年1月24日 24-Jan-08	800,000	800,000	66.85%	67.49%	物業開發及銷售 Development and sale of properties
上海新城創佳置業有限公司 Shanghai Future Land Chuangjia Property Co., Ltd.	2008年3月20日 20-Mar-08	20,000	20,000	67.07%	64.76%	物業開發及銷售 Development and sale of properties
常州新城東昇房地產開發有限公司 Changzhou Future Land Dongsheng Real Estate Development Co., Ltd.	2009年6月4日 4-Jun-09	10,000	10,000	67.29%	67.26%	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
常州新城金郡房地產有限公司 Changzhou Future Land Jinjun Real Estate Co., Ltd.	2009年9月11日 11-Sep-09	47,780	47,780	64.94%	64.91%	物業開發及銷售 Development and sale of properties
常州市恒福置業有限公司 Changzhou Hengfu Property Co., Ltd.	2009年11月26日 26-Nov-09	20,000	20,000	64.65%	64.63%	物業開發及銷售 Development and sale of properties
南京新城萬嘉房地產有限公司 Nanjing Future Land Wanjia Real Estate Co., Ltd.	2010年1月13日 13-Jan-10	311,000	311,000	64.73%	64.71%	物業開發及銷售 Development and sale of properties
上海新城創宏房地產有限公司 Shanghai Future Land Chuanghong Real Estate Co., Ltd.	2010年1月26日 26-Jan-10	10,000	10,000	67.07%	64.76%	物業開發及銷售 Development and sale of properties
常州新城科達投資諮詢有限公司 Changzhou Future Land Keda Investment Consultancy Co., Ltd.	2010年2月4日 4-Feb-10	500	500	67.52%	67.49%	諮詢服務 Consulting
常州新城經典建築設計有限公司 Changzhou Future Land Jingdian Architectural Design Co., Ltd.	2010年2月4日 4-Feb-10	500	500	67.52%	67.49%	建築設計及諮詢 Construction design and consulting
上海新城金郡房地產有限公司 Shanghai Future Land Jinjun Real Estate Co., Ltd.	2010年3月26日 26-Mar-10	20,000	20,000	67.07%	64.76%	物業開發及銷售 Development and sale of properties
無錫新城創置房地產有限公司 Wuxi Future Land Chuangzhi Real Estate Co., Ltd.	2010年5月6日 6-May-10	20,000	20,000	67.44%	67.41%	物業開發及銷售 Development and sale of properties
常州新城萬盛房地產有限公司 Changzhou Future Land Wansheng Real Estate Co., Ltd.	2010年6月12日 12-Jun-10	10,000	10,000	66.85%	67.49%	物業開發及銷售 Development and sale of properties
常州新城吾悅商業管理有限公司 Changzhou Future Land Wuyue Commercial Management Co., Ltd.	2010年11月8日 8-Nov-10	10,000	10,000	67.52%	67.49%	百貨商店管理 Department store management
南京新城允升房地產有限公司 Nanjing Future Land Yunsheng Real Estate Co., Ltd.	2010年11月19日 19-Nov-10	20,000	20,000	64.73%	64.71%	物業開發及銷售 Development and sale of properties
無錫新城萬博置業有限公司 Wuxi Future Land Wanbo Property Co., Ltd.	2011年1月6日 6-Jan-11	10,000	10,000	66.85%	67.49%	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
長沙新城萬博置業有限公司 Changsha Future Land Wanbo Property Co., Ltd.	2011年3月28日 28-Mar-11	420,000	420,000	66.77%	67.49%	物業開發及銷售 Development and sale of properties
上海新城創域房地產有限公司(a) Shanghai Future Land Chuangyu Real Estate Co., Ltd.(a)	2011年5月10日 10-May-11	20,000	20,000	67.07%	64.76%	物業開發及銷售 Development and sale of properties
昆山新城創宏房地產有限公司 Kunshan Future Land Chuanghong Real Estate Co., Ltd.	2011年6月20日 20-Jun-11	160,000	160,000	67.45%	66.82%	物業開發及銷售 Development and sale of properties
昆山新城創域房地產有限公司 Kunshan Future Land Chuangyu Real Estate Co., Ltd.	2011年6月23日 23-Jun-11	100,000	100,000	67.49%	67.16%	物業開發及銷售 Development and sale of properties
常州新城瑞壹國際酒店有限公司 Changzhou Future Land Rui Yi International Co., Ltd.	2011年9月7日 7-Sep-11	1,000	1,000	64.65%	64.63%	物業、酒店和 會議管理以及 公寓租賃服務 Property, hotel and conference management; apartment leasing services
常州嘉楓市場調查有限公司 Changzhou Jiafeng Market Research Co., Ltd.	2011年9月15日 15-Sep-11	5,000	5,000	64.65%	64.63%	物業市場調研 Marketing research of properties
常州吾悅國際廣場商業管理有限公司 Changzhou Wuyue International Plaza Commercial Management Co., Ltd.	2012年4月5日 5-Apr-12	5,000	5,000	67.52%	67.49%	百貨商店管理 Department store management
武漢新城宏盛置業有限公司 Wuhan Future Land Hongsheng Property Co., Ltd.	2012年5月9日 9-May-12	10,000	10,000	60.21%	47.24%	物業開發及銷售 Development and sale of properties
上海富銘房地產開發有限公司 Shanghai Fuming Real Estate Development Co., Ltd.	2009年9月7日 7-Sep-09	20,000	20,000	67.07%	64.63%	物業開發及銷售 Development and sale of properties
蘇州新城創恒房地產有限公司 Suzhou Future Land Chuangheng Real Estate Co., Ltd.	2012年8月13日 13-Aug-12	20,000	20,000	67.45%	66.82%	物業開發及銷售 Development and sale of properties
上海青浦吾悅商業管理有限公司 Shanghai Qingpu Injoy Commercial Management Co., Ltd.	2013年1月8日 8-Jan-13	5,000	5,000	67.52%	67.49%	百貨商店管理 Department store management

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
上海新城實業置業有限公司 SHANGHAI FUTURE LAND BAOJUN PROPERTY CO., LTD.	2013年1月16日 16-Jan-13	20,000	20,000	67.07%	64.63%	物業開發及銷售 Development and sale of properties
南京新城創隆房地產有限公司 Nanjing Future Land Chuanglong Real Estate Co., Ltd.	2013年3月14日 14-Mar-13	20,000	20,000	64.73%	64.71%	物業開發及銷售 Development and sale of properties
常州匯盛房地產發展有限公司(h) CHANGZHOU FUTURE LAND HUISENG DEVELOPMENT CO., LTD. (h)	2013年5月15日 15-May-13	452,000	452,000	67.69%	67.65%	物業開發及銷售 Development and sale of properties
常州新城悅盛房地產發展有限公司 Changzhou Future Land Yuesheng Development Co., Ltd.	2013年5月15日 15-May-13	22,000	22,000	66.85%	67.49%	物業開發及銷售 Development and sale of properties
常州卓盛房地產發展有限公司(h) CHANGZHOU ZHUOSHENG DEVELOPMENT CO., LTD. (h)	2013年5月15日 15-May-13	756,000	303,309	67.69%	67.65%	物業開發及銷售 Development and sale of properties
豪泰環球有限公司(b) Heroic Time Global Limited (b)	2013年5月28日 28-May-13	—	—	67.85%	67.82%	投資公司 Investment company
鎮江凱盛房地產發展有限公司(g) Zhenjiang Kaisheng Development Co., Ltd. (g)	2013年6月7日 7-Jun-13	20,000	20,000	67.85%	67.82%	物業開發及銷售 Development and sale of properties
蘇州凱拓房地產發展有限公司(g) Suzhou Kaituo Development Co., Ltd. (g)	2013年6月20日 20-Jun-13	128,938	128,938	67.85%	67.82%	物業開發及銷售 Development and sale of properties
蘇州博盛房地產發展有限公司(g) Suzhou Bosheng Development Co., Ltd. (g)	2013年6月20日 20-Jun-13	460,015	460,015	66.85%	75.62%	物業開發及銷售 Development and sale of properties
昇創有限公司(b) Exalt Creation Limited (b)	2013年4月30日 30-Apr-13	—	—	67.85%	67.82%	投資公司 Investment company
蘇州新城創盛置業有限公司 SUZHOU FUTURE LAND CHUANGSHENG PROPERTY CO., LTD.	2013年7月1日 1-Jul-13	21,000	21,000	67.45%	66.82%	物業開發及銷售 Development and sale of properties
香港鼎盛發展有限公司(b) HONG KONG FLOURISHING DEVELOPMENT Limited (b)	2013年7月16日 16-Jul-13	—	—	67.85%	67.82%	投資公司 Investment company
香港恒宇發展有限公司(b) HONG KONG PERPETUAL DEVELOPMENT LIMITED (b)	2013年7月16日 16-Jul-13	—	—	67.85%	67.82%	投資公司 Investment company

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
蘇州吾悅商業管理有限公司 Suzhou Injoy Commercial Management Co., Ltd.	2013年7月19日 19-Jul-13	5,000	5,000	67.52%	67.49%	百貨商店管理 Department store management
茂源控股有限公司 Flourish Source Holdings Limited	2013年9月27日 27-Sep-13	–	–	67.85%	67.82%	投資公司 Investment company
杭州新城創宏房地產開發有限公司 Hangzhou Future Land Chuanghong Real Estate Development Co., Ltd.	2013年9月27日 27-Sep-13	30,000	30,000	67.52%	67.49%	物業開發及銷售 Development and sale of properties
杭州新城鼎宏房地產開發有限公司 Hangzhou Future Land Dinghong Real Estate Development Co., Ltd.	2013年10月8日 8-Oct-13	356,500	356,500	67.43%	67.40%	物業開發及銷售 Development and sale of properties
張家港鼎盛房地產有限公司(g) Zhangjiagang Dingsheng Real Estate Co., Ltd. (g)	2013年10月25日 25-Oct-13	11,424	11,424	67.85%	67.82%	物業開發及銷售 Development and sale of properties
優力有限公司 Aceled Limited	2013年11月1日 1-Nov-13	–	–	67.85%	67.82%	物業開發及銷售 Investment company
丹陽新城宏盛房地產發展有限公司(g) Danyang Future Land Hongsheng Real Estate Development Co., Ltd. (g)	2013年11月5日 5-Nov-13	20,000	20,000	67.85%	67.82%	物業開發及銷售 Development and sale of properties
杭州新城創盛房地產開發有限公司 Hangzhou Future Land Chuangsheng Real Estate Development Co., Ltd.	2013年11月6日 6-Nov-13	100,000	100,000	67.52%	67.49%	物業開發及銷售 Development and sale of properties
昆山新城萬龍房地產發展有限公司 Kunshan Future Land Wanlong Real Estate Development Co., Ltd.	2013年12月31日 31-Dec-13	10,000	10,000	64.71%	64.69%	物業開發及銷售 Development and sale of properties
上海嘉定華銳置業有限公司 Shanghai Jiading Huarui Real Estate Co., Ltd.	2014年1月9日 9-Jan-14	20,000	20,000	67.07%	64.76%	物業開發及銷售 Development and sale of properties
香港卓盛發展有限公司(b) Hong Kong Excellent Development Limited (b)	2014年1月10日 10-Jan-14	–	–	67.85%	67.82%	投資公司 Investment company
香港益盛發展有限公司(b) Hong Kong Grand Development Limited (b)	2014年1月10日 10-Jan-14	–	–	67.85%	67.82%	投資公司 Investment company
南通新城創置房地產有限公司 Nantong Future Land Chuangzhi Real Estate Co., Ltd.	2014年1月26日 26-Jan-14	850,000	850,000	53.66%	51.81%	物業開發及銷售 Development and sale of properties

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
上海新城松郡房地產有限公司 Shanghai Future Land Songjun Real Estate Development Co., Ltd.	2014年3月13日 13-Mar-14	20,000	20,000	67.07%	64.76%	物業開發及銷售 Development and sale of properties
青島新城創置房地產有限公司 Qingdao Future Land Chuangzhi Real Estate Co., Ltd.	2014年5月15日 15-May-14	600,500	600,500	67.47%	67.44%	物業開發及銷售 Development and sale of properties
香港匯盛發展有限公司(b) Hong Kong Glorious Development Limited (b)	2014年8月22日 22-Aug-14	7,951	7,951	67.52%	67.49%	投資公司 Investment company
上海吾悅投資管理有限公司 Shanghai Injoy Investment Management Co., Ltd.	2014年8月22日 22-Aug-14	10,000	10,000	66.85%	67.49%	投資公司 Investment company
南昌新城悅盛房地產發展有限公司(g) Nanchang Future Land Yuesheng Real Estate Development Co., Ltd. (g)	2014年8月29日 29-Aug-14	9,285	9,285	66.18%	67.82%	物業開發及銷售 Development and sale of properties
武漢新城創置置業有限公司 Wuhan Future Land Chuangzhi Property Co., Ltd.	2014年9月11日 11-Sep-14	10,500	10,500	64.31%	67.49%	物業開發及銷售 Development and sale of properties
香港吾悅發展有限公司(b) Hong Kong Injoy Development Limited (b)	2014年9月12日 12-Sep-14	7,931	7,931	66.85%	67.49%	投資公司 Investment company
香港恒軒發展有限公司(b) Hong Kong Hengxuan Development Limited (b)	2014年9月24日 24-Sep-14	1,036,711	1,036,711	75.14%	75.62%	投資公司 Investment company
長春新城悅盛房地產發展有限公司(g) Changchun Future Land Yuesheng Real Estate Development Co., Ltd. (g)	2014年9月29日 29-Sep-14	20,271	20,271	67.85%	67.82%	物業開發及銷售 Development and sale of properties
香港創隆發展有限公司(b) Hong Kong Chuanglong Development Limited (b)	2014年10月28日 28-Oct-14	-	-	67.85%	67.82%	投資公司 Investment company
丹陽新城吾悅商業管理有限公司 Danyang Future Land Injoy Commercial Management Co., Ltd.	2014年11月14日 14-Nov-14	5,000	5,000	67.85%	67.49%	百貨商店管理 Department store management
張家港新城吾悅商業管理有限公司 Zhangjiagang Future Land Injoy Commercial Management Co., Ltd.	2014年11月20日 20-Nov-14	5,000	5,000	67.85%	67.49%	百貨商店管理 Department store management
安慶新城悅盛房地產發展有限公司 Anqing Future Land Yuesheng Development Co., Ltd.	2014年12月1日 1-Dec-14	90,000	90,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
新城商業管理集團有限公司 Future Land Commercial Management Co., Ltd.	2014年12月2日 2-Dec-14	50,000	50,000	67.85%	67.49%	資產運營及管理 Asset operation and management

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
常州新城宏興商業管理有限公司 Changzhou Future Land Honghao Commercial Management Co., Ltd.	2014年12月5日 5-Dec-14	1,632,000	1,632,000	67.85%	34.41%	資產運營及管理 Asset operation and management
海口新城萬博房地產發展有限公司 Haikou Future Land Wanbo Real Estate Development Co., Ltd.	2015年1月5日 5-Jan-15	90,000	90,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
南京新城萬順房地產有限公司 Nanjing Future Land Wanshun Real Estate Co., Ltd.	2015年1月16日 16-Jan-15	30,000	30,000	67.85%	64.71%	物業開發及銷售 Development and sale of properties
上海松睿房地產開發有限公司 Shanghai Songrui Real Estate Development Co., Ltd.	2015年2月10日 10-Feb-15	10,000	10,000	67.85%	64.76%	物業開發及銷售 Development and sale of properties
南昌新城吾悅商業管理有限公司 Nanchang Future Land Wuyue Business Management Co., Ltd.	2015年3月25日 25-Mar-15	5,000	5,000	67.85%	67.49%	百貨商店管理 Department store management
上海新城創賢房地產有限公司 Shanghai Future Land Chuangxian Real Estate Co., Ltd.	2015年4月1日 1-Apr-15	20,000	20,000	67.85%	64.76%	物業開發及銷售 Development and sale of properties
金壇新城萬博房地產發展有限公司 Jintan Future Land Wanbo Real Estate Development Co., Ltd.	2015年4月10日 10-Apr-15	325,000	325,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
常州新城嘉睿置業有限公司 Changzhou Future Land Jiarui Property Co., Ltd.	2015年4月16日 16-Apr-15	20,000	20,000	67.85%	64.63%	物業開發及銷售 Development and sale of properties
安慶新城吾悅商業管理有限公司 Anqing Future Land Wuyue Business Management Co., Ltd.	2015年4月16日 16-Apr-15	5,000	5,000	67.85%	67.49%	百貨商店管理 Department store management
長春新城吾悅商業管理有限公司 Changchun Future Land Wuyue Business Management Co., Ltd.	2015年5月27日 27-May-15	10,000	10,000	67.85%	67.49%	百貨商店管理 Department store management
永勝創投有限公司 Ever Victory Ventures Limited	2015年5月28日 28-May-15	–	–	67.85%	67.49%	投資公司 Investment company
尊鋒投資有限公司 Premier Point Investments Limited	2015年5月29日 29-May-15	–	–	67.85%	67.49%	投資公司 Investment company
杭州松銘房地產諮詢有限公司 Hangzhou Songming Real Estate Consultancy Co., Ltd.	2015年6月3日 3-Jun-15	5,000	5,000	67.85%	67.40%	諮詢服務 Consulting

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
杭州創隆房地產諮詢有限公司 Hangzhou Chuanglong Real Estate Consultancy Co., Ltd.	2015年6月3日 3-Jun-15	5,000	5,000	67.85%	67.40%	諮詢服務 Consulting
永康企業有限公司 Ever Health Enterprises Limited	2015年6月12日 12-Jun-15	–	–	67.85%	67.49%	投資公司 Investment company
金壇新城吾悅商業管理有限公司 Jintan Future Land Wuyue Business Management Co., Ltd.	2015年6月19日 19-Jun-15	10,000	10,000	67.85%	67.49%	百貨商店管理 Department store management
香港禧盛發展有限公司(b) Hong Kong Xisheng Development Limited (b)	2015年6月19日 19-Jun-15	–	–	67.85%	67.49%	投資公司 Investment company
香港瑞盛發展有限公司(b) Hong Kong Ruisheng Development Limited (b)	2015年6月19日 19-Jun-15	–	–	67.85%	67.49%	投資公司 Investment company
香港澤盛發展有限公司(b) Hong Kong Zesheng Development Limited (b)	2015年6月19日 19-Jun-15	–	–	67.85%	67.49%	投資公司 Investment company
上海嘉牧投資管理有限公司 Shanghai Jiamu Investment Management Co., Ltd.	2015年6月23日 23-Jun-15	586,000	586,000	67.85%	67.49%	諮詢服務 Consulting
杭州新城鼎佳房地產開發有限公司 Hangzhou Future Land Dingjia Real Estate Development Co., Ltd.	2015年6月23日 23-Jun-15	36,750	36,750	67.85%	40.44%	物業開發及銷售 Development and sale of properties
衢州新城萬博房地產發展有限公司 Quzhou Future Land Wanbo Real Estate Development Co., Ltd.	2015年8月6日 6-Aug-15	40,000	40,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
寧波新城萬博房地產發展有限公司 Ningbo Future Land Wanbo Real Estate Development Co., Ltd.	2015年8月3日 3-Aug-15	280,000	280,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
台州市黃岩新城吾悅商業管理有限公司 Taizhou Huangyan Future Land Injoy Real Estate Development Co., Ltd.	2015年6月26日 26-Jun-15	10,000	10,000	67.85%	67.49%	百貨商店管理 Department store management
成都新城吾悅商業管理有限公司 Chengdu Future Land Injoy Business Management Co., Ltd.	2015年8月7日 7-Aug-15	10,000	10,000	67.85%	67.49%	百貨商店管理 Department store management
海口新城吾悅商業管理有限公司(a) Haikou Future Land Injoy Business Management Co., Ltd. (a)	2015年8月5日 5-Aug-15	10,000	10,000	67.85%	67.49%	百貨商店管理 Department store management
桐鄉市新城吾悅商業管理有限公司 Tongxiang Future Land Injoy Business Management Co., Ltd.	2015年9月6日 6-Sep-15	10,000	10,000	67.85%	67.49%	百貨商店管理 Department store management

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寧波新城吾悅商業管理有限公司 Ningbo Future Land Injoy Business Management Co., Ltd.	2015年8月19日 19-Aug-15	10,000	10,000	67.85%	67.49%	百貨商店管理 Department store management
嵊州新城禮盛房地產發展有限公司(g) Shengzhou Future Land Xisheng Real Estate Development Co., Ltd. (g)	2015年8月29日 29-Aug-15	780,000	780,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
鎮江悅盛房地產發展有限公司(g) Zhenjiang Yuesheng Real Estate Development Co., Ltd. (g)	2015年9月11日 11-Sep-15	9,956	9,956	67.85%	67.49%	物業開發及銷售 Development and sale of properties
寧波凱拓房地產發展有限公司(g) Ningbo Kaituo Real Estate Development Co., Ltd. (g)	2015年9月22日 22-Sep-15	280,000	280,000	67.85%	67.82%	物業開發及銷售 Development and sale of properties
桐鄉卓盛房地產發展有限公司(g) Tongxiang Zhuosheng Real Estate Development Co., Ltd. (g)	2015年7月8日 8-Jul-15	404,932	404,932	67.85%	67.82%	物業開發及銷售 Development and sale of properties
南京新城創匯房地產有限公司 Nanjing Future Land Chuanghui Real Estate Co., Ltd.	2015年12月23日 23-Dec-15	30,000	30,000	67.85%	64.71%	物業開發及銷售 Development and sale of properties
武漢鑫瑞隆祥置業有限公司 Wuhan Xinruilongxiang Property Co., Ltd.	2009年7月17日 17-Jul-09	50,000	50,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
上海創澤房地產開發有限公司 Shanghai Chuangze Real Estate Development Co., Ltd.	2015年8月26日 26-Aug-15	10,000	10,000	67.85%	64.76%	物業開發及銷售 Development and sale of properties
上海複域商業經營管理有限公司 Shanghai Fuyu Commercial Operation Management Co., Ltd.	2015年9月24日 24-Sep-15	10,000	10,000	67.85%	64.76%	百貨商店管理 Department store management
上海龍卿房地產開發有限公司 Shanghai Longqing Real Estate Development Co., Ltd.	2015年11月2日 2-Nov-15	10,000	10,000	67.85%	64.76%	物業開發及銷售 Development and sale of properties
上海哈枚房地產開發有限公司 Shanghai Hanmei Real Estate Development Co., Ltd.	2015年11月2日 2-Nov-15	10,000	10,000	67.85%	64.76%	物業開發及銷售 Development and sale of properties
上海拓裕房地產開發有限公司 Shanghai Tuoyu Real Estate Development Co., Ltd.	2015年12月3日 3-Dec-15	10,000	10,000	67.85%	64.76%	物業開發及銷售 Development and sale of properties

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常熟新城創宏房地產有限公司 Changshu Future Land Chuanghong Real Estate Co., Ltd.	2015年7月31日 31-Jul-15	10,000	10,000	67.85%	66.82%	物業開發及銷售 Development and sale of properties
無錫新恒置業有限公司 Wuxi Xinheng Property Co., Ltd.	2011年10月13日 13-Oct-11	20,000	20,000	67.85%	67.41%	物業開發及銷售 Development and sale of properties
杭州新城創佳房地產開發有限公司 Hangzhou Future Land Chuangjia Real Estate Development Co., Ltd.	2015年10月22日 22-Oct-15	50,000	50,000	67.85%	67.40%	物業開發及銷售 Development and sale of properties
濟南天鴻永天房地產開發有限公司 Jinan Tianhong Yongtian Real Estate Development Co., Ltd.	2015年1月6日 6-Jan-15	100,000	100,000	67.85%	67.44%	物業開發及銷售 Development and sale of properties
常州金東方護理院有限公司 Changzhou Jindongfang Huiyuan Co., Ltd.	2015年11月30日 30-Nov-15	30,000	30,000	67.85%	45.24%	護理服務 Care Service
江蘇金東方頤養園置業有限公司 Jiangsu Jindongfang Yiyangyuan Property Co., Ltd.	2011年3月13日 13-Mar-11	500,000	500,000	67.85%	45.24%	物業開發及銷售 Development and sale of properties
常州金東方醫院有限公司 Changzhou Jindongfang Hospital Co., Ltd.	2015年11月30日 30-Nov-15	30,000	30,000	67.85%	45.24%	護理服務 Care Service
蘇州貝嘉房地產諮詢有限公司 Suzhou Beijia Real Estate Consultancy Co., Ltd.	2015年8月12日 12-Aug-15	10,000	10,000	67.85%	66.82%	物業諮詢服務 Properties consulting
杭州創域房地產諮詢有限公司 Hangzhou Chuangyu Real Estate Consultancy Co., Ltd.	2015年11月3日 3-Nov-15	5,000	5,000	67.85%	67.40%	物業諮詢服務 Properties consulting
濟南天鴻永業房地產開發有限公司 Jinan Tianhongyongye Real Estate Development Co., Ltd.	2013年12月12日 12-Dec-13	520,000	520,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
衢州新城吾悅商業管理有限公司 Quzhou Future Land Injoy Business Management Co., Ltd.	2015年12月2日 2-Dec-15	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
常州華誠造價諮詢有限公司 Changzhou Huacheng Cost Consulting Co., Ltd.	2016年1月12日 12-Jan-16	1,000	1,000	67.85%	67.49%	成本諮詢服務 Cost Consulting
深圳市新城創佳房地產開發有限公司 Shenzhen Xinyuchuangjia Real Estate Development Co., Ltd.	2016年7月29日 29-Jul-16	75,000	75,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
上海翼動創業孵化器有限公司 Shanghai Yidong Business Incubator Limited	2016年5月5日 5-May-16	10,000	10,000	67.85%	67.49%	辦公空間租賃 Office space rental

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
義烏新城吾悅商業管理有限公司 Yiwu Future Land Injoy Business Management Co., Ltd.	2016年3月31日 31-Mar-16	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
鎮江新城吾悅商業管理有限公司 Zhenjiang Future Land Injoy Business Management Co., Ltd.	2016年1月18日 18-Jan-16	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
南京新城吾悅商業管理有限公司 Nanjing Future Land Injoy Business Management Co., Ltd.	2016年4月18日 18-Apr-16	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
張家港萬博經營管理有限公司(g) Zhangjiagang Wanbo Operation and Management Co., Ltd. (g)	2016年11月16日 16-Nov-16	10,000	10,000	67.85%	67.82%	百貨商店管理 Department store management
蘇州隆盛吾悅房產經營管理有限公司(g) Suzhou Longsheng Injoy Real Estate Operation and Management Ltd. (g)	2016年11月2日 2-Nov-16	10,000	10,000	67.85%	67.82%	百貨商店管理 Department store management
晉江新城吾悅發展有限公司 Jinjiang Future Land Injoy Development Co., Ltd.	2016年1月4日 4-Jan-16	100,000	100,000	67.85%	67.49%	百貨商店管理 Department store management
如皋吾悅房地產發展有限公司 Rugao Injoy Real Estate Development Co., Ltd.	2016年4月25日 25-Apr-16	20,000	20,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
瑞安市吾悅房地產開發有限公司 Ruian Injoy Real Estate Development Co., Ltd.	2016年8月5日 5-Aug-16	676,480	676,480	67.85%	67.49%	物業開發及銷售 Development and sale of properties
昆明新城吾悅房地產發展有限公司 Kunming Future Land Injoy Real Estate Development Co., Ltd.	2016年10月17日 17-Oct-16	20,000	20,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
臨沂新城吾悅置業有限公司 Linyi Future Land Injoy Property Co., Ltd.	2016年12月12日 12-Dec-16	20,000	20,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
怡堡有限公司(b) Harmonic Castle Limited (b)	2016年6月8日 8-Jun-16	—	—	67.85%	67.49%	投資公司 Investment company
卓曜有限公司(b) Excel Ray Limited (b)	2016年6月10日 10-Jun-16	—	—	67.85%	67.49%	投資公司 Investment company
怡高有限公司(b) Harmonic Goal Limited (b)	2016年6月10日 10-Jun-16	—	—	67.85%	67.49%	投資公司 Investment company

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	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
香港創輝發展有限公司(b) Hong Kong Chuangrong Development Limited (b)	2016年7月22日 22-Jul-16	–	–	67.85%	67.49%	投資公司 Investment company
香港鼎弘發展有限公司(b) Hong Kong Dinghong Development Limited (b)	2016年7月22日 22-Jul-16	–	–	67.85%	67.49%	投資公司 Investment company
香港恒茂發展有限公司(b) Hong Kong Hengpeng Development Limited (b)	2016年7月22日 22-Jul-16	–	–	67.85%	67.49%	投資公司 Investment company
上海意霖房地產開發有限公司 Shanghai Yilin Real Estate Development Co., Ltd.	2016年5月13日 13-May-16	10,000	10,000	67.85%	64.76%	物業開發及銷售 Development and sale of properties
南京匯凱房地產有限公司 Nanjing Huikai Real Estate Co., Ltd.	2015年12月14日 14-Dec-15	10,000	10,000	67.85%	64.71%	物業開發及銷售 Development and sale of properties
杭州新城德佳房地產開發有限公司 Hangzhou Future Land Dejia Real Estate Development Co., Ltd.	2016年2月2日 2-Feb-16	10,200	10,200	67.85%	67.40%	物業開發及銷售 Development and sale of properties
濟南天鴻永益房地產開發有限公司 Jinan Tianhong Yongyi Real Estate Development Co., Ltd.	2016年6月25日 25-Jun-16	700,000	700,000	67.85%	67.44%	物業開發及銷售 Development and sale of properties
濟南新城創置房地產開發有限公司 Jinan Future Land Chuangzhi Real Estate Development Co., Ltd.	2016年4月5日 5-Apr-16	50,500	50,500	67.85%	66.82%	物業開發及銷售 Development and sale of properties
南京新城萬隆房地產有限公司 Nanjing Future Land Wanlong Real Estate Co., Ltd.	2014年4月24日 24-Apr-14	700,000	700,000	67.85%	64.71%	物業開發及銷售 Development and sale of properties
江蘇蘭華投資開發有限公司 Jiangsu Lanhua Investment and Development Co., Ltd.	2009年5月27日 27-May-09	30,000	30,000	67.85%	64.71%	物業開發及銷售 Development and sale of properties
青島市麗洲置業有限公司 Qingdao Lizhou Property Co., Ltd.	2010年9月27日 27-Sep-10	50,000	50,000	67.85%	67.44%	物業開發及銷售 Development and sale of properties
武漢江南印象置業有限公司 Wuhan Jiangnan Yinxiang Property Co., Ltd.	2016年5月9日 9-May-16	20,000	20,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
北京新城創置房地產開發有限公司 Beijing Future Land Chuangzhi Real Estate Development Co., Ltd.	2016年6月23日 23-Jun-16	20,500	20,500	67.85%	65.84%	物業開發及銷售 Development and sale of properties

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廣州鼎佳房地產有限公司 Guangzhou Dingjia Real Estate Co., Ltd.	2016年10月11日 11-Oct-16	10,500	10,500	67.85%	64.28%	物業開發及銷售 Development and sale of properties
合肥新城創宏房地產有限公司 Hefei Future Land Chuanghong Real Estate Co., Ltd.	2016年11月11日 11-Nov-16	50,000	50,000	67.85%	64.71%	物業開發及銷售 Development and sale of properties
杭州南郡房地產諮詢有限公司 Hangzhou Nanjun Real Estate Consultancy Co., Ltd.	2016年9月27日 27-Sep-16	5,000	5,000	67.85%	67.40%	諮詢服務 Consulting
嘉興新城創盛房地產開發有限公司 Jiaxing Future Land Chuangsheng Real Estate Development Co., Ltd.	2016年10月21日 21-Oct-16	100,000	100,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
河北金郡房地產開發有限公司 Hebei Jinjun Real Estate Development Co., Ltd.	2016年11月24日 24-Nov-16	10,000	10,000	67.85%	65.84%	物業開發及銷售 Development and sale of properties
天津新城萬嘉房地產開發有限公司 Tianjin Future Land Wanjia Real Estate Development Co., Ltd.	2016年10月17日 17-Oct-16	1,010,000	1,010,000	67.85%	66.82%	物業開發及銷售 Development and sale of properties
杭州濱匯企業管理有限公司 Hangzhou Binhui Business Management Co., Ltd.	2015年12月29日 29-Dec-15	20	20	67.85%	67.40%	百貨商店管理 Department store management
如皋新城吾悅商業管理有限公司 Rugao Future Land Injoy Business Management Co., Ltd.	2016年8月18日 18-Aug-16	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
嵊州新城吾悅商業管理有限公司 Shengzhou Future Land Injoy Business Management Co., Ltd.	2015年12月3日 3-Dec-15	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
瑞安市吾悅商業管理有限公司 Ruian Injoy Business Management Co., Ltd.	2016年11月14日 14-Nov-16	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
諸暨新城吾悅商業管理有限公司 Zhuji Future Land Injoy Business Management Co., Ltd.	2016年10月17日 17-Oct-16	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
晉江吾悅商業管理有限公司 Jinjiang Wuyue Commercial Management Co., Ltd.	2016年7月20日 20-Jul-16	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
青島新城吾悅商業管理有限公司 Qingdao Future Land Injoy Business Management Co., Ltd.	2016年12月8日 8-Dec-16	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
合肥新城萬弘房地產有限公司 Hefei Future Land Wanhong Real Estate Co., Ltd.	2016年12月27日 27-Dec-16	50,000	50,000	67.85%	67.41%	物業開發及銷售 Development and sale of properties
武漢龍域房地產諮詢有限公司 Wuhan Longyu Real Estate Consultancy Co., Ltd.	2016年1月28日 28-Jan-16	10,000	10,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
龍旺發展有限公司(b) Dragon Boom Developments Limited (b)	2014年7月29日 29-Jul-14	300	300	67.85%	67.49%	投資公司 Investment company
香港景盛發展有限公司(b) Hong Kong Jingsheng Development Limited (b)	2014年9月12日 12-Sep-14	—	—	67.85%	67.49%	投資公司 Investment company
中愛集團有限公司(g) ATL Group Limited (g)	2006年3月21日 21-Mar-06	103	103	67.85%	67.49%	投資公司 Investment company
常州景旭諮詢管理有限公司(g) Changzhou Jingxu Consultancy Co., Ltd. (g)	2014年11月6日 6-Nov-14	2,000	2,000	67.85%	67.49%	諮詢服務 Consulting
上海泉恒企業管理有限公司 Shanghai Quanheng Business Management Co. Ltd.	2017年1月22日 22-Jan-17	10,000	10,000	67.85%	67.49%	資產運營及管理 Asset operation and management
泰興市新城吾悅商業管理有限公司 Taixing Future Land Wuyue Commercial Management Co., Ltd.	2017年4月28日 28-Apr-17	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
平湖新城吾悅商業管理有限公司 Pinghu Future Land Wuyue Commercial Management Co., Ltd.	2017年4月6日 6-Apr-17	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
成都武侯吾悅商業管理有限公司 Chengdu Wuhou Wuyue Commercial Management Co., Ltd.	2017年3月9日 9-Mar-17	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
成都龍泉新城吾悅商業管理有限公司 Chengdu Longquan Future Land Wuyue Commercial Management Co., Ltd.	2017年4月18日 18-Apr-17	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
上海瀚拓房地產開發有限公司 Shanghai Hantuo Real Estate Development Co., Ltd.	2016年10月28日 28-Oct-16	10,000	10,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties

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	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
南昌吾悅房地產開發有限公司(h) Nanchang Injoy Real Estate Development Co., Ltd. (h)	2017年2月24日 24-Feb-17	415,940	415,940	67.85%	67.49%	物業開發及銷售 Development and sale of properties
慈溪新城吾悅房地產開發有限公司 Cixi Future Land Injoy Real Estate Development Co. Ltd.	2017年5月16日 16-May-17	280,000	280,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
淮南新城吾悅房地產開發有限公司 Huainan Future Land Injoy Real Estate Development Co., Ltd.	2017年2月27日 27-Feb-17	100,000	100,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
泰興新城萬博房地產開發有限公司 Taixing Future Land Wanbo Real Estate Development Co., Ltd.	2017年1月4日 4-Jan-17	334,640	334,640	67.85%	67.49%	物業開發及銷售 Development and sale of properties
南寧新城吾悅房地產開發有限公司 Nanning Injoy Real Estate Development Co., Ltd.	2017年3月6日 6-Mar-17	192,490	2,490	67.85%	67.49%	物業開發及銷售 Development and sale of properties
玉環新城吾悅房地產開發有限公司 Yuhuan Future Land Injoy Real Estate Development Co., Ltd.	2017年2月17日 17-Feb-17	200,000	200,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
上饒新城吾悅房地產發展有限公司 Shangrao Future Land Injoy Real Estate Development Co., Ltd.	2017年6月26日 26-Jun-17	50,000	50,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
長沙吾悅房地產開發有限公司 Changsha Injoy Real Estate Development Co., Ltd.	2017年3月13日 13-Mar-17	50,000	50,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
長沙凱拓房地產開發有限公司 Changsha Kaituo Real Estate Development Co. Ltd.	2017年6月26日 26-Jun-17	876,540	876,540	67.85%	67.49%	物業開發及銷售 Development and sale of properties
鄭州隆城吾悅房地產開發有限公司 Zhengzhou Longcheng Injoy Real Estate Development Co., Ltd.	2016年12月19日 19-Dec-16	150,000	150,000	67.85%	34.42%	物業開發及銷售 Development and sale of properties
西安新城吾悅房地產開發有限公司 Xi'an Future Land Injoy Real Estate Development Co. Ltd.	2017年4月25日 25-Apr-17	100,000	100,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
新城環球有限公司 New Metro Global Limited	2017年3月10日 10-Mar-17	—	—	67.85%	67.49%	投資公司 Investment company
香港譽盛發展有限公司(b) Hong Kong Yusheng Development Co., Ltd. (b)	2017年2月8日 08-Feb-17	—	—	67.85%	67.49%	投資公司 Investment company

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香港恒啟發展有限公司(b) HONG KONG HENGQI DEVELOPMENT Limited (b)	2017年2月8日 8-Feb-17	–	–	67.85%	67.49%	投資公司 Investment company
香港創錦發展有限公司(b) HONG KONG CHUANGJIN DEVELOPMENT Limited (b)	2017年2月20日 20-Feb-17	–	–	67.85%	67.49%	投資公司 Investment company
香港創賢發展有限公司(b) HONG KONG CHUANGXIAN DEVELOPMENT Limited (b)	2017年2月20日 20-Feb-17	–	–	67.85%	67.49%	投資公司 Investment company
香港創坤發展有限公司(b) Hong Kong Chuangkun Development Co., Ltd. (b)	2017年2月20日 20-Feb-17	–	–	67.85%	67.49%	投資公司 Investment company
啟東市新城萬博房地產開發有限公司 Qidong Future Land Wanbo Real Estate Development Co., Ltd.	2017年1月6日 6-Jan-17	1,000,000	1,000,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
啟東市鼎泓供應鏈管理有限公司(g) Qidong Dinghong Supply Chain Management Co. Ltd. (g)	2017年5月10日 10-May-17	27,300	27,300	67.85%	67.49%	資產運營及管理 Asset operation and management
吳江恒力地產有限公司 Wujiang Hengli Real Estate Co., Ltd.	2012年5月16日 16-May-12	208,160	208,160	67.85%	34.42%	物業開發及銷售 Development and sale of properties
江蘇美露投資有限公司 Jiangsu Meilu Investment Co., Ltd.	2006年6月1日 1-Jun-06	141,060	141,060	67.85%	66.82%	物業開發及銷售 Development and sale of properties
濟南榮建置業有限公司 Jinan Rongjian Property Co. Ltd.	2014年12月5日 5-Dec-14	235,000	235,000	67.85%	66.82%	物業開發及銷售 Development and sale of properties
余姚新城藍達置業有限公司 Yuyao Future Land Landa Property Co. Ltd.	2017年5月26日 26-May-17	10,000	10,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
北京新城萬隆房地產開發有限公司 Beijing Future Land Wanlong Real Estate Development Co., Ltd.	2017年1月22日 22-Jan-17	10,000	10,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
合肥新城創置房地產有限公司 Hefei Future Land Chuangzhi Real Estate Co., Ltd.	2017年3月29日 29-Mar-17	20,500	20,500	67.85%	65.84%	物業開發及銷售 Development and sale of properties
西安新城萬嘉房地產開發有限公司 Xi'an Future Land Wanjia Real Estate Development Co., Ltd.	2017年6月8日 8-Jun-17	10,500	10,500	67.85%	64.28%	物業開發及銷售 Development and sale of properties

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成都市常鑫房地產開發有限公司(a) Chengdu Changxin Real Estate Development Co., Ltd (a)	2017年4月20日 20-Apr-17	10,000	10,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
天津新城創佳房地產開發有限公司 Tianjin Future Land Chuangjia Real Estate Development Co., Ltd.	2016年12月28日 28-Dec-16	400,000	400,000	67.85%	66.82%	物業開發及銷售 Development and sale of properties
天津新城創置房地產開發有限公司 Tianjin Future Land Chuangzhi Real Estate Development Co., Ltd.	2016年12月26日 26-Dec-16	50,000	50,000	67.85%	66.82%	物業開發及銷售 Development and sale of properties
天津新城創宏房地產開發有限公司 Tianjin Future Land Chuanghong Real Estate Development Co. Ltd.	2017年3月24日 24-Mar-17	50,000	50,000	67.85%	66.82%	物業開發及銷售 Development and sale of properties
天津新城創恒房地產開發有限公司 Tianjin Future Land Chuangheng Real Estate Development Co. Ltd.	2017年4月26日 26-Apr-17	50,000	50,000	67.85%	66.82%	物業開發及銷售 Development and sale of properties
天津新城創盛房地產開發有限公司 Tianjin Future Land Chuangsheng Real Estate Development Co. Ltd.	2017年4月26日 26-Apr-17	50,000	50,000	67.85%	66.82%	物業開發及銷售 Development and sale of properties
天津新城金都房地產開發有限公司 Tianjin Future Land Jinjun Real Estate Development Co. Ltd.	2017年4月26日 26-Apr-17	50,000	50,000	67.85%	66.82%	物業開發及銷售 Development and sale of properties
長沙悅安廣置業有限公司 Changsha Yuean Guangsha Property Co., Ltd.	2017年1月19日 19-Jan-17	10,000	10,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
上海松璞房地產開發有限公司 Shanghai Songpu Real Estate Development Co. Ltd.	2017年2月20日 20-Feb-17	10,000	10,000	67.85%	64.76%	物業開發及銷售 Development and sale of properties
宿遷力達置業有限公司 Suqian Lida Property Co., Ltd.	2009年5月27日 27-May-09	50,000	50,000	67.85%	64.71%	物業開發及銷售 Development and sale of properties
宿遷新城恒力房地產有限公司 Suqian Future Land Hengli Real Estate Co., Ltd.	2017年6月2日 2-Jun-17	50,000	50,000	67.85%	64.71%	物業開發及銷售 Development and sale of properties
南京匯京房地產有限公司 Nanjing Huijing Real Estate Co. Ltd.	2016年8月25日 25-Aug-16	10,000	10,000	67.85%	64.71%	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
鎮江領尚房地產有限公司 Zhenjiang Lingshang Real Estate Co., Ltd.	2012年4月18日 18-Apr-12	10,000	10,000	67.85%	64.71%	物業開發及銷售 Development and sale of properties
蘇州新城萬瑞房地產有限公司 Suzhou Future Land Wanrui Real Estate Co., Ltd.	2014年8月14日 14-Aug-14	296,875	296,875	67.85%	66.82%	物業開發及銷售 Development and sale of properties
泰州開泰汽車城發展有限公司 Taizhou Motor City Development Co., Ltd.	2004年3月11日 11-Mar-04	122,000	122,000	67.85%	66.82%	物業開發及銷售 Development and sale of properties
孝感環悅房地產開發有限公司 Xiaogan Jingyue Real Estate Development Co., Ltd.	2017年7月6日 6-Jul-17	10,000	10,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
湖北省粵華房地產開發有限公司 Hubei Yuehua Real Estate Development Co., Ltd.	2014年4月17日 17-Apr-14	10,000	10,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
平湖創錦房地產有限公司 Pinghu Chuangjin Real Estate Co., Ltd.	2017年8月16日 16-Aug-17	20,000	20,000	67.85%	64.76%	物業開發及銷售 Development and sale of properties
湖州新城鼎佳房地產開發有限公司 Huzhou Future Land Dingjia Real Estate Development Co., Ltd.	2017年7月20日 20-Jul-17	50,000	50,000	67.85%	67.40%	物業開發及銷售 Development and sale of properties
鄂州新城創盛置業有限公司 Ezhou Future Land Chuangsheng Property Co., Ltd.	2017年8月15日 15-Aug-17	10,000	10,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
齊河縣新城創置房地產開發有限公司 Qihe Future Land Chuangzhi Real Estate Development Co., Ltd.	2017年7月28日 28-Jul-17	350,000	350,000	67.85%	66.82%	物業開發及銷售 Development and sale of properties
佛山鼎圖房地產有限公司 Foshan Dingtu Real Estate Co., Ltd.	2017年4月25日 25-Apr-17	1,100,000	1,100,000	67.85%	32.14%	物業開發及銷售 Development and sale of properties
重慶新城萬嘉企業管理有限公司 Chongqing Future Land Wanjia Enterprise Management Co., Ltd.	2017年7月31日 31-Jul-17	10,500	10,500	67.85%	64.28%	百貨商店管理 Department store management
重慶龍卿企業管理有限公司 Chongqing Longqin Enterprise Management Co., Ltd.	2017年8月23日 23-Aug-17	10,000	10,000	67.85%	64.28%	百貨商店管理 Department store management

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
西安創樾房地產開發有限公司 Xi'an Chuangyue Real Estate Development Co., Ltd.	2017年7月20日 20-Jul-17	10,000	10,000	67.85%	64.28%	物業開發及銷售 Development and sale of properties
鄭州新城創恒房地產開發有限公司 Zhengzhou Future Land Chuangheng Real Estate Development Co., Ltd.	2017年7月28日 28-Jul-17	10,500	10,500	67.85%	64.28%	物業開發及銷售 Development and sale of properties
句容萬博房地產開發有限公司 Jurong Wanbo Real Estate Development Co., Ltd.	2017年2月28日 28-Feb-17	500,000	500,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
仙居悅盛房地產開發有限公司 Xianju Yuesheng Real Estate Development Co., Ltd.	2017年7月11日 11-Jul-17	500,000	500,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
欽州新城萬博房地產開發有限公司 Qinzhou Future Land Wanbo Real Estate Development Co., Ltd.	2017年8月17日 17-Aug-17	500,000	500,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
西安新城萬博房地產開發有限公司 Xian Future Land Wanbo Real Estate Development Co., Ltd.	2017年6月19日 19-Jun-17	100,000	100,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
連雲港新城萬博房地產開發有限公司 Lianyungang Future Land Wanbo Real Estate Development Co., Ltd.	2017年8月16日 16-Aug-17	500,000	500,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
寶雞新城萬博房地產開發有限公司 Baoji Future Land Wanbo Real Estate Development Co., Ltd.	2017年8月18日 18-Aug-17	100,000	100,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
衢州萬博房產經營管理有限公司 Quzhou Wanbo Real Estate Management Ltd.	2017年9月20日 20-Sep-17	10,000	10,000	67.85%	67.49%	百貨商店管理 Department store management
海口新城萬博房地產經營管理有限公司(a) Haikou Future Land Wanbo Real Estate Management Ltd. (a)	2017年9月20日 20-Sep-17	10,000	10,000	67.85%	67.49%	百貨商店管理 Department store management
青島萬博吾悅商業管理有限公司 Qingdao Wanbo Wuyue Commercial Management Co., Ltd.	2017年11月17日 17-Nov-17	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
啟東市新城吾悅商業管理有限公司 Qidong Future Land Wuyue Commercial Management Co., Ltd.	2017年5月9日 9-May-17	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
揚州新城吾悅商業管理有限公司 Yangzhou Future Land Injoy Commercial Management Co., Ltd.	2017年2月9日 9-Feb-17	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
句容吾悅商業管理有限公司 Jurong Wuyue Commercial Management Co., Ltd.	2017年9月25日 25-Sep-17	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
昆山新城吾悅商業管理有限公司 Kunshan Future Land Wuyue Commercial Management Co., Ltd.	2017年10月10日 10-Oct-17	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
臨沂新城吾悅商業管理有限公司 Linyi Future Land Wuyue Commercial Management Co., Ltd.	2017年6月19日 19-Jun-17	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
天津津南吾悅商業管理有限公司 Tianjin Jinnan Wuyue Commercial Management Co., Ltd.	2017年5月2日 2-May-17	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
渭南新城吾悅商業管理有限公司 Weinan Future Land Wuyue Commercial Management Co., Ltd.	2017年6月23日 23-Jun-17	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
常州新城創賢房地產開發有限公司 Changzhou Future Land Chuangxian Real Estate Development Co., Ltd.	2017年9月6日 6-Sep-17	20,000	20,000	67.85%	64.63%	物業開發及銷售 Development and sale of properties
常州新城創宏房地產開發有限公司 Changzhou Future Land Chuanghong Real Estate Development Co., Ltd.	2017年9月7日 7-Sep-17	20,000	20,000	67.85%	64.63%	物業開發及銷售 Development and sale of properties
淮安融橋置業有限公司 Huainan Rongqiao Property Co., Ltd.	2010年7月2日 2-Jul-10	20,000	20,000	67.85%	64.71%	物業開發及銷售 Development and sale of properties
齊河坤新置業有限公司 Qihe Kunxin Property Co., Ltd.	2017年9月4日 4-Sep-17	450,000	450,000	67.85%	66.82%	物業開發及銷售 Development and sale of properties
濟南創佳房地產開發有限公司 Jinan Chuangjia Real Estate Development Co., Ltd.	2017年9月19日 19-Sep-17	50,000	50,000	67.85%	66.82%	物業開發及銷售 Development and sale of properties
武漢金冠置業有限公司 Wuhan Jinguang Property Co., Ltd.	2011年6月7日 7-Jun-11	3,000	3,000	67.85%	34.42%	物業開發及銷售 Development and sale of properties

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	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
廣州鼎悅房地產有限公司 Guangzhou Dingyue Real Estate Co., Ltd.	2017年8月30日 30-Aug-17	10,000	10,000	67.85%	64.28%	物業開發及銷售 Development and sale of properties
重慶錦卿企業管理有限公司 Chongqing Jinqing Enterprise Management Co., Ltd.	2017年9月26日 26-Sep-17	10,000	10,000	67.85%	64.28%	百貨商店管理 Department store management
重慶爾諾企業管理有限公司 Chongqing Erkai Enterprise Management Co., Ltd.	2017年9月27日 27-Sep-17	10,000	10,000	67.85%	64.28%	百貨商店管理 Department store management
重慶隆爵企業管理有限公司 Chongqing Longjue Enterprise Management Co., Ltd.	2017年9月29日 29-Sep-17	10,000	10,000	67.85%	64.28%	百貨商店管理 Department store management
重慶幻諾企業管理有限公司 Chongqing Huankai Enterprise Management Co., Ltd.	2017年10月10日 10-Oct-17	10,000	10,000	67.85%	64.28%	百貨商店管理 Department store management
成都新始於城房地產開發有限公司 Chengdu Xinshiyucheng Real Estate Development Co., Ltd.	2017年9月21日 21-Sep-17	10,000	10,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
成都新火燎原房地產開發有限公司 Chengdu Xinhuaoyaoyuan Real Estate Development Co., Ltd.	2017年9月26日 26-Sep-17	10,000	10,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
蘇州聿智房地產諮詢有限公司 Suzhou Yuzhi Real Estate Consultancy Co., Ltd.	2017年7月7日 7-Jul-17	200,000	200,000	67.85%	66.82%	百貨商店管理 Department store management
蘇州升博房地產諮詢有限公司 Suzhou Shengbo Real Estate Consultancy Co., Ltd.	2017年7月7日 7-Jul-17	150,000	150,000	67.85%	66.82%	百貨商店管理 Department store management
杭州新城美佳房地產開發有限公司 Hangzhou Future Land Meijia Real Estate Development Co., Ltd.	2017年9月26日 26-Sep-17	100,000	100,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
湘潭和宇置業有限公司 Xiangtan Heyu Property Co., Ltd.	2009年12月2日 2-Dec-09	50,000	50,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
南寧新城吾悅商業管理有限公司 Nanning Future Land Wuyue Commercial Management Co., Ltd.	2017年7月3日 3-Jul-17	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management

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	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
西安灃東新城吾悅商業管理有限公司 Xi'an Fengdong Future Land Wuyue Commercial Management Co., Ltd.	2017年6月28日 28-Jun-17	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
昆明吾悅商業管理有限公司 Kuming Wuyue Commercial Management Co., Ltd.	2017年5月8日 8-May-17	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
南京河西吾悅商業管理有限公司 Nanjing Hexi Wuyue Commercial Management Co., Ltd.	2017年7月7日 7-Jul-17	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
台州玉環新城吾悅商業管理有限公司 Taizhou Yuhuan Future Land Wuyue Commercial Management Co., Ltd.	2017年7月5日 5-Jul-17	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
淮南新城吾悅商業管理有限公司 Huainan Future Land Wuyue Commercial Management Co., Ltd.	2017年7月7日 7-Jul-17	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
南昌吾悅商業管理有限公司 Nanchang Injoy Business Management Co., Ltd.	2017年7月20日 20-Jul-17	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
上饒市新城吾悅商業管理有限公司 Shangrao Future Land Wuyue Commercial Management Co., Ltd.	2017年8月30日 30-Aug-17	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
仙居新城吾悅商業管理有限公司 Xianju Future Land Wuyue Commercial Management Co., Ltd.	2017年10月19日 19-Oct-17	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
慈溪新城吾悅商業管理有限公司 Cixi Future Land Wuyue Commercial Management Co., Ltd.	2017年8月7日 7-Aug-17	1,000	1,000	67.85%	67.49%	百貨商店管理 Department store management
淮安新城紅悅房地產開發有限公司 Huain Future Land Hongyue Real Estate Development Co., Ltd.	2017年11月1日 1-Nov-17	300,000	300,000	67.85%	64.71%	物業開發及銷售 Development and sale of properties
蘇州城弘房地產開發有限公司 Suzhou Chenghong Real Estate Development Co., Ltd.	2015年11月26日 26-Nov-15	40,000	40,000	67.85%	33.41%	物業開發及銷售 Development and sale of properties
蘇州創瑞房地產諮詢有限公司 Suzhou Chuangrui Real Estate Consultancy Co., Ltd.	2017年7月7日 7-Jul-17	61,200	61,200	67.85%	66.82%	百貨商店管理 Department store management

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	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
蘇州升益房地產信息諮詢有限公司 Suzhou Shengyi Real Estate Information Consultancy Co., Ltd.	2017年8月15日 15-Aug-17	50,000	50,000	67.85%	66.82%	百貨商店管理 Department store management
湖南中坤置業有限公司 Hunan Zhongkun Property Co., Ltd.	2003年6月3日 3-Jun-03	30,000	30,000	67.85%	60.74%	物業開發及銷售 Development and sale of properties
東莞市星城際投資有限公司 Dongguan Xingchengji Investment Co., Ltd.	2014年7月23日 23-Jul-14	10,000	10,000	67.85%	48.21%	物業開發及銷售 Development and sale of properties
綠地集團成都申新置業有限公司 Greenland Group Chengdu Shenxin Property Co. Ltd.	2017年11月28日 28-Nov-17	265,000	265,000	67.85%	33.75%	物業開發及銷售 Development and sale of properties
上海青卓房地產開發有限公司 Shanghai Qingzhuo Real Estate Development Co., Ltd.	2016年12月20日 20-Dec-16	1,000	–	67.85%	64.76%	物業開發及銷售 Development and sale of properties
啟東碧和房地產開發有限公司(h) Qidong Bihe Real Estate Development Co., Ltd. (h)	2017年10月27日 27-Oct-17	1,500,000	1,500,000	67.85%	22.84%	物業開發及銷售 Development and sale of properties
金華新城創域房地產開發有限公司 Jinhua Future Land Chuangyu Real Estate Development Co., Ltd.	2017年12月1日 1-Dec-17	125,000	125,000	67.85%	53.92%	物業開發及銷售 Development and sale of properties
濟南和怡昌置業有限公司 Jinan Heyichang Property Co., Ltd.	2016年12月19日 19-Dec-16	404,000	404,000	67.85%	33.41%	物業開發及銷售 Development and sale of properties
博羅信德實業有限公司(a) Boluo Xinde Industry Co., Ltd. (a)	2011年2月23日 23-Feb-11	1,500	1,500	67.85%	51.42%	物業開發及銷售 Development and sale of properties
成都市津地房地產開發有限公司 Chengdu Jindi Real Estate Development Co., Ltd.	2017年10月19日 19-Oct-17	167,827	167,827	67.85%	53.99%	物業開發及銷售 Development and sale of properties
成都市津城房地產開發有限公司 Chengdu Jincheng Real Estate Development Co., Ltd.	2017年10月19日 19-Oct-17	153,131	153,131	67.85%	53.99%	物業開發及銷售 Development and sale of properties
西安新拓房地產開發有限公司 Xian Xintuo Real Estate Development Co., Ltd.	2017年10月29日 29-Oct-17	10,000	–	67.85%	64.28%	物業開發及銷售 Development and sale of properties

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
西安新錦樞房地產開發有限公司 Xian New Jinyue Real Estate Development Co., Ltd.	2017年12月12日 12-Dec-17	10,000	–	67.85%	32.78%	物業開發及銷售 Development and sale of properties
成都萬新置業有限公司 Chengdu Wanxin Property Co. Ltd.	2017年11月22日 22-Nov-17	500,000	318,698	67.85%	33.75%	物業開發及銷售 Development and sale of properties
滄州浩銘置業房地產開發有限公司 Cangzhou Haoming Chuangzhi Real Estate Development Co., Ltd.	2017年8月17日 17-Aug-17	800,000	800,000	67.85%	46.78%	物業開發及銷售 Development and sale of properties
重慶吾悅房地產開發有限公司(a) Chongqing Injoy Real Estate Development Co., Ltd. (a)	2017年10月26日 26-Oct-17	50,000	50,000	67.85%	64.76%	物業開發及銷售 Development and sale of properties
常州金壇萬博房地產經營管理有限公司 Changzhou Jintan Wanbo Real Estate Management Co., Ltd.	2017年10月13日 13-Oct-17	10,000	10,000	67.85%	67.49%	物業開發及銷售 Development and sale of properties
瀋陽吾悅創盛房地產開發有限公司(g) Liyang Wuyue Chuangsheng Real Estate Development Co., Ltd. (g)	2017年12月4日 4-Dec-17	327,060	327,060	67.85%	67.49%	物業開發及銷售 Development and sale of properties
漢中新城萬博房地產開發有限公司 Hanzhong Future Land Wanbo Real Estate Development Co., Ltd.	2017年10月12日 12-Oct-17	100,000	–	67.85%	67.49%	物業開發及銷售 Development and sale of properties
太原新城盛華房地產開發有限公司 Taiyuan Future Land Shenghua Real Estate Development Co., Ltd.	2017年8月2日 2-Aug-17	10,000	–	67.85%	64.12%	物業開發及銷售 Development and sale of properties
香港創澤發展有限公司(b) HONG KONG CHUANGZE DEVELOPMENT LIMITED (b)	2017年2月20日 20-Feb-17	–	–	67.85%	67.49%	百貨商店管理 Department store management
寶聯祥和貿易有限公司(g) Baoji Luhe Trading Co., Ltd. (g)	2017年12月12日 12-Dec-17	65,412	65,412	67.85%	67.49%	百貨商店管理 Department store management
長春新城萬博房地產開發有限公司 Changchun Future Land Wanbo Real Estate Development Co., Ltd.	2017年12月25日 25-Dec-17	50,000	50,000	67.85%	67.82%	物業開發及銷售 Development and sale of properties
杭州萬照置業有限公司(c) Hangzhou Wanzhao Property Co., Ltd. (c)	2015年11月18日 18-Nov-15	10,000	10,000	22.92%	21.97%	物業開發及銷售 Development and sale of properties

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杭州嘉浩房地產開發有限公司(c) Hangzhou Jiahao Real Estate Development Co., Ltd. (c)	2011年10月28日 28-Oct-11	300,000	300,000	43.83%	43.81%	物業開發及銷售 Development and sale of properties
南京匯隆房地產有限公司(c) Nanjing Huilong Real Estate Co., Ltd. (c)	2016年8月29日 29-Aug-16	1,500,000	1,500,000	22.00%	22.00%	物業開發及銷售 Development and sale of properties
成都新城萬博房地產開發有限公司 Chengdu Future Land Wanbo Real Estate Development Co., Ltd.	2015年4月8日 8-Apr-15	100,000	100,000	66.85%	67.49%	物業開發及銷售 Development and sale of properties
上海橙崧公寓管理有限公司 Shanghai Chengsong Apartment Management Co., Ltd.	2018年6月20日 20-Jun-18	10,000	10,000	67.52%	67.49%	百貨商店管理 Department store management
南京新城創錦房地產有限公司 Nanjing Future Land Chuangjin Real Estate Co., Ltd.	2015年11月25日 25-Nov-15	670,000	670,000	64.73%	64.71%	物業開發及銷售 Development and sale of properties
徐州新城創域房地產有限公司 Xuzhou Future Land Chuangyu Real Estate Co., Ltd.	2017年12月19日 19-Dec-17	30,000	500	63.67%	64.71%	物業開發及銷售 Development and sale of properties
鎮江新城億緯房地產開發有限公司(c) Zhenjiang Future Land Yiwei Real Estate Development Co., Ltd. (c)	2018年2月6日 6-Feb-18	20,000	20,000	32.37%	32.35%	物業開發及銷售 Development and sale of properties
南京萬拓房地產有限公司 Nanjing Wantuo Real Estate Co., Ltd.	2017年1月24日 24-Jan-17	10,000	–	64.73%	64.71%	物業開發及銷售 Development and sale of properties
淮安新城億祥房地產開發有限公司(h) Huai'an Future Land Yixiang Real Estate Development Co., Ltd. (h)	2018年5月9日 9-May-18	299,923	299,923	71.62%	72.25%	物業開發及銷售 Development and sale of properties
淮安新城億祿房地產有限公司(h) Huai'an Future Land Yilu Real Estate Co., Ltd. (h)	2018年8月13日 13-Aug-18	140,041	140,041	65.76%	66.06%	物業開發及銷售 Development and sale of properties
鎮江新城億宏房地產開發有限公司 Zhenjiang Future Land Yihong Real Estate Development Co., Ltd.	2018年8月24日 24-Aug-18	1,000,000	1,000,000	51.78%	51.77%	物業開發及銷售 Development and sale of properties
張家港市創宏房地產開發有限公司 Zhangjiagang Chuanghong Real Estate Development Co., Ltd.	2017年12月7日 7-Dec-17	37,200	37,200	67.45%	66.82%	物業開發及銷售 Development and sale of properties

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張家港志成房地產開發有限公司(c) Zhangjiagang Zhicheng Real Estate Development Co., Ltd. (c)	2017年7月18日 18-Jul-17	648,970	648,970	21.15%	20.95%	物業開發及銷售 Development and sale of properties
鹽城新城億盛房地產開發有限公司 Yancheng Future Land Yisheng Real Estate Development Co., Ltd.	2018年2月5日 5-Feb-18	250,000	250,000	67.45%	66.82%	物業開發及銷售 Development and sale of properties
江蘇通佳置業有限公司(c) Jiangsu Tongjia Property Co., Ltd. (c)	2018年2月2日 2-Feb-18	400,000	400,000	34.40%	34.08%	物業開發及銷售 Development and sale of properties
鹽城新城億佳房地產開發有限公司 Yancheng Future Land Yijia Real Estate Development Co., Ltd.	2018年4月18日 18-Apr-18	388,000	388,000	71.37%	71.35%	物業開發及銷售 Development and sale of properties
蘇州翼客孵化器管理有限公司 Suzhou Yike Incubator Management Co, Ltd	2017年9月22日 22-Sep-17	3,000	3,000	67.52%	67.49%	百貨商店管理 Department store management
如皋市億晟房地產有限公司(a)(c) Rugao Yisheng Real Estate Co., Ltd. (a)(c)	2018年5月14日 14-May-18	408,170	408,170	33.58%	19.39%	物業開發及銷售 Development and sale of properties
蘇州億崑聖房地產開發有限公司(c) Suzhou Yisong Weisheng Real Estate Development Co., Ltd. (c)	2018年6月11日 11-Jun-18	670,000	670,000	47.22%	46.78%	物業開發及銷售 Development and sale of properties
常熟市津城房地產開發有限公司(a)(c) Changshu Jincheng Real Estate Development Co., Ltd. (a)(c)	2018年7月12日 12-Jul-18	803,300	803,300	34.40%	34.08%	物業開發及銷售 Development and sale of properties
常州新城億欣房地產開發有限公司 Changzhou Future Land Yixin Real Estate Development Co., Ltd.	2018年3月12日 12-Mar-18	370,370	370,370	71.60%	71.58%	物業開發及銷售 Development and sale of properties
常州興都房地產開發有限公司 Changzhou Xingdu Real Estate Development Co., Ltd.	2007年10月30日 30-Oct-07	20,000	20,000	56.89%	56.87%	物業開發及銷售 Development and sale of properties
常州君德投資有限公司(c) Changzhou Junde Investment Co., Ltd. (c)	2009年10月26日 26-Oct-09	400,000	400,000	48.49%	48.47%	百貨商店管理 Department store management
常州新城億泉企業管理有限公司 Changzhou Future Land Qihao Enterprise Management Co., Ltd.	2018年7月26日 26-Jul-18	20,000	20,000	64.65%	64.63%	百貨商店管理 Department store management

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	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
常州新城億凱企業管理有限公司 Changzhou Future Land Yikai Enterprise Management Co., Ltd.	2018年7月27日 27-Jul-18	20,000	20,000	64.65%	64.63%	百貨商店管理 Department store management
常州新城億捷房地產開發有限公司(h) Changzhou Future Land Yijie Real Estate Development Co., Ltd. (h)	2018年11月28日 28-Nov-18	1,092,629	1,092,629	55.49%	34.13%	物業開發及銷售 Development and sale of properties
沈陽碧新房地產開發有限公司(c) Shuyang Bixin Real Estate Development Co., Ltd. (c)	2018年1月2日 2-Jan-18	240,000	240,000	32.36%	32.35%	物業開發及銷售 Development and sale of properties
宿遷新城億盛房地產有限公司(c) Suqian Future Land Yisheng Real Estate Co., Ltd. (c)	2018年7月30日 30-Jul-18	600,000	600,000	38.20%	38.82%	物業開發及銷售 Development and sale of properties
宿遷新城億輝房地產有限公司 Suqian Future Land Yihui Real Estate Co., Ltd.	2018年8月6日 6-Aug-18	143,660	143,660	70.57%	71.41%	物業開發及銷售 Development and sale of properties
徐州新城億恒房地產開發有限公司(c) Xuzhou Future Land Yiheng Real Estate Development Co., Ltd. (c)	2018年11月29日 29-Nov-18	1,205,000	1,205,000	38.20%	38.82%	物業開發及銷售 Development and sale of properties
上海欽波置業有限公司 Shanghai Qinbo Property Co., Ltd.	2017年12月20日 20-Dec-17	20,000	–	67.07%	64.76%	物業開發及銷售 Development and sale of properties
上海麥騰置業有限公司 Shanghai Maipeng Property Co., Ltd.	2017年12月19日 19-Dec-17	20,000	–	67.07%	64.76%	物業開發及銷售 Development and sale of properties
平湖億瑞房地產開發有限公司 Pinghu Yirui Real Estate Development Co., Ltd.	2018年5月23日 23-May-18	97,710	97,710	73.33%	71.45%	物業開發及銷售 Development and sale of properties
台州新城億仁房地產開發有限公司 Taizhou Future Land Yiren Real Estate Development Co., Ltd.	2018年7月24日 24-Jul-18	5,000	–	61.38%	61.36%	物業開發及銷售 Development and sale of properties
台州新城億旭房地產開發有限公司(c) Taizhou Future Land Yixu Real Estate Development Co., Ltd. (c)	2018年8月15日 15-Aug-18	400,000	400,000	42.97%	42.95%	物業開發及銷售 Development and sale of properties
湖州新城億瑞房地產開發有限公司 Huzhou Future Land Yirui Real Estate Development Co., Ltd.	2018年4月26日 26-Apr-18	100,000	100,000	67.52%	67.49%	物業開發及銷售 Development and sale of properties

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
湖州碧旭房地產開發有限公司(c) Huzhou Bixu Real Estate Development Co., Ltd. (c)	2018年6月8日 8-Jun-18	20,000	–	33.71%	33.70%	物業開發及銷售 Development and sale of properties
湖州新城億捷房地產開發有限公司(a) Huzhou Future Land Yituo Real Estate Development Co., Ltd. (a)	2018年7月16日 16-Jul-18	663,000	663,000	67.52%	34.42%	物業開發及銷售 Development and sale of properties
湖州新城億捷房地產開發有限公司(c) Huzhou Future Land Yijie Real Estate Development Co., Ltd. (c)	2018年4月26日 26-Apr-18	186,906	186,906	33.76%	67.49%	物業開發及銷售 Development and sale of properties
金華新城億宏房地產開發有限公司(c) Jinhua Future Land Yihong Real Estate Development Co., Ltd. (c)	2018年6月4日 4-Jun-18	530,000	530,000	34.39%	34.42%	物業開發及銷售 Development and sale of properties
紹興億昱房地產信息諮詢有限公司 Shaoxing Yiyu Property Information Consultancy Co., Ltd.	2018年8月10日 10-Aug-18	2,000	–	67.52%	67.49%	百貨商店管理 Department store management
溫州新城億瑞房地產開發有限公司 Wenzhou Future Land Yirui Real Estate Development Co., Ltd.	2018年1月29日 29-Jan-18	5,500	500	61.38%	61.36%	物業開發及銷售 Development and sale of properties
浙江藍盛房地產開發有限公司(c) Zhejiang Aosheng Real Estate Development Co., Ltd. (c)	2018年6月5日 5-Jun-18	340,000	–	31.30%	31.29%	物業開發及銷售 Development and sale of properties
溫州億輝房地產諮詢有限公司 Wenzhou Yihui Property Consultancy Co., Ltd.	2018年7月2日 2-Jul-18	5,000	–	61.38%	61.36%	百貨商店管理 Department store management
寧波新城億盛房地產開發有限公司 Ningbo Future Land Yisheng Real Estate Development Co., Ltd.	2018年3月16日 16-Mar-18	500	500	65.87%	65.84%	物業開發及銷售 Development and sale of properties
衢州億佳企業管理有限公司 Quzhou Yijia Enterprise Management Co., Ltd.	2018年8月13日 13-Aug-18	10,000	–	67.43%	67.40%	百貨商店管理 Department store management
武漢磊越置業發展有限公司 Wuhan Leiyue Property Development Co., Ltd.	2007年11月6日 6-Nov-07	260,000	260,000	51.44%	53.99%	物業開發及銷售 Development and sale of properties
武漢億盛房地產開發有限公司 Wuhan Yisheng Real Estate Development Co., Ltd.	2018年7月30日 30-Jul-18	10,000	–	64.31%	67.49%	物業開發及銷售 Development and sale of properties

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黃石市瑞景居然億盛地產開發有限公司(a)(c) Huangshi Ruijing Juran Yisheng Real Estate Development Co., Ltd. (a)(c)	2018年8月10日 10-Aug-18	10,000	10,000	31.51%	33.07%	物業開發及銷售 Development and sale of properties
南漳縣新城億盛房地產開發有限公司 Nanzhang Future Land Yisheng Real Estate Development Co., Ltd.	2018年7月19日 19-Jul-18	125,678	125,678	71.08%	86.49%	物業開發及銷售 Development and sale of properties
青島新城東郡房地產開發有限公司(c) Qingdao Future Land Dongjun Real Estate Development Co., Ltd. (c)	2015年1月20日 20-Jan-15	50,000	50,000	33.73%	33.72%	物業開發及銷售 Development and sale of properties
青島新城億鑫房地產開發有限公司 Qingdao Future Land Yixin Real Estate Development Co., Ltd.	2018年2月1日 1-Feb-18	10,000	10,000	67.47%	67.44%	物業開發及銷售 Development and sale of properties
青島新城億宸房地產開發有限公司 Qingdao Future Land Yicheng Real Estate Development Co., Ltd.	2010年5月4日 4-May-18	50,000	50,000	67.47%	67.44%	物業開發及銷售 Development and sale of properties
青島萬基陽光置業有限公司 Qingdao Wanji Sunshine Property Co., Ltd.	2011年12月7日 7-Dec-11	50,000	50,000	53.98%	53.95%	物業開發及銷售 Development and sale of properties
青島卓越新城置業有限公司(c) Qingdao Zhuoyue Future Land Real Estate Co., Ltd. (c)	2014年12月1日 1-Dec-14	10,000	10,000	33.73%	33.72%	物業開發及銷售 Development and sale of properties
青島卓越東郡房地產開發有限公司(c) Qingdao Zhuoyue Dongjun Real Estate Development Co., Ltd. (c)	2015年1月21日 21-Jan-15	50,000	50,000	33.73%	33.72%	物業開發及銷售 Development and sale of properties
山東寶泰置業有限公司(c) Shandong Baotai Property Co., Ltd. (c)	2013年12月11日 11-Dec-13	10,000	10,000	34.10%	34.08%	物業開發及銷售 Development and sale of properties
濟南新城億輝企業管理有限公司 Jinan Future Land Yihui Enterprise Management Ltd.	2018年8月6日 6-Aug-18	10,000	–	66.85%	66.82%	百貨商店管理 Department store management
濟南新城億盛房地產開發有限公司 Jinan Future Land Yisheng Real Estate Development Co., Ltd.	2018年8月6日 6-Aug-18	750,000	750,000	66.85%	66.82%	物業開發及銷售 Development and sale of properties
威海傳卓房地產開發有限公司 Weihai Yizhuo Real Estate Development Co., Ltd.	2018年3月1日 1-Mar-18	10,000	10,000	67.47%	67.44%	物業開發及銷售 Development and sale of properties

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威海天置房地產開發有限公司(a)(c) Weihai Tianzhi Real Estate Development Co., Ltd. (a)(c)	2018年7月26日 26-Jul-18	100,000	100,000	47.22%	47.21%	物業開發及銷售 Development and sale of properties
濰坊怡昌房地產開發有限公司 Weifang Yichang Real Estate Development Co., Ltd.	2018年4月4日 4-Apr-18	312,000	312,000	73.65%	73.62%	物業開發及銷售 Development and sale of properties
濰坊億晟房地產開發有限公司(c) Weifang Yisheng Real Estate Development Co., Ltd. (c)	2018年6月7日 7-Jun-18	210,000	300,000	47.22%	67.44%	物業開發及銷售 Development and sale of properties
濰坊億拓房地產開發有限公司(c) Weifang Yituo Real Estate Development Co., Ltd. (c)	2018年6月7日 7-Jun-18	560,000	800,000	47.22%	67.44%	物業開發及銷售 Development and sale of properties
濰坊億欣房地產開發有限公司(c) Weifang Yixin Real Estate Development Co., Ltd. (c)	2018年6月20日 20-Jun-18	500,000	500,000	47.22%	47.21%	物業開發及銷售 Development and sale of properties
煙臺億鼎房地產開發有限公司 Yantai Yiding Real Estate Development Co., Ltd.	2018年3月22日 22-Mar-18	50,000	–	67.47%	67.44%	物業開發及銷售 Development and sale of properties
煙臺億榮房地產開發有限公司(c) Yantai Yirong Real Estate Development Co., Ltd. (c)	2018年6月29日 29-Jun-18	50,000	–	47.22%	47.21%	物業開發及銷售 Development and sale of properties
煙臺億騰房地產開發有限公司(c) Yantai Yiteng Real Estate Development Co., Ltd. (c)	2018年9月12日 12-Sep-18	310,000	310,000	47.22%	47.21%	物業開發及銷售 Development and sale of properties
濰博新城華雲房地產開發有限公司(c) Zibo Future Land Huayun Real Estate Development Co., Ltd. (c)	2018年4月28日 28-Apr-18	50,000	50,000	46.80%	46.78%	物業開發及銷售 Development and sale of properties
齊河縣坤城置業有限公司 Qihe Kuncheng Property Co., Ltd.	2018年1月18日 18-Jan-18	10,000	10,000	66.85%	66.82%	物業開發及銷售 Development and sale of properties
高唐新城創置房地產開發有限公司 Gaotang Future Land Chuangzhi Real Estate Development Co., Ltd.	2018年6月8日 8-Jun-18	183,295	183,295	54.65%	54.13%	物業開發及銷售 Development and sale of properties
陽穀裕昌置業有限公司 Yanggu Yuchang Property Co., Ltd.	2018年3月14日 14-Mar-18	10,000	10,000	66.85%	66.82%	物業開發及銷售 Development and sale of properties

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
長沙君正房地產開發有限公司(c) Changsha Junzheng Real Estate Development Co., Ltd. (c)	2017年1月6日 6-Jan-17	10,000	10,000	34.05%	34.42%	物業開發及銷售 Development and sale of properties
長沙懋隆置業有限公司 Changsha Yuelong Property Co., Ltd.	2018年12月5日 5-Dec-18	10,000	—	66.77%	47.24%	物業開發及銷售 Development and sale of properties
株洲欣盛萬博置業有限公司(a)(c) Zhuzhou Xinsheng Wanbo Property Co., Ltd. (a)(c)	2018年5月30日 30-May-18	500,000	500,000	33.39%	67.49%	物業開發及銷售 Development and sale of properties
天津國能濱海置業有限公司(c) Tianjin Guoneng Binhai Property Co., Ltd. (c)	2006年9月28日 28-Sep-06	120,000	120,000	33.43%	33.41%	物業開發及銷售 Development and sale of properties
天津國能濱海投資有限公司(c) Tianjin Guoneng Binhai Investment Co., Ltd. (c)	2006年7月3日 3-Jul-06	200,000	200,000	33.43%	33.41%	百貨商店管理 Department store management
天津東郡房地產開發有限公司 Tianjin Dongjun Real Estate Development Co., Ltd.	2018年6月13日 13-Jun-18	10,000	—	66.85%	66.82%	百貨商店管理 Department store management
天津市萬隆裝飾裝修有限公司 Tianjin Wanlong Decoration Co., Ltd.	2018年6月13日 13-Jun-18	10,000	10,000	60.17%	60.14%	百貨商店管理 Department store management
天津新城億佳房地產開發有限公司(c) Tianjin Future Land Yijia Real Estate Development Co., Ltd. (c)	2018年11月8日 8-Nov-18	600,000	600,000	36.77%	66.82%	物業開發及銷售 Development and sale of properties
天津新城億宏房地產開發有限公司 Tianjin Future Land Yihong Real Estate Development Co., Ltd.	2018年11月13日 13-Nov-18	50,000	—	66.85%	66.82%	物業開發及銷售 Development and sale of properties
佛山鼎昌房地產有限公司 Foshan Dingchang Real Estate Co., Ltd.	2018年1月29日 29-Jan-18	10,000	—	64.31%	64.28%	物業開發及銷售 Development and sale of properties
中山市億拓房地產開發有限公司 Zhongshan Yituo Real Estate Development Co., Ltd.	2018年2月14日 14-Feb-18	1,000	—	64.31%	64.28%	物業開發及銷售 Development and sale of properties
中山市億柏房地產開發有限公司 Zhongshan Yibo Real Estate Development Co., Ltd.	2018年3月21日 21-Mar-18	1,000	—	64.31%	64.28%	物業開發及銷售 Development and sale of properties

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	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
中山市嵐彩房地產開發有限公司(c) Zhongshan Lanci Real Estate Development Co., Ltd. (c)	2014年8月5日 5-Aug-14	110,250	110,250	29.52%	29.50%	物業開發及銷售 Development and sale of properties
中山市慶隆房地產開發有限公司(c) Zhongshan Qinglong Real Estate Development Co., Ltd. (c)	2016年8月15日 15-Aug-16	20,000	—	29.52%	29.50%	物業開發及銷售 Development and sale of properties
東莞億泰房地產開發有限公司 Dongguan Yitai Real Estate Development Co., Ltd.	2018年12月14日 14-Dec-18	20,000	—	67.52%	67.49%	物業開發及銷售 Development and sale of properties
肇慶市鼎泰房地產有限公司 Zhaoqing Dingtai Real Estate Co., Ltd.	2017年12月14日 14-Dec-17	10,000	10,000	64.31%	64.28%	物業開發及銷售 Development and sale of properties
肇慶億超房地產有限公司 Zhaoqing Yichao Real Estate Co., Ltd.	2018年5月9日 9-May-18	213,360	213,360	71.08%	71.06%	物業開發及銷售 Development and sale of properties
珠海市鼎郡房地產開發有限公司 Zhuhai Dingjun Real Estate Development Co., Ltd.	2018年1月19日 19-Jan-18	10,000	—	64.31%	64.28%	物業開發及銷售 Development and sale of properties
海豐縣振業房地產開發有限公司 Haifeng Zhenye Real Estate Development Co., Ltd.	2015年2月11日 11-Feb-15	10,000	10,000	67.52%	67.49%	物業開發及銷售 Development and sale of properties
湛江億熙房地產開發有限公司 Zhanjiang Yixi Real Estate Development Co., Ltd.	2018年8月10日 10-Aug-18	10,000	—	64.31%	64.28%	物業開發及銷售 Development and sale of properties
恩平市億恒房地產開發有限公司 Enping Yiheng Real Estate Development Co., Ltd.	2018年8月9日 9-Aug-18	151,040	151,040	71.08%	71.06%	物業開發及銷售 Development and sale of properties
江門億瀚房地產有限公司 Jiangmen Yihan Real Estate Co., Ltd.	2018年8月17日 17-Aug-18	10,000	—	64.31%	64.28%	物業開發及銷售 Development and sale of properties
合肥新城億拓房地產有限公司 Hefei Future Land Yituo Real Estate Co., Ltd.	2018年5月4日 4-May-18	408,270	408,270	71.43%	71.41%	物業開發及銷售 Development and sale of properties
合肥新城億瑞房地產有限公司 Hefei Future Land Yirui Real Estate Co., Ltd.	2018年5月8日 8-May-18	508,850	508,850	71.43%	71.41%	物業開發及銷售 Development and sale of properties

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合肥新城億榮房地產有限公司 Hefei Future Land Yirong Real Estate Co., Ltd.	2018年5月23日 23-May-18	1,000,000	–	64.65%	64.63%	物業開發及銷售 Development and sale of properties
合肥新城億盛房地產有限公司 Hefei Future Land Yisheng Real Estate Co., Ltd.	2018年12月7日 7-Dec-18	50,000	50,000	64.65%	64.63%	物業開發及銷售 Development and sale of properties
蚌埠新城億騰房地產有限公司(a) Bengbu Future Land Yiteng Real Estate Co., Ltd. (a)	2018年8月1日 1-Aug-18	50,000	50,000	64.65%	64.63%	物業開發及銷售 Development and sale of properties
馬鞍山億佳房地產開發有限公司 Maanshan Yijia Real Estate Development Co., Ltd.	2018年10月19日 19-Oct-18	50,000	50,000	64.73%	64.71%	物業開發及銷售 Development and sale of properties
仁壽億輝房地產開發有限公司 Renshou Yihui Real Estate Development Co., Ltd.	2018年2月2日 2-Feb-18	135,000	135,000	52.08%	54.67%	物業開發及銷售 Development and sale of properties
邛崃億睿房地產開發有限公司 Qionglai Yirui Real Estate Development Co., Ltd.	2018年4月20日 20-Apr-18	612,500	612,500	73.15%	73.67%	物業開發及銷售 Development and sale of properties
成都市億耀房地產開發有限公司 Chengdu Yiyi Real Estate Development Co., Ltd.	2018年5月30日 30-May-18	110,000	110,000	73.15%	52.75%	物業開發及銷售 Development and sale of properties
簡陽市億晟房地產開發有限公司 Jiayang Yisheng Real Estate Development Co., Ltd.	2018年5月23日 23-May-18	197,230	197,230	73.15%	73.67%	物業開發及銷售 Development and sale of properties
成都新璟房地產開發有限公司 Chengdu Xinjing Real Estate Development Co., Ltd.	2017年10月9日 9-Oct-17	10,000	–	64.31%	67.49%	物業開發及銷售 Development and sale of properties
成都隆恩房地產開發有限公司 Chengdu Longen Real Estate Development Co., Ltd.	2017年10月11日 11-Oct-17	10,000	–	64.31%	67.49%	物業開發及銷售 Development and sale of properties
峨眉山市億盛房地產開發有限公司 Emeishan Yisheng Real Estate Development Co., Ltd.	2018年6月25日 25-Jun-18	50,000	–	64.31%	67.49%	物業開發及銷售 Development and sale of properties
雅安市億弘房地產開發有限公司(c) Yaan Yihong Real Estate Development Co., Ltd. (c)	2018年7月31日 31-Jul-18	640,000	640,000	41.80%	43.87%	物業開發及銷售 Development and sale of properties

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

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重慶北麓置業有限公司 Chongqing beilu Property Co., Ltd.	2010年5月4日 4-May-10	23,000	23,000	64.31%	64.28%	物業開發及銷售 Development and sale of properties
重慶東睿房地產開發有限公司(a)(c) Chongqing Dongrui Real Estate Development Co., Ltd. (a)(c)	2014年12月22日 22-Dec-14	30,000	30,000	45.02%	64.28%	物業開發及銷售 Development and sale of properties
西安新城驪晟房地產開發有限公司 Xian Future Land Lisheng Real Estate Development Co., Ltd.	2017年11月27日 27-Nov-17	10,000	10,000	67.36%	64.28%	物業開發及銷售 Development and sale of properties
西安悅盛房地產開發有限公司(c) Xian Yuesheng Real Estate Development Co., Ltd. (c)	2017年12月1日 1-Dec-17	10,000	–	43.78%	41.78%	物業開發及銷售 Development and sale of properties
西安威銘置業有限公司 Xian Weiming Property Co., Ltd.	2018年1月12日 12-Jan-18	30,000	30,000	67.36%	64.28%	物業開發及銷售 Development and sale of properties
咸陽億錦尚城房地產開發有限公司(c) Xianyang Yijing Shangcheng Real Estate Development Co., Ltd. (c)	2018年3月2日 2-Mar-18	10,000	–	40.42%	38.57%	物業開發及銷售 Development and sale of properties
咸陽新城序悅房地產發展有限公司(c) Xianyang Future Land Xuyue Real Estate Development Co., Ltd. (c)	2017年12月5日 5-Dec-17	10,000	–	34.35%	32.78%	物業開發及銷售 Development and sale of properties
香港柏翰發展有限公司(b) HONG KONG BOHAN DEVELOPMENT Limited (b)	2017年12月8日 8-Dec-17	–	–	66.85%	67.49%	百貨商店管理 Department store management
西安億翰房地產開發有限公司(c) Xian Yihan Real Estate Development Co., Ltd. (c)	2018年12月6日 6-Dec-18	540,000	540,000	46.82%	47.08%	物業開發及銷售 Development and sale of properties
西安億昶房地產開發有限公司 Xian Yichang Real Estate Development Co., Ltd.	2018年12月20日 20-Dec-18	10,000	10,000	67.36%	64.28%	物業開發及銷售 Development and sale of properties
鄭州創賢房地產開發有限公司 Zhengzhou Chuangxian Real Estate Development Co., Ltd.	2017年11月6日 6-Nov-17	10,000	–	64.31%	64.28%	物業開發及銷售 Development and sale of properties
鄭州德佳房地產開發有限公司 Zhengzhou Dejia Real Estate Development Co., Ltd.	2017年11月6日 6-Nov-17	10,000	10,000	64.31%	64.28%	物業開發及銷售 Development and sale of properties

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	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
鄭州億瀚房地產開發有限公司 Zhengzhou Yihan Real Estate Development Co., Ltd.	2018年5月23日 23-May-18	10,000	–	64.31%	64.28%	物業開發及銷售 Development and sale of properties
鄭州億輝房地產開發有限公司 Zhengzhou Yiye Real Estate Development Co., Ltd.	2018年5月23日 23-May-18	10,000	–	64.31%	64.28%	物業開發及銷售 Development and sale of properties
長葛市新城億晟房地產開發有限公司 Changge Future Land Yisheng Real Estate Development Co., Ltd.	2018年7月30日 30-Jul-18	200,245	200,245	52.08%	52.06%	物業開發及銷售 Development and sale of properties
許昌市昱恒房地產開發有限公司(a)(c) Xuchang Yuheng Real Estate Development Co., Ltd. (a)(c)	2018年3月12日 12-Mar-18	500,000	500,000	21.86%	40.21%	物業開發及銷售 Development and sale of properties
承德新城億隆房地產開發有限公司 Chengde Future Land Yilong Real Estate Development Co., Ltd.	2018年2月7日 7-Feb-18	10,000	–	67.52%	67.49%	物業開發及銷售 Development and sale of properties
滄州萬和金郡房地產開發有限公司(a) Cangzhou Wanhe Jinjun Real Estate Development Co., Ltd. (a)	2018年6月8日 8-Jun-18	20,000	–	66.85%	46.78%	物業開發及銷售 Development and sale of properties
石家莊億潤房地產開發有限公司 Shijiazhuang Yirun Real Estate Development Co., Ltd.	2018年5月8日 8-May-18	10,000	–	66.71%	67.49%	物業開發及銷售 Development and sale of properties
邯鄲億隆房地產開發有限公司 Handan Yilong Real Estate Development Co., Ltd.	2018年3月9日 9-Mar-18	10,000	–	67.52%	67.49%	物業開發及銷售 Development and sale of properties
昆明新城億晟房地產開發有限公司 Kunming Future Land Yisheng Real Estate Development Co., Ltd.	2018年2月2日 2-Feb-18	500	500	67.52%	67.49%	物業開發及銷售 Development and sale of properties
昆明新城億煊房地產開發有限公司 Kunming Future Land Yixuan Real Estate Development Co., Ltd.	2018年3月22日 22-Mar-18	10,000	–	67.52%	67.49%	物業開發及銷售 Development and sale of properties
昆明新城億璞房地產開發有限公司 Kunming Future Land Yipu Real Estate Development Co., Ltd.	2018年7月31日 31-Jul-18	10,000	–	67.52%	67.49%	物業開發及銷售 Development and sale of properties
大理新城億祺房地產開發有限公司 Dali Future Land Yiqi Real Estate Development Co., Ltd.	2018年8月9日 9-Aug-18	10,000	–	67.52%	67.49%	物業開發及銷售 Development and sale of properties

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南寧億拓房地產開發有限公司 Nanning Yituo Real Estate Development Co., Ltd.	2018年3月12日 12-Mar-18	500	500	67.52%	67.49%	物業開發及銷售 Development and sale of properties
南寧億瀚房地產開發有限公司 Nanning Yihan Real Estate Development Co., Ltd.	2018年7月12日 12-Jul-18	325,479	325,479	54.69%	54.67%	物業開發及銷售 Development and sale of properties
南寧億文房地產開發有限公司(c) Nanning Yiwen Real Estate Development Co., Ltd. (c)	2018年11月19日 19-Nov-18	500,000	500,000	40.51%	67.49%	物業開發及銷售 Development and sale of properties
桂林億瀚房地產開發有限公司(c) Guilin Yihan Real Estate Development Co., Ltd. (c)	2018年9月29日 29-Sep-18	10,000	10,000	40.51%	40.49%	物業開發及銷售 Development and sale of properties
貴陽新城億晟房地產開發有限公司 Guiyang Future Land Yisheng Real Estate Development Co., Ltd.	2018年5月17日 17-May-18	500	500	67.52%	67.49%	物業開發及銷售 Development and sale of properties
貴陽新城億睿房地產開發有限公司(a) Guiyang Future Land Yirui Real Estate Development Co., Ltd. (a)	2018年12月26日 26-Dec-18	1,173,530	1,173,530	51.67%	51.29%	物業開發及銷售 Development and sale of properties
遵義市新城億騰房地產開發有限公司 Zunyi Future Land Yiteng Real Estate Development Co., Ltd.	2018年9月13日 13-Sep-18	100,000	100,000	67.52%	67.49%	物業開發及銷售 Development and sale of properties
遵義市新城億欣房地產開發有限公司(a) Zunyi Future Land Yixin Real Estate Development Co., Ltd. (a)	2018年10月16日 16-Oct-18	20,000	20,000	67.52%	67.49%	物業開發及銷售 Development and sale of properties
南昌億拓房地產開發有限公司 Nanchang Yituo Real Estate Development Co., Ltd.	2018年7月5日 5-Jul-18	50,500	–	66.85%	66.82%	物業開發及銷售 Development and sale of properties
南昌億卓房地產開發有限公司(c) Nanchang Yizhuo Real Estate Development Co., Ltd. (c)	2018年10月30日 30-Oct-18	500,000	500,000	40.11%	40.49%	物業開發及銷售 Development and sale of properties
香港鼎佳發展有限公司(b) Hong Kong Dingjia Development Limited (b)	2017年12月8日 8-Dec-17	–	–	66.85%	67.49%	百貨商店管理 Department store management
香港鼎睿發展有限公司(b) Hong Kong Dingrui Development Limited (b)	2017年12月8日 8-Dec-17	–	–	66.85%	67.49%	百貨商店管理 Department store management

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
香港萬茂發展有限公司(b) Hong Kong Wanmao Development Co., Ltd. (b)	2017年12月8日 8-Dec-17	–	–	66.85%	67.49%	百貨商店管理 Department store management
香港萬彰發展有限公司(b) Hong Kong Wanzhang Development Co., Ltd. (b)	2017年12月8日 8-Dec-17	–	–	66.85%	67.49%	百貨商店管理 Department store management
上海銘世置業有限公司 Shanghai Mingshi Property Co., Ltd.	2017年3月23日 23-Mar-17	10,000	–	66.85%	67.49%	物業開發及銷售 Development and sale of properties
黃石新城萬博房地產開發有限公司 Huangshi Future Land Wanbo Real Estate Development Co., Ltd.	2017年12月22日 22-Dec-17	50,000	–	66.85%	67.49%	物業開發及銷售 Development and sale of properties
鎮江萬博吾悅房地產經營管理有限公司(g) Zhenjiang Wanbo Injoy Real Estate Development Co., Ltd. (g)	2018年10月8日 8-Oct-18	10,044	10,044	66.85%	67.49%	百貨商店管理 Department store management
南京億博貿易有限公司(g) Nanjing Yibo Trading Co., Ltd. (g)	2018年9月29日 29-Sep-18	41,565	41,565	66.85%	67.49%	百貨商店管理 Department store management
淮安億悅鋼材貿易有限公司(g) Huai'an Yirui Steel Trading Co., Ltd. (g)	2018年10月19日 19-Oct-18	68,739	68,739	66.85%	67.49%	百貨商店管理 Department store management
昆明億盛供應鏈管理有限公司(g) Kunming Yisheng Supply Chain Management Co., Ltd. (g)	2018年6月11日 11-Jun-18	94,283	94,283	66.85%	67.49%	百貨商店管理 Department store management
西咸新區億環貿易有限公司(g) Xixian Xinqu Yijing Trading Co., Ltd. (g)	2018年6月6日 6-Jun-18	65,404	65,404	66.85%	67.49%	百貨商店管理 Department store management
如皋創雋房地產經營有限公司 Rugao Chuangjun Real Estate Co., Ltd.	2018年11月1日 1-Nov-18	10,000	10,000	66.85%	67.49%	百貨商店管理 Department store management
南昌創宏房地產有限公司(g) Nanchang Chuanghong Real Estate Co., Ltd. (g)	2018年9月21日 21-Sep-18	9,284	9,284	67.85%	67.82%	百貨商店管理 Department store management
安慶新城悅盛房產經營管理有限公司 Anqing Future Land Yuesheng Real Estate Management Ltd.	2018年9月25日 25-Sep-18	10,000	10,000	66.85%	67.49%	百貨商店管理 Department store management

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
寧波吾悅房地產管理有限公司(g) Ningbo Wuyue Real Estate Management Co., Ltd. (g)	2018年10月15日 15-Oct-18	10,000	10,000	67.85%	67.82%	百貨商店管理 Department store management
桐鄉萬博房產經營管理有限公司(g) Tongxiang Wanbo Real Estate Management Co., Ltd. (g)	2018年10月9日 9-Oct-18	10,000	10,000	67.85%	67.82%	百貨商店管理 Department store management
延安市寶塔區億博房地產開發有限公司 Yanan Baota Yibo Real Estate Development Co., Ltd.	2018年1月23日 23-Jan-18	100,000	100,000	66.85%	67.49%	物業開發及銷售 Development and sale of properties
桂林新城萬博房地產開發有限公司(a) Guilin Future Land Wanbo Real Estate Development Co., Ltd. (a)	2017年12月25日 25-Dec-17	50,000	50,000	66.85%	67.49%	物業開發及銷售 Development and sale of properties
寶應億盛房地產開發有限公司 Baoying Yisheng Real Estate Development Co., Ltd.	2018年3月5日 5-Mar-18	503,080	503,080	73.15%	73.67%	物業開發及銷售 Development and sale of properties
淮安新城億博房地產開發有限公司(a) Huai'an Future Land Yibo Real Estate Development Co., Ltd. (a)	2018年1月22日 22-Jan-18	20,000	20,000	73.15%	67.49%	物業開發及銷售 Development and sale of properties
淮北新城億軒房地產開發有限公司 Huabei Yixuan Real Estate Development Co., Ltd.	2018年1月5日 5-Jan-18	100,000	100,000	73.15%	67.49%	物業開發及銷售 Development and sale of properties
高郵市新城億博房地產開發有限公司(a) Gaoyou Future Land Yibo Real Estate Development Co., Ltd. (a)	2018年4月9日 9-Apr-18	387,080	387,080	73.15%	73.67%	物業開發及銷售 Development and sale of properties
包頭市新城億博房地產開發有限公司 Baotou Future Land Yibo Real Estate Development Co., Ltd.	2018年3月16日 16-Mar-18	50,000	5,000	73.15%	64.76%	物業開發及銷售 Development and sale of properties
肇慶億博房地產開發有限公司 Zhaoqing Yibo Real Estate Development Co., Ltd.	2018年4月9日 9-Apr-18	206,400	206,400	73.15%	73.67%	物業開發及銷售 Development and sale of properties
鹽城新城億博房地產開發有限公司 Yancheng Future Land Yibo Real Estate Development Co., Ltd.	2018年3月21日 21-Mar-18	617,280	617,280	73.15%	54.67%	物業開發及銷售 Development and sale of properties
昆明新城萬博房地產發展有限公司 Kunming Future Land Wanbo Real Estate Development Co., Ltd.	2018年1月2日 2-Jan-18	20,000	20,000	73.15%	67.49%	物業開發及銷售 Development and sale of properties

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
徐州市賈汪區億睿房地產開發有限公司 Xuzhou Jiawang Yirui Real Estate Development Co., Ltd.	2018年5月30日 30-May-18	122,860	122,860	73.15%	73.67%	物業開發及銷售 Development and sale of properties
唐山億茂房地產開發有限公司(h) Tangshan Yimao Real Estate Development Co., Ltd. (h)	2018年5月29日 29-May-18	804,080	804,080	73.15%	54.67%	物業開發及銷售 Development and sale of properties
襄陽新城億博房地產開發有限公司(a) Xiangyang Future Land Yibo Real Estate Development Co., Ltd. (a)	2018年9月3日 3-Sep-18	879,850	879,850	73.15%	46.47%	物業開發及銷售 Development and sale of properties
阜陽新城億博房地產開發有限公司(a) Fuyang Future Land Yibo Real Estate Development Co., Ltd. (a)	2018年6月29日 29-Jun-18	50,000	50,000	73.15%	64.63%	物業開發及銷售 Development and sale of properties
蚌埠新城億鑫房地產開發有限公司(a) Bengbu Future Land Yixin Real Estate Development Co., Ltd. (a)	2018年7月25日 25-Jul-18	50,000	50,000	73.15%	67.49%	物業開發及銷售 Development and sale of properties
南京新城億博房地產開發有限公司 Nanjing Future Land Yibo Real Estate Development Co., Ltd.	2018年8月1日 1-Aug-18	466,290	466,290	73.15%	54.67%	物業開發及銷售 Development and sale of properties
宿州新城億博房地產開發有限公司(a) Suzhou Future Land Yibo Real Estate Development Co., Ltd. (a)	2018年7月17日 17-Jul-18	50,000	–	73.15%	67.49%	物業開發及銷售 Development and sale of properties
荊州億軒房地產開發有限公司(a) Jingzhou Yixuan Real Estate Development Co., Ltd. (a)	2018年7月9日 9-Jul-18	50,000	50,000	73.15%	67.49%	物業開發及銷售 Development and sale of properties
包頭市新城億卓房地產開發有限公司 Baotou Future Land Yizhuo Real Estate Development Co., Ltd.	2018年7月25日 25-Jul-18	50,000	5,000	73.15%	64.76%	物業開發及銷售 Development and sale of properties
湖州新城億軒房地產開發有限公司 Huzhou Future Land Yixuan Real Estate Development Co., Ltd.	2018年8月13日 13-Aug-18	665,907	665,907	73.15%	73.67%	物業開發及銷售 Development and sale of properties
昭通億博房地產開發有限公司 Zhaotong Yibo Real Estate Development Co., Ltd.	2018年9月4日 4-Sep-18	685,032	685,032	73.15%	73.67%	物業開發及銷售 Development and sale of properties
貴港億博房地產開發有限公司 Guigang Yibo Real Estate Development Co., Ltd.	2018年10月22日 22-Oct-18	50,000	50,000	66.85%	67.49%	物業開發及銷售 Development and sale of properties

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
北海億博房地產開發有限公司 Beihai Yibo Real Estate Development Co., Ltd.	2018年10月11日 11-Oct-18	50,000	50,000	66.85%	67.49%	物業開發及銷售 Development and sale of properties
貴州清鎮新城億博房地產開發有限公司 Guizhou Qingzhen Future Land Yibo Real Estate Development Co., Ltd.	2018年11月28日 28-Nov-18	50,000	—	60.17%	60.74%	物業開發及銷售 Development and sale of properties
鹽城新城億博房地產開發有限公司 Yancheng Future Land Yihong Real Estate Development Co., Ltd.	2018年10月22日 22-Oct-18	50,000	50,000	66.85%	67.49%	物業開發及銷售 Development and sale of properties
興化新城億博房地產開發有限公司 Xinghua Future Land Yiheng Real Estate Development Co., Ltd.	2018年10月23日 23-Oct-18	415,521	415,521	66.85%	67.49%	物業開發及銷售 Development and sale of properties
台州新城萬博房地產發展有限公司 Taizhou Future Land Wanbo Real Estate Development Co., Ltd.	2015年2月9日 9-Feb-15	400,000	400,000	66.85%	67.49%	物業開發及銷售 Development and sale of properties
義烏市吾悅房地產開發有限公司(c) Yiwu Wuyue Real Estate Development Co., Ltd. (c)	2015年10月19日 19-Oct-15	510,000	510,000	34.10%	34.42%	物業開發及銷售 Development and sale of properties
揚州新城悅盛房地產發展有限公司 Yangzhou Future Land Yuesheng Real Estate Development Co., Ltd.	2016年7月25日 25-Jul-16	330,414	330,414	66.85%	67.49%	物業開發及銷售 Development and sale of properties
海鹽億博房地產開發有限公司 Haiyan Yibo Real Estate Development Co., Ltd.	2018年12月18日 18-Dec-18	100,000	100,000	66.85%	67.49%	物業開發及銷售 Development and sale of properties
遵義新城億博房地產開發有限公司 Zunyi Future Land Yibo Real Estate Development Co., Ltd.	2018年12月17日 17-Dec-18	50,000	—	66.85%	67.49%	物業開發及銷售 Development and sale of properties
西寧新城億博房地產開發有限公司 Xining Future Land Yibo Real Estate Development Co., Ltd.	2018年11月27日 27-Nov-18	600,000	600,000	66.85%	67.49%	物業開發及銷售 Development and sale of properties
鄭州新城億博房地產開發有限公司 Zhengzhou Future Land Yibo Real Estate Development Co., Ltd.	2018年12月5日 5-Dec-18	50,000	50,000	66.85%	67.49%	物業開發及銷售 Development and sale of properties
晉江萬博商業管理有限公司 Jinjiang Wanbo Commerical Management Co., Ltd.	2018年10月16日 16-Oct-18	10,000	10,000	66.85%	67.49%	百貨商店管理 Department store management

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
香港隆盛發展有限公司(b) HONG KONG LONGSHENG DEVELOPMENT LIMITED (b)	2017年12月8日 8-Dec-17	–	–	66.85%	67.49%	百貨商店管理 Department store management
香港柏軒發展有限公司(b) HONG KONG BOXUAN DEVELOPMENT LIMITED (b)	2017年12月8日 8-Dec-17	–	–	66.85%	67.49%	百貨商店管理 Department store management
香港柏瑞發展有限公司(b) HONG KONG BORUI DEVELOPMENT LIMITED (b)	2017年12月8日 8-Dec-17	–	–	66.85%	67.49%	百貨商店管理 Department store management
長春北湖新城吾悅商業管理有限公司 Changchun Beihu Future Land Wuyue Commercial Management Co., Ltd.	2018年5月10日 10-May-18	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management
蘇州相城吾悅商業管理有限公司 Suzhou Xiangcheng Wuyue Commercial Management Co., Ltd.	2018年6月15日 15-Jun-18	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management
無錫市吾悅商業管理有限公司 Wuxi Wuyue Commercial Management Co., Ltd.	2018年5月15日 15-May-18	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management
常州天寧吾悅商業管理有限公司 Changzhou Tianning Injoy Commercial Management Co., Ltd.	2018年1月4日 4-Jan-18	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management
溧陽新城吾悅商業管理有限公司 Liyang Future Land Wuyue Commercial Management Co., Ltd.	2018年5月10日 10-May-18	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management
寶應吾悅商業管理有限公司 Baoying Wuyue Commercial Management Co., Ltd.	2018年6月15日 15-Jun-18	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management
高郵新城吾悅商業管理有限公司 Gaoyou Future Land Wuyue Commercial Management Co., Ltd.	2018年6月11日 11-Jun-18	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management
連雲港吾悅商業管理有限公司 Lianyungang Injoy Commercial Management Co., Ltd.	2018年1月17日 17-Jan-18	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management
連雲港海州新城吾悅商業管理有限公司 Lianyungang Haizhou Future Land Wuyue Commercial Management Co., Ltd.	2018年6月4日 4-Jun-18	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management

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	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
淮安新城吾悅商業管理有限公司 Huai'an Future Land Wuyue Commercial Management Co., Ltd.	2018年5月2日 2-May-18	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management
鹽城新城吾悅商業管理有限公司 Yancheng Future Land Wuyue Commercial Management Co., Ltd.	2018年8月15日 15-Aug-18	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management
長沙吾悅商業管理有限公司 Changsha Wuyue Commercial Management Co., Ltd.	2018年5月22日 22-May-18	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management
荊州新城吾悅商業管理有限公司 Jingzhou Future Land Wuyue Commercial Management Co., Ltd.	2018年9月27日 27-Sep-18	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management
合肥吾悅商業管理有限公司 Hefei Injoy Commercial Management Co., Ltd.	2017年12月29日 29-Dec-17	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management
淮北新城吾悅商業管理有限公司 Huabei Future Land Wuyue Commercial Management Co., Ltd.	2018年6月26日 26-Jun-18	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management
蘇州新城吾悅商業管理有限公司 Suzhou Future Land Wuyue Commercial Management Co., Ltd.	2018年10月26日 26-Oct-18	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management
蚌埠新城吾悅商業管理有限公司 Bengbu Future Land Wuyue Commercial Management Co., Ltd.	2018年11月1日 1-Nov-18	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management
福州市長樂吾悅商業管理有限公司 Fuzhou Changle Wuyue Commercial Management Co., Ltd.	2018年2月28日 28-Feb-18	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management
欽州新城吾悅商業管理有限公司 Qinzhou Future Land Injoy Commercial Management Co., Ltd.	2017年12月13日 13-Dec-17	1,000	1,000	67.52%	-	百貨商店管理 Department store management
桂林新城吾悅商業管理有限公司 Guilin Future Land Wuyue Commercial Management Co., Ltd.	2018年4月27日 27-Apr-18	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management
延安吾悅商業管理有限公司 Yanan Wulong Commercial Management Co., Ltd.	2018年5月22日 22-May-18	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management

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漢中市新城吾悅商業管理有限公司 Hanzhong Future Land Wuyue Commercial Management Co., Ltd.	2018年6月11日 11-Jun-18	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management
寶雞吾悅商業管理有限公司 Baoji Wuyue Commercial Management Co., Ltd.	2018年5月8日 8-May-18	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management
重慶市渝北吾悅商業管理有限公司 Chongqing Yubei Wuyue Commercial Management Co., Ltd.	2018年7月24日 24-Jul-18	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management
上海旻順企業管理有限公司 Shanghai Minshun Enterprise Management Co., Ltd.	2017年10月9日 9-Oct-17	10,000	10,000	67.52%	67.49%	百貨商店管理 Department store management
上海煜璵貿易有限公司 Shanghai Yupu Trading Co., Ltd.	2018年5月10日 10-May-18	100,000	100,000	67.52%	67.49%	零售 Retail
江蘇萊森建築設計有限公司 DESIGN OF CENTURY ARCHITECTURE CO., LTD	1990年5月11日 11-May-90	46,800	46,800	67.52%	67.49%	建築設計 Architecture Design
重慶銘睿房地產開發有限公司(a) Chongqing Mingrui Real Estate Development Co., Ltd. (a)	2017年6月14日 14-Jun-17	50,000	50,000	64.31%	64.28%	物業開發及銷售 Development and sale of properties
常州新城萬嘉建築設計有限公司 Changzhou Future Land Wan Jia Construction Design Co., Ltd.	2005年5月20日 20-May-05	3,000	3,000	67.52%	65.77%	百貨商店管理 Department store management
金壇市新城萬郡置業有限公司 Jintan Future Land Wanjun Property Co Ltd.	2011年3月22日 22-Mar-11	10,000	10,000	66.09%	66.06%	物業開發及銷售 Development and sale of properties
平湖新城萬博商業開發有限公司 Pinghu Future Land Wanbo Commercial Development Co., Ltd.	2016年12月26日 26-Dec-16	44,600	44,600	66.85%	67.49%	物業開發及銷售 Development and sale of properties
新城控股集團房地產開發有限公司 Future Land Holdings Real Estate Development Co., Ltd	2016年8月19日 19-Aug-16	202,000	202,000	66.85%	67.49%	物業開發及銷售 Development and sale of properties
新城控股集團住宅開發有限公司 Future Land Holdings Residential Development Co., Ltd	2016年3月30日 30-Mar-16	50,000	–	67.52%	67.49%	物業開發及銷售 Development and sale of properties
丹陽萬博房地產經營管理有限公司(g) Danyang Wanbo Real Estate Management Co., Ltd. (g)	2016年12月13日 13-Dec-16	10,000	10,000	67.52%	67.82%	百貨商店管理 Department store management

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
連雲港億博房地產開發有限公司 Lianyungang Yibo Real Estate Development Co., Ltd.	2018年2月8日 8-Feb-18	100,000	–	67.07%	67.04%	物業開發及銷售 Development and sale of properties
阜陽新城吾悅商業管理有限公司 Fuyang Future Land Injoy Business Management Co., Ltd.	2018年10月8日 8-Oct-18	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management
包頭市吾悅商業管理有限公司 Baotou Injoy Business Management Co., Ltd.	2018年8月27日 27-Aug-18	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management
包頭萬博商業管理有限公司 Baotou Wanbo Business Management Co., Ltd.	2019年9月29日 29-Sep-19	1,000	1,000	67.52%	–	百貨商店管理 Department store management
唐山市吾悅商業管理有限公司 Tangshan Injoy Business Management Co., Ltd.	2018年8月7日 7-Aug-18	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management
興化新城吾悅商業管理有限公司 Xinhua Future Land Injoy Business Management Co., Ltd.	2019年3月7日 7-Mar-19	1,000	1,000	67.52%	–	百貨商店管理 Department store management
昆明萬博吾悅商業管理有限公司 Kunming Wanbo Injoy Business Management Co., Ltd.	2019年1月28日 28-Jan-19	1,000	1,000	67.52%	–	百貨商店管理 Department store management
襄陽新城吾悅商業管理有限公司 Xiangyang Future Land Injoy Business Management Co., Ltd.	2019年1月28日 28-Jan-19	1,000	1,000	67.52%	–	百貨商店管理 Department store management
西咸新區灃西新城吾悅商業管理有限公司 Xixian Fengxi Future Land Business Management Co., Ltd.	2018年6月29日 29-Jun-18	1,000	1,000	67.52%	67.49%	百貨商店管理 Department store management
湖州新城吾悅商業管理有限公司 Huzhou Future Land Injoy Business Management Co., Ltd.	2019年5月6日 6-May-19	1,000	1,000	67.52%	–	百貨商店管理 Department store management
射陽吾悅商業管理有限公司 Shenyang Injoy Business Management Co., Ltd.	2019年4月8日 8-Apr-19	1,000	1,000	67.52%	–	百貨商店管理 Department store management
昭通吾悅商業管理有限公司 Shaotong Injoy Business Management Co., Ltd.	2019年3月11日 11-Mar-19	1,000	1,000	67.52%	–	百貨商店管理 Department store management

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	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
貴港吾悅商業管理有限公司 Guigang Injoy Business Management Co., Ltd.	2019年5月15日 15-May-19	1,000	1,000	67.52%	-	百貨商店管理 Department store management
北海吾悅商業管理有限公司 Beihai Injoy Business Management Co., Ltd.	2019年4月29日 29-Apr-19	1,000	1,000	67.52%	-	百貨商店管理 Department store management
徐州新城吾悅商業管理有限公司 Xuzhou Future Land Injoy Business Management Co., Ltd.	2019年3月31日 31-Mar-19	1,000	1,000	67.52%	-	百貨商店管理 Department store management
哈爾濱新城吾悅商業管理有限公司 Harbin Future Land Injoy Business Management Co., Ltd.	2019年5月13日 13-May-19	1,000	1,000	67.52%	-	百貨商店管理 Department store management
滁州新城悅博房地產開發有限公司 Chuzhou Future Land Yuebo Real Estate Development Co., Ltd.	2019年1月30日 30-Jan-19	105,000	105,000	66.85%	-	物業開發及銷售 Development and sale of properties
六安億博房地產開發有限公司 Luan Yibo Real Estate Development Co., Ltd.	2018年12月27日 27-Dec-18	300,000	300,000	66.85%	66.82%	物業開發及銷售 Development and sale of properties
瀋陽億博房地產開發有限公司 Shenyang Yibo Real Estate Development Co., Ltd.	2018年12月20日 20-Dec-18	50,000	-	66.85%	66.82%	物業開發及銷售 Development and sale of properties
泰安新城悅盛房地產開發有限公司 Taian Future Land Yueheng Real Estate Development Co., Ltd.	2019年1月30日 30-Jan-19	120,638	120,638	73.15%	-	物業開發及銷售 Development and sale of properties
德陽新城億博房地產開發有限公司 Deyang Future Land Yibo Real Estate Development Co., Ltd.	2019年1月30日 30-Jan-19	100,000	100,000	66.85%	-	物業開發及銷售 Development and sale of properties
隨州新城悅博房地產開發有限公司 Suizhou Future Land Yuebo Real Estate Development Co., Ltd.	2019年1月29日 29-Jan-19	130,000	130,000	73.15%	-	物業開發及銷售 Development and sale of properties
鹽城市大豐區新城億軒房地產開發有限公司 Yancheng Dafeng Future Land Yixuan Real Estate Development Co., Ltd.	2018年12月28日 28-Dec-18	424,077	424,077	73.15%	66.82%	物業開發及銷售 Development and sale of properties
貴陽新城吾悅商業管理有限公司 Guiyang Future Land Injoy Business Management Co., Ltd.	2019年4月18日 18-Apr-19	1,000	1,000	67.52%	-	百貨商店管理 Department store management

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溫州新城吾悅商業管理有限公司 Wenzhou Future Land Injoy Business Management Co., Ltd.	2019年5月6日 6-May-19	1,000	1,000	67.52%	-	百貨商店管理 Department store management
濰坊悅盛商業管理有限公司 Weifang Yuesheng Business Management Co., Ltd.	2019年6月5日 5-Jun-19	1,000	1,000	67.52%	-	百貨商店管理 Department store management
海鹽新城吾悅商業管理有限公司 Haiyan Future Land Injoy Business Management Co., Ltd.	2019年6月5日 5-Jun-19	1,000	1,000	67.52%	-	百貨商店管理 Department store management
蘇州億崙科技產業發展有限公司 Suzhou Yisong Technology Development Co., Ltd.	2018年3月27日 27-Mar-18	10,000	-	67.52%	67.49%	百貨商店管理 Department store management
天津新城億隆房地產開發有限公司 Tianjin Future Land Yilong Real Estate Development Co., Ltd.	2018年11月8日 8-Nov-18	50,000	-	66.85%	66.82%	物業開發及銷售 Development and sale of properties
湖北長投創置房地產開發有限公司(c) Hubei Changtong Chuangzhi Real Estate Development Co., Ltd. (c)	2018年5月22日 22-May-18	10,000	-	32.79%	-	物業開發及銷售 Development and sale of properties
廣州億昌企業管理有限公司 Guangzhou Yichang Enterprise Management Co., Ltd.	2018年8月24日 24-Aug-18	20,000	-	64.31%	64.28%	百貨商店管理 Department store management
深圳市億鴻企業管理有限公司 Shenzhen Yihong Enterprise Management Co., Ltd.	2018年8月23日 23-Aug-18	10,000	-	67.52%	67.49%	百貨商店管理 Department store management
南寧億旭房地產開發有限公司 Nanning Yixu Real Estate Development Co., Ltd.	2019年9月3日 3-Sep-19	10,000	-	67.52%	-	物業開發及銷售 Development and sale of properties
寧波億錦企業管理有限公司 Ningbo Yijin Enterprise Management Co., Ltd.	2018年10月23日 23-Oct-18	1,000	-	65.87%	65.84%	百貨商店管理 Department store management
青島特成房地產開發有限公司(c) Qingdao Techeng Real Estate Development Co., Ltd. (c)	2017年8月17日 17-Aug-17	700,000	700,000	47.22%	47.20%	物業開發及銷售 Development and sale of properties
常州新城萬佳房地產有限公司 Changzhou Future Land Wanjia Real Estate Co., Ltd.	2009年12月10日 10-Dec-09	50,000	50,000	64.65%	64.63%	物業開發及銷售 Development and sale of properties

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上海億樾企業管理有限公司 Shanghai Yiyue Enterprise Management Co., Ltd.	2018年9月18日 18-Sep-18	10,000	–	67.52%	67.49%	百貨商店管理 Department store management
天津市濱海新區新城悅鑫房地產開發有限公司 Tianjin Binhai Future Land Yuexin Real Estate Development Co., Ltd.	2019年2月27日 27-Feb-19	130,000	130,000	73.69%	–	物業開發及銷售 Development and sale of properties
甯鄉市悅宏房地產開發有限公司 Ningxiang Yuehong Real Estate Development Co., Ltd.	2019年5月30日 30-May-19	105,000	–	66.85%	–	物業開發及銷售 Development and sale of properties
滄州市新城悅盛房地產開發有限公司 Cangzhou Future Land Real Yuesheng Estate Development Co., Ltd.	2019年3月21日 21-Mar-19	130,000	130,000	73.15%	–	物業開發及銷售 Development and sale of properties
東台新城悅盛房地產開發有限公司 Dongtai Future Land Yuesheng Real Estate Development Co., Ltd.	2019年4月2日 2-Apr-19	417,467	417,467	73.15%	–	物業開發及銷售 Development and sale of properties
濟甯新城悅盛置業有限公司 Jining Future Land Yuesheng Property Co. Ltd.	2019年5月22日 22-May-19	105,000	–	66.85%	–	物業開發及銷售 Development and sale of properties
漣水新城悅盛房地產開發有限公司(h) Lianshui Future Land Yuesheng Real Estate Development Co., Ltd. (h)	2019年4月16日 16-Apr-19	706,049	403,866	73.15%	–	物業開發及銷售 Development and sale of properties
揚州新城悅盛房地產發展有限公司 Yangzhou Future Land Yuesheng Real Estate Development Co., Ltd.	2019年9月3日 3-Sep-19	105,000	105,000	66.85%	–	物業開發及銷售 Development and sale of properties
杭州悅璟房地產諮詢有限公司 Hangzhou Yuejing Real Estate Consultancy Co., Ltd.	2019年5月10日 10-May-19	5,000	–	67.43%	–	百貨商店管理 Department store management
嘉興新城悅鴻房地產開發有限公司 Jiaxin Future Land Yuehong Real Estate Development Co., Ltd.	2019年4月28日 28-Apr-19	123,457	123,457	73.62%	–	物業開發及銷售 Development and sale of properties
臨沂悅盛房地產開發有限公司 Linyi Yuesheng Real Estate Development Co., Ltd.	2019年5月22日 22-May-19	10,200	10,200	67.47%	–	物業開發及銷售 Development and sale of properties
青島悅宸房地產開發有限公司 Qingdao Yuechen Real Estate Development Co., Ltd.	2019年5月20日 20-May-19	10,000	–	67.47%	–	物業開發及銷售 Development and sale of properties

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煙臺悅璟房地產開發有限公司 Yantai Yuejing Real Estate Development Co., Ltd.	2019年5月8日 8-May-19	50,000	50,000	67.47%	-	物業開發及銷售 Development and sale of properties
西安億超企業管理有限公司 Xian Yichao Enterprise Management Co., Ltd.	2018年8月31日 31-Aug-18	10,000	-	67.36%	67.33%	百貨商店管理 Department store management
西安億淳企業管理有限公司 Xian Yichun Enterprise Management Co., Ltd.	2018年8月31日 31-Aug-18	10,000	-	67.36%	67.33%	百貨商店管理 Department store management
西咸新區新城悅澤房地產開發有限公司 Xixian Future Land Yueze Real Estate Development Co., Ltd.	2019年4月26日 26-Apr-19	10,000	-	67.36%	-	物業開發及銷售 Development and sale of properties
常州悅誠企業管理諮詢有限公司 Changzhou Yuecheng Enterprise Management Consultancy Co., Ltd.	2019年1月14日 14-Jan-19	1,000	1,000	67.52%	-	百貨商店管理 Department store management
昆明新城億博房地產開發有限公司 Kunming Future Land Yibo Real Estate Development Co., Ltd.	2019年1月7日 7-Jan-19	50,000	50,000	66.85%	-	物業開發及銷售 Development and sale of properties
天長市新城悅興房地產開發有限公司 Tianchang Future Land Yuexin Real Estate Development Co., Ltd.	2019年6月6日 6-Jun-19	50,000	50,000	67.52%	-	物業開發及銷售 Development and sale of properties
長沙悅博房地產開發有限公司(c) Changsha Yuebo Real Estate Development Co., Ltd. (c)	2019年1月24日 24-Jan-19	100,000	100,000	39.06%	-	物業開發及銷售 Development and sale of properties
青島億臻房地產開發有限公司 Qingdao Yizhen Real Estate Development Co., Ltd.	2019年1月4日 4-Jan-19	10,000	10,000	67.47%	-	物業開發及銷售 Development and sale of properties
常州新城悅佳房地產開發有限公司(c) Changzhou Future Land Yuejia Real Estate Development Co., Ltd. (c)	2019年1月23日 23-Jan-19	270,000	270,000	32.97%	-	物業開發及銷售 Development and sale of properties
天津新城億恒房地產開發有限公司(c) Tianjin Future Land Yiheng Real Estate Development Co., Ltd. (c)	2019年1月3日 3-Jan-19	800,000	600,000	36.77%	-	物業開發及銷售 Development and sale of properties
天津新城悅恒房地產開發有限公司(a) Tianjin Future Land Yueheng Real Estate Development Co., Ltd. (a)	2019年1月10日 10-Jan-19	130,000	130,000	73.15%	-	物業開發及銷售 Development and sale of properties

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武漢冠信房地產開發有限公司 Wuhan Guanxin Real Estate Development Co., Ltd.	2018年2月27日 27-Feb-18	100,000	100,000	51.44%	40.49%	物業開發及銷售 Development and sale of properties
長沙嘉和創元置業有限公司(c) Changsha Jiahe Chuangyuan Property Co. Ltd. (c)	2017年11月15日 15-Nov-17	282,462	282,462	43.40%	66.74%	物業開發及銷售 Development and sale of properties
長沙遠錦創元置業有限公司 Changsha Yuanjin Chuangyuan Property Co. Ltd.	2017年12月14日 14-Dec-17	10,000	–	66.77%	66.74%	物業開發及銷售 Development and sale of properties
長沙悅拓房地產開發有限公司(c) Changsha Yuetuo Real Estate Development Co., Ltd. (c)	2019年4月18日 18-Apr-19	300,000	–	40.06%	–	物業開發及銷售 Development and sale of properties
湖南悅澤房地產開發有限公司(c) Hunan Yueze Real Estate Development Co., Ltd. (c)	2019年3月13日 13-Mar-19	100,000	–	40.06%	–	物業開發及銷售 Development and sale of properties
阜陽新城悅祥房地產開發有限公司 Fuyang Future Land Yuexiang Real Estate Development Co., Ltd.	2019年5月27日 27-May-19	50,000	–	64.65%	–	物業開發及銷售 Development and sale of properties
阜陽新城悅晟房地產開發有限公司 Fuyang Future Land Yuesheng Real Estate Development Co., Ltd.	2019年4月24日 24-Apr-19	50,000	–	64.65%	–	物業開發及銷售 Development and sale of properties
蕪湖悅順房地產有限公司 Wuhu Yueshun Real Estate Development Co., Ltd.	2019年5月29日 29-May-19	50,000	–	64.65%	–	物業開發及銷售 Development and sale of properties
江西悅鴻房地產開發有限公司(c) Jiangxi Yuehong Real Estate Development Co., Ltd. (c)	2019年1月31日 31-Jan-19	10,000	–	44.79%	–	物業開發及銷售 Development and sale of properties
南昌億拓企業管理有限公司 Nanchang Yituo Enterprise Management Co., Ltd.	2018年7月5日 5-Jul-18	10,000	–	66.85%	66.82%	百貨商店管理 Department store management
濰坊億悅房地產開發有限公司(c) Weifang Yiyue Real Estate Development Co., Ltd. (c)	2018年6月19日 19-Jun-18	800,000	800,000	47.22%	–	物業開發及銷售 Development and sale of properties
平湖悅郡實業有限公司 Pinghu Yuejun Industry Co., Ltd.	2019年4月16日 16-Apr-19	10,000	–	67.07%	–	百貨商店管理 Department store management

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	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
平湖悅順實業有限公司 Pinghu Yueshun Industry Co., Ltd.	2019年5月13日 13-May-19	10,000	–	67.07%	–	百貨商店管理 Department store management
東台市江中置業有限公司 Dongtai Jiangzhong Property Co. Ltd.	2010年10月9日 9-Oct-10	8,000	8,000	67.45%	–	物業開發及銷售 Development and sale of properties
唐山新城豐榮房地產開發有限公司(c) Tangshan Future Land Fengrong Real Estate Development Co., Ltd. (c)	2019年4月25日 25-Apr-19	70,000	70,000	34.10%	–	物業開發及銷售 Development and sale of properties
天津新城悅連房地產開發有限公司 Tianjin Future Land Yueda Real Estate Development Co., Ltd.	2019年5月27日 27-May-19	50,000	50,000	66.85%	–	物業開發及銷售 Development and sale of properties
天津新城悅宏房地產開發有限公司 Tianjin Future Land Yuehong Real Estate Development Co., Ltd.	2019年2月26日 26-Feb-19	50,000	–	66.85%	–	物業開發及銷售 Development and sale of properties
天津新城悅弘房地產開發有限公司 Tianjin Future Land Yuehong Real Estate Co., Ltd.	2019年3月7日 7-Mar-19	130,000	130,000	73.49%	–	物業開發及銷售 Development and sale of properties
天津新城悅錦房地產開發有限公司 Tianjin Future Land Yuejin Real Estate Development Co., Ltd.	2019年4月26日 26-Apr-19	1,295,150	634,620	52.15%	–	物業開發及銷售 Development and sale of properties
天津新城悅郡房地產開發有限公司(c) Tianjin Future Land Yuejun Real Estate Development Co., Ltd. (c)	2019年3月29日 29-Mar-19	431,780	431,780	34.10%	–	物業開發及銷售 Development and sale of properties
天津新城悅隆房地產開發有限公司 Tianjin Future Land Yuelong Real Estate Development Co., Ltd.	2019年4月28日 28-Apr-19	50,000	–	64.72%	–	物業開發及銷售 Development and sale of properties
天津新城悅榮房地產開發有限公司(c) Tianjin Future Land Yuerong Real Estate Development Co., Ltd. (c)	2019年4月29日 29-Apr-19	233,820	74,820	44.01%	–	物業開發及銷售 Development and sale of properties
天津新城悅尚房地產開發有限公司 Tianjin Future Land Yueshang Real Estate Development Co., Ltd.	2019年4月9日 9-Apr-19	50,000	–	66.85%	–	物業開發及銷售 Development and sale of properties
天津新城悅盛房地產開發有限公司(c) Tianjin Future Land Yuesheng Real Estate Development Co., Ltd. (c)	2019年2月26日 26-Feb-19	465,647	465,647	34.10%	–	物業開發及銷售 Development and sale of properties

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

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天津新城悅興房地產開發有限公司 Tianjin Future Land Yuexing Real Estate Development Co., Ltd.	2019年4月9日 9-Apr-19	50,000	–	66.85%	–	物業開發及銷售 Development and sale of properties
溫州億昊企業管理有限公司 Wenzhou Yihao Enterprise Management Co., Ltd.	2018年10月17日 17-Oct-18	10,000	–	61.38%	61.36%	百貨商店管理 Department store management
溫州悅錦企業管理有限公司 Wenzhou Yuejin Enterprise Management Co., Ltd.	2019年2月21日 21-Feb-19	10,000	–	61.38%	–	百貨商店管理 Department store management
亳州悅通房地產開發有限公司(c) Bozhou Yuetong Real Estate Development Co., Ltd. (c)	2019年5月27日 27-May-19	415,000	415,000	32.47%	–	物業開發及銷售 Development and sale of properties
肇義市悅宸置業有限公司 Gongyi Yuechen Property Co. Ltd.	2019年5月8日 8-May-19	90,240	90,240	71.08%	–	物業開發及銷售 Development and sale of properties
肇義市悅晟置業有限公司 Gongyi Yuesheng Property Co. Ltd.	2019年5月8日 8-May-19	130,000	130,000	71.08%	–	物業開發及銷售 Development and sale of properties
鄭州舜傑新城房地產開發有限公司 Zhengzhou Shunjie Future Land Real Estate Development Co., Ltd.	2019年3月6日 6-Mar-19	1,000,000	–	61.02%	–	物業開發及銷售 Development and sale of properties
鄭州悅旭房地產開發有限公司 Zhengzhou Yuexu Real Estate Development Co., Ltd.	2019年5月10日 10-May-19	10,000	–	64.31%	–	物業開發及銷售 Development and sale of properties
鄭州悅韻房地產開發有限公司 Zhengzhou Yueyun Real Estate Development Co., Ltd.	2019年5月20日 20-May-19	10,000	–	64.31%	–	物業開發及銷售 Development and sale of properties
鄭州悅璞房地產開發有限公司 Zhengzhou Yuepu Real Estate Development Co., Ltd.	2019年5月20日 20-May-19	10,000	–	64.31%	–	物業開發及銷售 Development and sale of properties
重慶悅璟房地產開發有限公司 Chongqing Yuejing Real Estate Development Co., Ltd.	2019年5月24日 24-May-19	50,000	–	64.31%	–	物業開發及銷售 Development and sale of properties
隨州新城吾悅商業管理有限公司 Suizhou Future Land Injoy Business Management Co., Ltd.	2019年6月5日 5-Jun-19	1,000	1,000	67.52%	–	百貨商店管理 Department store management

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六安市吾悅商業管理有限公司 Luan Injoy Business Management Co., Ltd.	2019年4月19日 19-Apr-19	1,000	1,000	67.52%	-	百貨商店管理 Department store management
德陽新城吾悅商業管理有限公司 Deyang Future Land Injoy Business Management Co., Ltd.	2019年4月30日 30-Apr-19	1,000	1,000	67.52%	-	百貨商店管理 Department store management
西寧新城吾悅商業管理有限公司 Xining Future Land Injoy Business Management Co., Ltd.	2019年4月9日 9-Apr-19	1,000	1,000	67.52%	-	百貨商店管理 Department store management
遵義市吾悅商業管理有限公司 Zunyi Injoy Business Management Co., Ltd.	2019年5月27日 27-May-19	1,000	1,000	67.52%	-	百貨商店管理 Department store management
內江新城悅盛房地產開發有限公司 Neijiang Future Land Yuesheng Real Estate Development Co., Ltd.	2019年6月12日 12-Jun-19	105,000	-	66.85%	-	物業開發及銷售 Development and sale of properties
泰安悅盛貿易有限公司 Taian Yuesheng Trade Co., Ltd.	2019年6月18日 18-Jun-19	34,351	34,351	66.85%	-	百貨商店管理 Department store management
昆明悅宸房地產開發有限公司 Kunming Yuechen Real Estate Development Co., Ltd.	2019年6月21日 21-Jun-19	105,000	-	66.85%	-	物業開發及銷售 Development and sale of properties
銅陵新城悅盛房地產開發有限公司 Tongling Future Land Yuesheng Real Estate Development Co., Ltd.	2019年6月25日 25-Jun-19	1,000,000	350,000	66.85%	-	物業開發及銷售 Development and sale of properties
上海迪裕商業經營管理有限公司 Shanghai Diyu Business Management Co., Ltd.	2015年10月28日 28-Oct-15	360,000	360,000	67.07%	-	百貨商店管理 Department store management
天津新城悅鼎房地產開發有限公司 Tianjin Future Land Yueding Real Estate Development Co., Ltd.	2019年5月8日 8-May-19	50,000	-	66.85%	-	物業開發及銷售 Development and sale of properties
惠州嘉鴻名城實業有限公司(c) Huizhou Jiahong Mingcheng Industry Co., Ltd. (c)	2010年1月21日 21-Jan-10	52,040	52,040	34.44%	24.97%	百貨商店管理 Department store management
天津市津南區新城吾悅房地產開發有限公司 Tianjin Jinnan Future Land Injoy Real Estate Development Co., Ltd.	2016年4月27日 27-Apr-16	420,000	420,000	66.85%	46.78%	物業開發及銷售 Development and sale of properties

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常州新城悅尚房地產開發有限公司(a) Changzhou Future Land Yueshang Real Estate Development Co., Ltd. (a)	2019年5月7日 7-May-19	920,490	170,000	65.06%	–	物業開發及銷售 Development and sale of properties
合肥新城創晟房地產有限公司 Hefei Future Land Chuangsheng Real Estate Development Co., Ltd.	2017年2月15日 15-Feb-17	50,000	100,000	67.52%	33.75%	物業開發及銷售 Development and sale of properties
上海悅韻營銷管理諮詢有限公司 Shanghai Yueyun Marketing Consultancy Co, Ltd	2019年9月6日 6-Sep-19	10,000	–	66.85%	–	百貨商店管理 Department store management
泰興悅盛房地產開發有限公司 Taixing Yuesheng Real Estate Development Co., Ltd.	2019年8月20日 20-Aug-19	165,360	165,360	66.85%	–	物業開發及銷售 Development and sale of properties
揚州新城悅博房地產發展有限公司 Yangzhou Future Land Yuebo Real Estate Development Co., Ltd.	2019年7月17日 17-Jul-19	69,586	69,586	66.85%	–	物業開發及銷售 Development and sale of properties
平湖悅盛房地產開發有限公司 Pinghu Yuesheng Real Estate Development Co., Ltd.	2019年7月31日 31-Jul-19	55,400	55,400	66.85%	–	物業開發及銷售 Development and sale of properties
滁州新城吾悅商業管理有限公司 Chuzhou Future Land Injoy Business Management Co., Ltd.	2019年7月2日 2-Jul-19	1,000	1,000	67.52%	–	百貨商店管理 Department store management
淮南新城悅欣房地產開發有限公司 Huainan Future Land Yuexin Real Estate Development Co., Ltd.	2019年7月25日 25-Jul-19	24,190	24,190	66.85%	–	物業開發及銷售 Development and sale of properties
泰安市吾悅商業管理有限公司 Taian Injoy Business Management Co., Ltd.	2019年8月23日 23-Aug-19	1,000	1,000	67.52%	–	百貨商店管理 Department store management
孝感新城吾悅商業管理有限公司 Xiaogan Future Land Injoy Business Management Co., Ltd.	2019年7月30日 30-Jul-19	1,000	1,000	67.52%	–	百貨商店管理 Department store management
鹽城市大豐區新城吾悅商業管理有限公司 Yancheng Dafeng Future Land Injoy Business Management Co., Ltd.	2019年6月5日 5-Jun-19	1,000	1,000	67.52%	–	百貨商店管理 Department store management
大同新城悅盛房地產開發有限公司 Datong Future Land Yuesheng Real Estate Development Co., Ltd.	2019年7月15日 15-Jul-19	50,000	50,000	67.52%	–	物業開發及銷售 Development and sale of properties

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	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
銀川新城吾悅房地產開發有限公司 Yinchuan Future Land Real Injoy Estate Development Co., Ltd.	2019年6月21日 21-Jun-19	50,000	50,000	67.52%	-	物業開發及銷售 Development and sale of properties
澧水新城吾悅商業管理有限公司 Lianshui Future Land Injoy Business Management Co., Ltd.	2019年7月25日 25-Jul-19	1,000	1,000	67.52%	-	百貨商店管理 Department store management
揚州新城吾悅商業管理有限公司 Yangzhou Future Land Injoy Business Management Co., Ltd.	2019年7月4日 4-Jul-19	1,000	1,000	67.52%	-	百貨商店管理 Department store management
南京悅盛吾悅商業管理有限公司 Nanjing Yuesheng Injoy Business Management Co., Ltd.	2019年4月26日 26-Apr-19	1,000	1,000	67.52%	-	百貨商店管理 Department store management
安寧吾悅商業管理有限公司 Anning Injoy Business Management Co., Ltd.	2019年8月27日 27-Aug-19	1,000	1,000	67.52%	-	百貨商店管理 Department store management
東台新城吾悅商業管理有限公司 Dongtai Future Land Injoy Business Management Co., Ltd.	2019年7月29日 29-Jul-19	1,000	1,000	67.52%	-	百貨商店管理 Department store management
句容新城悅盛房地產開發有限公司 Jurong Future Land Yuesheng Real Estate Development Co., Ltd.	2019年9月10日 10-Sep-19	123,550	123,550	67.52%	-	物業開發及銷售 Development and sale of properties
長沙悅順房地產開發有限公司 Changsha Yueshun Real Estate Development Co., Ltd.	2019年9月23日 23-Sep-19	20,340	20,340	66.85%	-	物業開發及銷售 Development and sale of properties
南昌悅隆房地產開發有限公司(h) Nanchang Yuelong Real Estate Development Co., Ltd. (h)	2019年9月25日 25-Sep-19	411,087	411,087	66.85%	-	物業開發及銷售 Development and sale of properties
南寧悅澤房地產開發有限公司 Nanning Yuezze Real Estate Development Co., Ltd.	2019年9月9日 9-Sep-19	7,510	7,510	66.85%	-	物業開發及銷售 Development and sale of properties
玉環悅盛房地產開發有限公司 Yuhuan Yuesheng Real Estate Development Co., Ltd.	2019年9月16日 16-Sep-19	13,150	13,150	66.85%	-	物業開發及銷售 Development and sale of properties
昆明新城悅安房地產發展有限公司 Kunming Future Land Yuan Real Estate Development Co., Ltd.	2019年9月20日 20-Sep-19	5,500	5,500	66.85%	-	物業開發及銷售 Development and sale of properties

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	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
瀘州新城吾悅商業管理有限公司 Cangzhou Future Land Injoy Business Management Co., Ltd.	2019年8月13日 13-Aug-19	1,000	1,000	67.52%	-	百貨商店管理 Department store management
大連悅盛房地產開發有限公司 Dalian Yueheng Real Estate Development Co., Ltd.	2019年6月26日 26-Jun-19	990,000	990,000	66.85%	-	物業開發及銷售 Development and sale of properties
成都悅錫房地產開發有限公司 Chengdu Yuekai Real Estate Development Co., Ltd.	2019年7月2日 2-Jul-19	100,000	-	64.31%	-	物業開發及銷售 Development and sale of properties
杭州聚佑企業管理有限責任公司(c) Hangzhou Juyou Enterprise Management Co., Ltd. (c)	2019年3月1日 1-Mar-19	140,000	140,000	22.40%	-	百貨商店管理 Department store management
東營悅峻房地產開發有限公司(c) Dongying Yuejun Real Estate Development Co., Ltd. (c)	2019年7月4日 4-Jul-19	210,000	210,000	43.85%	-	物業開發及銷售 Development and sale of properties
青島悅潤房地產開發有限公司(c) Qingdao Yuerun Real Estate Development Co., Ltd. (c)	2019年7月15日 15-Jul-19	50,000	35,000	47.22%	-	物業開發及銷售 Development and sale of properties
西安悅拓房地產開發有限公司 Xian Yuetuo Real Estate Development Co., Ltd.	2019年5月30日 30-May-19	10,000	-	67.36%	-	物業開發及銷售 Development and sale of properties
西安悅睿房地產開發有限公司 Xian Yuerui Real Estate Development Co., Ltd.	2019年5月30日 30-May-19	10,000	-	67.36%	-	物業開發及銷售 Development and sale of properties
蘇州豐盛房地產開發有限公司 Suzhou Yusheng Real Estate Development Co., Ltd.	2016年10月20日 20-Oct-16	600,000	600,000	64.72%	42.05%	物業開發及銷售 Development and sale of properties
舟山聚佑房地產開發有限公司(c) Zhoushan Juyou Real Estate Development Co., Ltd. (c)	2019年6月21日 21-Jun-19	10,000	10,000	22.40%	-	物業開發及銷售 Development and sale of properties
臨沂悅鴻商業經營管理有限公司 Linyi Yuehong Business Management Co., Ltd.	2019年9月25日 25-Sep-19	5,000	5,000	66.85%	-	百貨商店管理 Department store management
濟寧悅鴻貿易有限公司(g) Jining Yuehong Trade Co., Ltd. (g)	2019年9月26日 26-Sep-19	30,151	30,151	66.85%	-	百貨商店管理 Department store management

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慈溪悅盛房地產開發有限公司 Cixi Yuesheng Real Estate Development Co., Ltd.	2019年10月9日 9-Oct-19	74,290	74,290	66.85%	-	物業開發及銷售 Development and sale of properties
瑞安市悅博房地產開發有限公司(c) Ruian Yuebo Real Estate Development Co., Ltd. (c)	2019年10月28日 28-Oct-19	343,520	343,520	34.08%	-	物業開發及銷售 Development and sale of properties
仙居悅弘房地產開發有限公司 Xianju Yuehong Real Estate Development Co., Ltd.	2019年10月11日 11-Oct-19	13,400	13,400	66.85%	-	物業開發及銷售 Development and sale of properties
天長吾悅商業管理有限公司 Tianchang Injoy Business Management Co., Ltd.	2019年9月3日 3-Sep-19	1,000	1,000	67.52%	-	百貨商店管理 Department store management
上海悅崧實業發展有限公司 Shanghai Yuesong Development Co., Ltd	2019年9月20日 20-Sep-19	1,000	-	67.52%	-	物業開發及銷售 Development and sale of properties
鄭州新城吾悅商業管理有限公司 Zhengzhou Future Land Injoy Business Management Co., Ltd.	2019年10月28日 28-Oct-19	1,000	1,000	67.52%	-	百貨商店管理 Department store management
上饒市億軒房產經營管理有限公司 Shangrao Yixuan Management Co., Ltd	2019年11月14日 14-Nov-19	22,000	22,000	66.85%	-	百貨商店管理 Department store management
濟寧吾悅商業管理有限公司 Jining Injoy Business Management Co., Ltd.	2019年10月28日 28-Oct-19	1,000	1,000	67.52%	-	百貨商店管理 Department store management
啟東市悅博房產經營管理有限公司 Qidong Yuebo Real Estate Management Co., Ltd	2019年11月15日 15-Nov-19	378,000	378,000	66.85%	-	物業開發及銷售 Development and sale of properties
宿遷新城悅鴻房地產有限公司 Suqian Future Land Yuehong Real Estate Development Co., Ltd.	2019年12月9日 9-Dec-19	20,000	-	63.67%	-	物業開發及銷售 Development and sale of properties
唐山新城悅盛房地產開發有限公司 Tangshan Future Land Yuesheng Real Estate Development Co., Ltd.	2019年12月13日 13-Dec-19	10,000	-	66.85%	-	物業開發及銷售 Development and sale of properties
簡陽市京新房地產開發有限公司 Jiayang Jingxin Real Estate Development Co., Ltd.	2017年12月15日 15-Dec-17	338,240	338,240	64.31%	32.74%	物業開發及銷售 Development and sale of properties

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
簡陽嘉欣瑞恒投資開發有限公司 Jianyang Jiaxin Ruiheng Investment Development Co., Ltd. (c)	2017年6月19日 19-Jun-17	100,000	100,000	32.79%	24.30%	物業開發及銷售 Development and sale of properties
佛山鼎域房地產開發有限公司 Foshan Dingyu Real Estate Development Co., Ltd.	2017年2月10日 10-Feb-17	10,000	500,000	64.31%	47.24%	物業開發及銷售 Development and sale of properties
南京新城萬博房地產開發有限公司 Nanjing Future Land Wanbo Real Estate Development Co., Ltd.	2017年3月2日 2-Mar-17	20,000	330,000	66.85%	46.78%	物業開發及銷售 Development and sale of properties
常州新城紫東房地產發展有限公司(h) Changzhou Future Land Zidong Real Estate Development Co., Ltd. (h)	2017年11月2日 2-Nov-17	443,000	442,108	66.85%	52.14%	物業開發及銷售 Development and sale of properties
湖州新城悅安房地產開發有限公司 Huzhou Future Land Yuean Real Estate Development Co., Ltd.	2019年12月16日 16-Dec-19	50,000	–	67.07%	–	物業開發及銷售 Development and sale of properties
天津市協連房地產開發有限公司(c) Tianjin Xielian Real Estate Development Co., Ltd. (c)	2004年6月11日 11-Jun-04	206,140	206,140	45.31%	–	物業開發及銷售 Development and sale of properties
西安銀豐置業發展有限公司(c) Xian Yinfeng Property Development Co., Ltd. (c)	2019年4月3日 3-Apr-19	50,000	–	47.15%	–	物業開發及銷售 Development and sale of properties
上海悅嵩能源設備有限公司 Shanghai Yuesong Energy Equipment Co., Ltd.	2019年11月27日 27-Nov-19	10,000	10,000	67.52%	–	能源設備維護及租賃 Maintenance and leasing of energy equipment
上海億崙能源設備有限公司 Shanghai Yisong Energy Equipment Co., Ltd.	2018年8月1日 1-Aug-18	10,000	10,000	67.52%	67.49%	能源設備維護及租賃 Maintenance and leasing of energy equipment
香港創拓發展有限公司(b) HONG KONG ACHIEVEMENT DEVELOPMENT LIMITED (b)	2010年8月30日 30-Aug-10	3,035	3,035	100.00%	100.00%	投資公司 Investment company
香港宏盛發展有限公司(b) Hong Kong Prosperity Development Ltd. (b)	2010年8月30日 30-Aug-10	10	10	100.00%	100.00%	投資公司 Investment company
碧海控股有限公司(b) Emerald Sea holdings Limited (b)	2013年11月12日 12-Nov-13	300	300	100.00%	100.00%	投資公司 Investment company
錦名有限公司(b) Acme Name Limited (b)	2014年9月12日 12-Sep-14	300	300	100.00%	100.00%	投資公司 Investment company

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通遠有限公司(b)	2014年9月3日	300	300	100.00%	100.00%	投資公司
Afar Connect Limited (b)	3-Sep-14					Investment company
盛洲有限公司(b)	2014年9月19日	300	300	100.00%	100.00%	投資公司
Alpha Oasis Limited (b)	19-Sep-14					Investment company
捷帆有限公司(b)	2014年8月12日	300	300	100.00%	100.00%	投資公司
Brisk Sail Limited (b)	12-Aug-14					Investment company
旭堡有限公司(b)	2014年5月12日	300	300	100.00%	100.00%	投資公司
Dawn Castle Limited (b)	12-May-14					Investment company
旭濤控股有限公司(b)	2014年7月10日	300	300	100.00%	100.00%	投資公司
Dawnwave Holdings Limited (b)	10-Jul-14					Investment company
龍邦投資有限公司(b)	2014年8月12日	300	300	100.00%	100.00%	投資公司
Dragon State Investments Limited (b)	12-Aug-14					Investment company
香港恒康發展有限公司(b)	2014年10月16日	-	-	100.00%	100.00%	投資公司
Hong Kong Hengkang Development Limited (b)	16-Oct-14					Investment company
香港創智發展有限公司(b)	2014年10月16日	-	-	100.00%	100.00%	投資公司
Hong Kong Chuangzhi Development Limited (b)	16-Oct-14					Investment company
香港悅盛發展有限公司(b)	2014年1月10日	8	8	100.00%	100.00%	投資公司
Hong Kong Exaltation Development Limited (b)	10-Jan-14					Investment company
香港創匯發展有限公司(b)	2014年8月22日	-	-	100.00%	100.00%	投資公司
Hong Kong Chuanghui Development Limited (b)	22-Aug-14					Investment company
香港創域發展有限公司(b)	2014年8月22日	-	-	100.00%	100.00%	投資公司
Hong Kong Chuangyu Development Limited (b)	22-Aug-14					Investment company
香港凱盛發展有限公司(b)	2014年9月12日	-	-	100.00%	100.00%	投資公司
Hong Kong Kaisheng Development Limited (b)	12-Sep-14					Investment company
香港恒逸發展有限公司(b)	2014年10月16日	-	-	100.00%	100.00%	投資公司
Hong Kong Hengyi Development Limited (b)	16-Oct-14					Investment company
香港恒昌發展有限公司(b)	2014年10月16日	-	-	100.00%	100.00%	投資公司
Hong Kong Hengchang Development Limited (b)	16-Oct-14					Investment company
新城發展資本(香港)有限公司(b)	2016年6月1日	350	350	100.00%	100.00%	投資公司
Future Land Development Capital (Hong Kong) Limited (b)	1-Jun-16					Investment company
越城環球有限公司(b)	2016年4月1日	8,900	8,900	100.00%	100.00%	投資公司
Super City Global Limited (b)	1-Apr-16					Investment company
Seazen Capital Partners Limited (b)	2016年9月13日	-	-	100.00%	100.00%	投資公司
	13-Sep-16					Investment company
常州德潤諮詢管理有限公司(g)	2013年8月28日	2,000	2,000	100.00%	100.00%	諮詢服務
Changzhou Derun Consultancy Co., Ltd. (g)	28-Aug-13					Consulting

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常州新城萬德投資有限公司 Changzhou Future Land Wande Investment Co., Ltd.	2013年9月9日 9-Sep-13	200,000	200,000	100.00%	100.00%	投資公司 Investment company
常州凱拓諮詢管理有限公司(g) Changzhou Kaituo Consultancy Co., Ltd. (g)	2014年11月4日 4-Nov-14	2,000	–	100.00%	100.00%	諮詢服務 Consulting
常州創域諮詢管理有限公司(g) Changzhou Chuangyu Consultancy Management Co., Ltd. (g)	2014年9月25日 25-Sep-14	2,000	2,000	100.00%	100.00%	諮詢服務 Consulting
常州新城萬嘉投資有限公司 Changzhou Future Land Wanjia Investment Co., Ltd.	2014年12月12日 12-Dec-14	10,000	10,000	100.00%	100.00%	物業開發及銷售 Development and sale of properties
常州恒軒諮詢管理有限公司(g) Changzhou Hengxuan Consultancy Management Co., Ltd. (g)	2014年12月11日 11-Dec-14	1,000	1,000	100.00%	100.00%	諮詢服務 Consulting
常州悅盛諮詢管理有限公司(g) Changzhou Yuesheng Consultancy Management Co., Ltd. (g)	2015年5月25日 25-May-15	1,000	1,000	100.00%	100.00%	諮詢服務 Consulting
上海新城萬聖企業管理有限公司 Shanghai Future Land Wansheng Business Management Co., Ltd.	2010年6月12日 12-Jun-10	10,000	10,000	67.49%	67.49%	物業開發及銷售 Development and sale of properties
富城發展集團有限公司(g) Changzhou Wealthzone Development Co., Ltd. (g)	2002年4月27日 27-Apr-02	301,800	301,800	100.00%	100.00%	物業開發及銷售 Development and sale of properties
上海錦名投資管理有限公司 Shanghai Jinming Investment Management Co., Ltd.	2015年12月30日 30-Dec-15	10,000	10,000	100.00%	100.00%	諮詢服務 Consulting
上海萊悅企業管理有限公司 Shanghai Ceyue Business Management Co., Ltd.	2016年11月22日 22-Nov-16	20,000	20,000	76.00%	76.00%	投資公司 Investment company
江蘇雲樞網絡技術有限公司 Jiangsu Yungui Internet Technology Co., Ltd	2014年3月13日 13-Mar-14	100,000	100,000	100.00%	100.00%	資訊科技 Information technology
聊城市雲樞網絡技術有限公司 Liaocheng Yungui Internet Technology Co., Ltd	2016年9月21日 21-Sep-16	1,000	1,000	100.00%	100.00%	資訊科技 Information technology
泰安雲樞網絡技術有限公司 Taian Yungui Internet Technology Co., Ltd	2016年11月21日 21-Nov-16	500	500	100.00%	100.00%	資訊科技 Information technology
威海雲樞網絡技術有限公司 Weihai Yungui Internet Technology Co., Ltd	2017年6月12日 12-Jun-17	500	500	100.00%	100.00%	資訊科技 Information technology
濱州雲樞網絡技術有限公司 Binzhou Yungui Internet Technology Co., Ltd	2017年6月16日 16-Jun-17	500	500	100.00%	100.00%	資訊科技 Information technology
東營雲樞網絡技術有限公司 Dongying Yungui Internet Technology Co., Ltd	2017年6月19日 19-Jun-17	500	500	100.00%	100.00%	資訊科技 Information technology
德州雲樞網絡技術有限公司 Dezhou Yungui Internet Technology Co., Ltd	2017年6月21日 21-Jun-17	1,000	1,000	100.00%	100.00%	資訊科技 Information technology

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
日照雲樞網絡技術有限公司 Rizhao Yungui Internet Technology Co., Ltd	2017年6月16日 16-Jun-17	500	500	100.00%	100.00%	資訊科技 Information technology
棗莊權友信息技術有限公司 Zaozhuang Yungui Internet Technology Co., Ltd	2017年6月15日 15-Jun-17	500	500	100.00%	100.00%	資訊科技 Information technology
池州雲樞網絡技術有限公司 Chizhou Yungui Internet Technology Co., Ltd	2017年7月3日 3-Jul-17	2,000	2,000	100.00%	100.00%	資訊科技 Information technology
洛陽權格網絡科技有限公司 Luoyang Yungui Internet Technology Co., Ltd	2017年8月16日 16-Aug-17	10,000	10,000	100.00%	100.00%	資訊科技 Information technology
麗水雲樞網絡技術有限公司 Lishui Yungui Internet Technology Co., Ltd	2017年8月17日 17-Aug-17	500	500	100.00%	100.00%	資訊科技 Information technology
江山雲樞網絡技術有限公司 Jiangshan Yungui Internet Technology Co., Ltd	2017年8月29日 29-Aug-17	500	500	100.00%	100.00%	資訊科技 Information technology
大連雲樞網絡技術有限公司 Dalian Yungui Internet Technology Co., Ltd	2017年9月27日 27-Sep-17	6,000	6,000	100.00%	100.00%	資訊科技 Information technology
荷澤雲樞網絡技術有限公司 Heze Yungui Internet Technology Co., Ltd	2017年9月27日 27-Sep-17	2,000	2,000	100.00%	100.00%	資訊科技 Information technology
宣城雲樞網絡技術有限公司 Xuancheng Yungui Internet Technology Co., Ltd	2017年11月14日 14-Nov-17	2,000	2,000	100.00%	100.00%	資訊科技 Information technology
濰博權格網絡技術有限公司 Zibo Guige Internet Technology Co., Ltd	2018年7月30日 30-Jul-18	500	500	100.00%	100.00%	資訊科技 Information technology
濰坊權友網絡科技有限公司 Weifang Guiyou Internet Technology Co., Ltd	2018年7月26日 26-Jul-18	500	500	100.00%	100.00%	資訊科技 Information technology
清遠雲樞網絡技術有限公司 Qingyuan Yungui Internet Technology Co., Ltd	2019年9月12日 12-Sep-19	500	–	100.00%	–	資訊科技 Information technology
蘇州權友網絡科技有限公司 Suzhou Yunyou Internet Technology Co., Ltd	2019年11月25日 25-Nov-19	500	–	100.00%	–	資訊科技 Information technology
上海新城多奇妙企業管理諮詢有限公司 Shanghai Future Land Duoqimiao Business Management Consultancy Co., Ltd.	2014年12月8日 8-Dec-14	100,000	100,000	88.00%	88.00%	兒童娛樂 Children entertainment
常州多奇妙企業管理諮詢有限公司 Changzhou Duoqimiao Business Management Consultancy Co., Ltd.	2015年7月31日 31-Jul-15	10,000	10,000	88.00%	88.00%	兒童娛樂 Children entertainment
江蘇新城多奇妙兒童娛樂有限公司 Jiangsu Future Land Duoqimiao Childhood Entertainment Co., Ltd.	2016年12月14日 14-Dec-16	10,000	10,000	88.00%	88.00%	兒童娛樂 Children entertainment
上海寶都新城多奇妙企業管理諮詢有限公司 Shanghai BaoJun Future Land Duoqimiao Business Management Consultancy Co., Ltd.	2015年9月8日 8-Sep-15	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment

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上海松繁新城多奇妙企業管理諮詢有限公司 Shanghai Songfan Future Land Duoqimiao Business Management Consultancy Co., Ltd.	2015年10月23日 23-Oct-15	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
上海奉寧新城多奇妙企業管理諮詢有限公司 Shanghai Fengning Future Land Duoqimiao Business Management Consultancy Co., Ltd.	2015年12月1日 1-Dec-15	7,000	7,000	88.00%	88.00%	兒童娛樂 Children entertainment
揚州新城多奇妙企業管理諮詢有限公司 Yangzhou Future Land Duoqimiao Business Management Consultancy Co., Ltd.	2015年8月20日 20-Aug-15	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
寶應新城多奇妙企業管理諮詢有限公司 Baoying Future Land Duoqimiao Business Management Consultancy Co., Ltd.	2019年7月13日 13-Jul-19	1,000	–	88.00%	–	兒童娛樂 Children entertainment
鹽城寶郡遊樂服務有限公司 Yancheng Baojun Amusement Service Co., Ltd.	2016年6月28日 28-Jun-16	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
徐州寧郡多奇妙企業管理諮詢有限公司 Xuzhou Ningjun Amusement Service Co., Ltd.	2016年12月8日 8-Dec-16	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
南通永旭新城多奇妙遊樂有限公司 Nantong Yongxu Future Land Duoqimiao Entertainment Co., Ltd.	2017年9月1日 1-Sep-17	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
南通永郡新城多奇妙企業管理有限公司 Nantong Yongjun Future Land Duoqimiao Business Management Co., Ltd.	2017年12月6日 6-Dec-17	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
武漢新城多奇妙企業管理諮詢有限公司 Wuhan Future Land Duoqimiao Business Management Consultancy Co., Ltd.	2016年1月29日 29-Jan-16	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
天津德郡多奇妙遊樂服務有限公司 Tianjin Dejun Duoqimiao Amusement Service Co., Ltd.	2016年7月25日 25-Jul-16	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
鞍山寧郡多奇妙遊樂服務有限公司 Anshan Ningjun Duoqimiao Amusement Service Co., Ltd.	2016年7月13日 13-Jul-16	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
海寧泰郡多奇妙遊樂服務有限公司 Haining Taijun Duoqimiao Amusement Service Co., Ltd.	2016年8月11日 11-Aug-16	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
紹興夢郡多奇妙遊樂服務有限公司 Shaoxing Mengjun Duoqimiao Entertainment Service Co., Ltd.	2016年8月24日 24-Aug-16	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
嘉善聯拓多奇妙遊樂服務有限公司 Jiashan Liantuo Duoqimiao Amusement Service Co., Ltd.	2016年10月18日 18-Oct-16	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
蚌埠泰郡多奇妙遊樂服務有限公司 Bengbu Taijun Duoqimiao Amusement Service Co., Ltd.	2016年9月1日 1-Sep-16	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
蚌埠新城多奇妙兒童娛樂有限公司 Bengbu Future Land Duoqimiao Amusement Service Co., Ltd.	2019年9月23日 23-Sep-19	10,000	–	88.00%	–	兒童娛樂 Children entertainment

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滁州寧宏多奇妙遊樂服務有限公司 Chuzhou Ninghong Duoqimiao Amusement Service Co., Ltd.	2017年5月8日 8-May-17	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
日照寧郡多奇妙遊樂服務有限公司 Rizhao Ningjun Duoqimiao Amusement Service Co., Ltd.	2016年8月29日 29-Aug-16	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
包頭市寧郡新城多奇妙企業管理有限公司 Baotou Ningjun Future Land Duoqimiao Business Management Co., Ltd.	2016年10月12日 12-Oct-16	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
成都寧郡多奇妙遊樂服務有限公司 Chengdu Ningjun Duoqimiao Entertainment Service Co., Ltd.	2017年8月15日 15-Aug-17		1,000	88.00%	88.00%	兒童娛樂 Children entertainment
西安益創新城多奇妙遊樂服務有限公司 Xi'an Yichuang Future Land Duoqimiao Amusement Service Co., Ltd.	2017年3月29日 29-Mar-17	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
南寧多奇妙企業管理諮詢有限公司 Nanning Duoqimiao Business Management Consultancy Co., Ltd.	2018年10月17日 17-Oct-18	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
上海星映影院管理有限公司 Shanghai Xingyi Cinema Management Co., Ltd.	2015年1月16日 16-Jan-15	500,000	500,000	88.00%	88.00%	影院管理 Cinema Management
江蘇星映影院管理有限公司 Jiangsu Xingyi Cinema Management Co., Ltd.	2016年5月5日 5-May-16	10,000	10,000	88.00%	88.00%	影院管理 Cinema Management
蘇州星映影院管理有限公司 Suzhou Xingyi Cinema Management Co., Ltd.	2016年12月14日 14-Dec-16	20,000	20,000	88.00%	88.00%	影院管理 Cinema Management
阜寧星映影院有限公司 Funing Xingyi Cinema Co., Ltd.	2016年4月18日 18-Apr-16	2,000	2,000	88.00%	88.00%	影院管理 Cinema Management
鎮江市星映影視文化有限公司 Zhenjiang Xingyi Film Culture Co., Ltd.	2019年6月10日 10-Jun-19	2,000	-	88.00%	-	影院管理 Cinema Management
連雲港市星映影視文化有限公司 Lianyungang Xingyi Film Culture Co., Ltd.	2017年6月12日 12-Jun-17	2,000	2,000	88.00%	88.00%	影院管理 Cinema Management
南京貝思達影院管理有限公司 Nanjing Beisida Cinema Management Co., Ltd.	2017年8月11日 11-Aug-17	2,000	2,000	88.00%	88.00%	影院管理 Cinema Management
南京仙林上影影院管理有限公司 Nanjing Xianlin Shangying Cinema Management Co., Ltd.	2017年2月15日 15-Feb-17	1,800	1,800	61.60%	61.60%	影院管理 Cinema Management
南京江寧星映影院管理有限公司 Nanjing Jiangning Xingyi Cinema Management Co., Ltd.	2019年7月22日 22-Jul-19	2,000		88.00%	-	影院管理 Cinema Management
蚌埠星映影院有限公司 Bengbu Xingyi Cinema Co., Ltd.	2019年9月23日 23-Sep-19	1,000	-	88.00%	-	影院管理 Cinema Management
海口星映影視文化有限公司 Haikou Xingyi Film Culture Co., Ltd.	2015年7月1日 1-Jul-15	10,000	10,000	88.00%	88.00%	影院管理 Cinema Management
上海星映影視文化有限公司 Shanghai Xingyi Film Culture Co., Ltd.	2016年9月30日 30-Sep-16	2,000	2,000	88.00%	88.00%	影院管理 Cinema Management

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
上海貝思達星軼影院管理有限公司 Shanghai Beisida Xingyi Cinema Management Co., Ltd.	2019年11月21日 21-Nov-19	2,000	–	88.00%	–	影院管理 Cinema Management
上海閔行天鉅星軼影院管理有限公司 Shanghai Minhang Tianju Xingyi Cinema Management Co., Ltd.	2019年10月21日 21-Oct-19	2,000	–	88.00%	–	影院管理 Cinema Management
嵊州市星軼影視文化有限公司 Shengzhou Xingyi Cinema Culture Co., Ltd.	2017年8月10日 10-Aug-17	2,000	2,000	88.00%	88.00%	影院管理 Cinema Management
平湖星軼影院管理有限公司 Pinghu Xingyi Cinema Management Co., Ltd.	2019年11月12日 12-Nov-19	2,000	–	88.00%	–	影院管理 Cinema Management
南京貝思達影院管理有限公司 Nanning Beisida Cinema Culture Co., Ltd.	2018年9月10日 10-Sep-18	2,000	2,000	88.00%	88.00%	影院管理 Cinema Management
上海橙貝信息技術有限公司 Shanghai Chengbei Information Technology Co., Ltd.	2014年11月26日 26-Nov-14	10,000	10,000	100.00%	100.00%	資訊科技 Information technology
上海橙居信息技術有限公司 Shanghai Chengju Information Technology Co., Ltd.	2015年6月8日 8-Jun-15	5,000	5,000	100.00%	100.00%	資訊科技 Information technology
新城晉峰金融集團有限公司(b) Seazen Resources Capital Group Limited (b)	2015年3月24日 24-Mar-15	817	817	60.00%	60.00%	投資控股 Investment holding
新城晉峰資本投資管理有限公司(b) Seazen Resources Capital Investment Management Limited (b)	2012年8月30日 30-Aug-12	–	34,272	60.00%	60.00%	投資控股及管理服務 Investment holding and management service
新城晉峰證券有限公司(b) Seazen Resources Securities Limited (b)	2015年3月6日 6-Mar-15	–	43,600	60.00%	60.00%	提供證券經紀、牽頭經辦人 及配售經辦人服務 Provision of securities brokerage, book runner and placing manager service
新城晉峰期貨有限公司(b) Seazen Resources Futures Limited (b)	2013年3月12日 12-Mar-13	–	15,882	60.00%	60.00%	提供期貨經紀服務 Provision of future brokerage service
新城晉峰資產管理有限公司(b) Seazen Resources Asset Management Limited (b)	2014年5月15日 15-May-14	–	16,718	60.00%	60.00%	買賣及就證券提供意見 及提供資產管理服務 Dealing and advising on securities and provision of asset management service

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
新城晉峰財務有限公司(b)	2012年10月24日	–	836	60.00%	60.00%	放債業務
Seazen Resources Finance Limited (b)	24-Oct-12					Money lending
新城晉峰投資有限公司(b)	2017年6月15日	–	16,718	60.00%	60.00%	投資控股
Seazen Resources Investment Limited (b)	15-Jun-17					Investment holding
Future Brightness Limited (b)	2018年3月26日	316	–	60.00%	60.00%	投資公司
	26-Mar-18					Investment company
Future Brilliant Limited (b)	2017年8月1日	35,540	35,540	42.40%	17.60%	投資控股
	1-Aug-17					investment holding
Future Elite Limited (b)	2017年8月1日	–	–	60.00%	60.00%	投資控股
	1-Aug-17					investment holding
Heritage Star Holdings Limited (b)(d)	2017年3月16日	327	8	15.00%	15.00%	投資控股
	16-Mar-17					investment holding
Future Yield Limited (b)	2017年7月26日	–	–	60.00%	60.00%	暫無業務
	26-Jul-17					Inactive
晉富聯合投資有限公司 (b)	2018年5月4日	–	–	60.00%	60.00%	投資控股
Resources Fortune Capital Company Limited (b)	4-May-18					investment holding
Future Flame Limited (b)(d)	2017年3月31日	–	–	12.00%	17.60%	投資控股
	31-Mar-17					investment holding
Future Fruitful Limited (b)(d)	2017年6月12日	–	–	15.00%	15.00%	投資控股
	12-Jun-17					investment holding
深圳新晉投資諮詢有限公司(g)	2019年5月29日	5,000	5,000	60.00%	–	投資控股
Shenzhen Seazen Resources Capital Investment Consultancy Limited (g)	29-May-19					investment holding
Citadel EB-5 Fund GP LLC (b)	2018年3月15日	–	–	100.00%	100.00%	投資公司
	15-Mar-18					Investment company
Future Boost Limited (b)	2017年6月12日	–	–	30.00%	30.00%	投資公司
	12-Jun-17					Investment company
Future Glory Limited (b)	2018年4月6日	316	1	60.00%	60.00%	投資公司
	6-Apr-18					Investment company
Future Vivid Holdings Limited (b)	2018年3月26日	316	63	60.00%	60.00%	物業開發及銷售
	26-Mar-18					Development and sale of properties
Future Benefit Holdings Limited (b)	2018年1月22日	320	64	60.00%	60.00%	物業開發及銷售
	22-Jan-18					Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	註冊成立/ 成立日期 Date of incorporation/ establishment	法定或 註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和 繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	2019年 2019	2018年 2018	主要業務 Principal activities
Future Triumph Holdings Limited (b)	2018年1月17日 17-Jan-18	–	–	60.00%	60.00%	物業開發及銷售 Development and sale of properties
Future Benefit Limited (b)	2018年2月9日 9-Feb-18	–	–	60.00%	60.00%	投資公司 Investment company
Future Triumph Limited (b)	2017年3月31日 31-Mar-17	316	1	60.00%	60.00%	投資公司 Investment company
Future Sparkling Limited (b)	2018年4月12日 12-Apr-18	316	1	60.00%	60.00%	投資公司 Investment company
Future Yield Holdings Limited (b)	2017年10月24日 24-Oct-17	327	1	60.00%	60.00%	投資公司 Investment company
Future Concord Limited (b)	2018年7月3日 3-Jul-18	332	1	60.00%	60.00%	投資公司 Investment company
Future Diamond Limited (b)	2018年5月2日 2-May-18	320	1	60.00%	60.00%	投資公司 Investment company
Huge Highlight Limited (b)	2018年5月15日 15-May-18	320	1	30.00%	30.00%	投資公司 Investment company

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44 子公司詳情 (續)

- (a) 於2019年及2018年12月31日，本公司子公司若干股權已就借款予以抵押(附註24)。有關詳情，請參閱下表：

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

- (a) Certain equity interests in the subsidiaries of the Company were pledged for borrowings as at 31 December 2019 and 2018, respectively (note 24). For details, please refer to the table below:

	於12月31日 As at 31 December	
	2019年 2019	2018年 2018
武漢新城創置置業有限公司 Wuhan Future Land Chuangzhi Property Co., Ltd.	0%	100%
武漢江南印象置業有限公司 Wuhan Jiangnan Impression Property Co., Ltd.	0%	90%
青島市麗洲置業有限公司 Qingdao Lizhou Property Co., Ltd.	0%	100%
吳江恒力地產有限公司 Wujiang Hengli Real Estate Co., Ltd.	0%	100%
江蘇美露投資有限公司 Jiangsu Meilu Investment Co., Ltd.	0%	100%
博羅信德實業有限公司 Boluo Xinde Industry Co., Ltd.	80%	80%
鄂州新城創盛置業有限公司 Ezhou Future Land Chuangsheng Property Co., Ltd.	0%	100%
欽州新城萬博房地產開發有限公司 Qinzhou Future Land Wanbo Real Estate Development Co., Ltd.	0%	100%
西安新城萬博房地產開發有限公司 Xi'an Future Land Wanbo Real Estate Development Co., Ltd.	0%	100%
桂林新城萬博房地產開發有限公司 Guilin Future Land Wanbo Real Estate Development Co., Ltd.	100%	100%
長沙君正房地產開發有限公司 Changsha Junzheng Real Estate Development Co., Ltd.	0%	51%
淮安新城億博房地產開發有限公司 Huai'an Future Land Yibo Real Estate Development Co., Ltd.	100%	100%
鹽城新城億佳房地產開發有限公司 Yancheng Future Land Yijia Real Estate Development Co., Ltd.	0%	100%
重慶北麓置業有限公司 Chongqing Beilu Property Co., Ltd.	0%	100%
重慶銘睿房地產開發有限公司 Chongqing Mingrui Real Estate Development Co., Ltd.	100%	100%

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	於12月31日 As at 31 December	
	2019年 2019	2018年 2018
南寧億瀚房地產開發有限公司 Nanning Yihan Real Estate Development Co., Ltd.	0%	100%
株洲欣盛萬博置業有限公司 Zhuzhou Xinseng Wanbo Property Co., Ltd.	100%	100%
成都市津城房地產開發有限公司 Chengdu Jincheng Real Estate Development Co., Ltd.	0%	100%
成都市津地房地產開發有限公司 Chengdu Jindi Real Estate Development Co., Ltd.	0%	100%
長春新城萬博房地產開發有限公司 Changchun Future Land Wanbo Real Estate Development Co., Ltd.	0%	100%
蘇州新城創佳置業有限公司 Suzhou Future Land Chuangjia Property Co., Ltd.	0%	54%
湖州新城億瑞房地產開發有限公司 Huzhou Yirui Real Estate Development Co., Ltd.	0%	100%
蚌埠新城億騰房地產有限公司 Bengbu Future Land Yiteng Real Estate Co., Ltd.	100%	100%
重慶吾悅房地產開發有限公司 Chongqing Injoy Real Estate Development Co., Ltd.	100%	100%
蚌埠新城億鑫房地產開發有限公司 Bengbu Yixin Real Estate Development Co., Ltd.	100%	0%
成都市常鑫房地產開發有限公司 Chengdu Changxin Real Estate Development Co., Ltd.	80%	0%
滄州萬和金郡房地產開發有限公司 Cangzhou Wanhe Jinjun Real Estate Development Co., Ltd.	100%	0%
常熟市津城房地產開發有限公司 Changshu Jincheng Real Estate Development Co., Ltd.	100%	0%
阜陽新城億博房地產開發有限公司 Fuyang Future Land Yibo Real Estate Development Co., Ltd.	100%	0%
高郵市新城億博房地產開發有限公司 Gaoyou Future land Yibo Real Estate Development Co., Ltd.	100%	0%
海口新城萬博房產經營管理有限公司 Haikou Future Land Wanbo Real Estate Management Ltd.	100%	0%
海口新城吾悅商業管理有限公司 Haikou Future Land Injoy Business Management Co., Ltd.	100%	0%

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

	於12月31日 As at 31 December	
	2019年 2019	2018年 2018
湖州新城億拓房地產開發有限公司 Huzhou Future Land Yituo Real Estate Development Co., Ltd.	51%	0%
荊州億軒房地產開發有限公司 Jingzhou Yixuan Real Estate Development Co., Ltd.	100%	0%
如皋億盛房地產開發有限公司 Rugao Yisheng Real Estate Development Co., Ltd.	70%	0%
上海新城創域房地產有限公司 Shanghai Future Land Chuangyu Real Estate Co., Ltd.	100%	0%
天津新城悅恒房地產開發有限公司 Tianjin Future Land Yueheng Real Estate Development Co., Ltd.	100%	0%
威海天置房地產開發有限公司 Weihai Tianzhi Real Estate Development Co., Ltd.	100%	0%
襄陽新城億博房地產開發有限公司 Xiangyang Yibo Real Estate Development Co., Ltd.	100%	0%
宿州新城億博房地產開發有限公司 Suzhou Future Land Yibo Real Estate Development Co., Ltd.	100%	0%
許昌市昱恒房地產開發有限公司 Xuchang Yuheng Real Estate Development Co., Ltd.	34%	0%
重慶東睿房地產開發有限公司 Chongqing Dongrui Real Estate Development Co., Ltd.	100%	0%
遵義市新城億欣房地產開發有限公司 Zunyi Future Land Yixin Real Estate Development Co., Ltd.	100%	0%
常州新城悅尚房地產開發有限公司 Changzhou Future Land Yueshang Real Estate Development Co., Ltd.	82%	0%
貴陽新城億睿房地產開發有限公司 Guiyang Future Land Yirui Real Estate Development Co., Ltd.	74%	0%
黃石市瑞景居然億盛地產開發有限公司 Huangshi Ruijing Yisheng Real Estate Development Co., Ltd.	100%	0%
A股公司 A Share Company	23.87%	28.91%

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44 子公司詳情 (續)

- (b) 本公司於該等子公司直接或間接擁有股權，而該等子公司於其他子公司直接或間接擁有股權。該等子公司於香港、英屬處女群島或美利堅合眾國成立，而所有其他子公司於中國內地成立。所有子公司均為有限公司。
- (c) 儘管本集團於該等實體的持股低於或相當於50%，但本集團仍可控制該等實體，此乃由於該A股公司（為本集團子公司）直接控制該等實體，因此，本集團對該等實體擁有直接控制權。
- (d) 本集團於該三間實體的持股低於20%。然而，本集團於該三間實體的董事會擁有大多數席位，且根據相關組織章程細則，本集團能夠根據其組織章程條款控制該三間實體。
- (e) 所有上述附屬公司主要於彼等的註冊成立／成立地點營運。
- (f) 除本年報所披露者外，概無子公司發行任何債務證券。
- (g) 該等子公司乃根據中國法律註冊為外商獨資企業。
- (h) 該等子公司乃根據中國法律註冊為中外合資經營企業。

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

- (b) The Company has direct or indirect equity interests in these subsidiaries which have direct or indirect equity interests in the other subsidiaries. These subsidiaries were incorporated in Hong Kong, British Virgin Islands or the United States of America and all the other subsidiaries were established in mainland China. All the subsidiaries are limited liability companies.
- (c) Although the Group's shareholding in these entities is lower than or equal to 50%, the Group can still control these entities, because the A Share Company, which is a subsidiary of the Group, directly control these entities and thus the Group has direct control over these entities.
- (d) The Group's shareholding in the three entities is less than 20%. Nevertheless, the Group has majority of seats in their board of directors and according to the relevant article of association, the Group can control the three entities according to the terms in their articles of association.
- (e) All the subsidiaries are operating principally in their place of incorporation/establishment.
- (f) Save for disclosed in this annual report, none of the subsidiaries had issued any debt securities at the end of the year.
- (g) The subsidiaries are registered as wholly foreign owned enterprises under PRC law.
- (h) The subsidiaries are registered as sino-foreign equity joint venture under PRC law.

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45 結算日後事項

- (a) 於2020年1月15日，新城環球有限公司（本集團的子公司之一），發行由本公司擔保的於2023年到期350,000,000美元6.8%優先票據。此外，於2020年3月9日，本公司的子公司（A股公司）發行人民幣600,000,000元的三年期公司債券，年利率為5.10%。
- (b) 於2020年1月14日，本公司就以每股8.78港元配售311,000,000股普通股與賣方及配售代理訂立配售協議。股份配售已於2020年1月21日完成。
- (c) 於2020年2月16日，本公司已於到期時償還其350,000,000美元5.0%優先票據。

45 SUBSEQUENT EVENTS

- (a) On 15 January 2020, New Metro Global Limited, one of the subsidiaries of the Group, issued USD350,000,000, 6.8% senior notes due 2023 guaranteed by the Company. In addition, on 9 March 2020, the Company's subsidiary, the A share company, issued a three year cooperate bond of RMB600,000,000, at an interest rate of 5.10% per annum.
- (b) On 14 January 2020, the Company entered into a placing agreement with the vendors and the placing agents in relation to the placing of 311,000,000 ordinary shares at a placing price of HK\$8.78 per share. On 21 January 2020, the share placing was completed.
- (c) On 16 February 2020, the Company repaid its US\$350,000,000 5.0% senior notes when it fell due.

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45 結算日後事項 (續)

- (d) 自2020年初以來，2019年冠狀病毒疫情（「COVID-19爆發」）已於中國及其他國家蔓延，並在一定程度上影響商業及經濟活動。截至2019年12月31日止年度，本集團的合併財務報表並未受到任何影響。

於2020年1月，本集團宣佈，自2020年1月25日至2020年3月31日期間，向租賃本集團投資物業的租戶減免一半租金及管理費。根據相關租賃合約，有關減免預計將導致本集團的租金及管理費收入減少約人民幣500百萬元。

於2019年12月31日，本集團投資物業的賬面值為人民幣66,182,793,000元（附註7）。本集團使用公允價值模式計量其投資物業。投資物業的公允價值可能於日後受到COVID-19爆發的影響。

於2019年12月31日，本集團完工待售或在建銷售物業的賬面值為人民幣232,513,480,000元（附註17）。完工待售或在建銷售物業按成本值或可變現淨值兩者較低者計量。完工待售或在建銷售物業的可變現淨值可能於日後受到COVID-19爆發的影響。

本集團將密切關注COVID-19爆發的發展，並評估其對本集團財務狀況及經營業績的影響。於合併財務報表獲授權刊發日期，受到COVID-19爆發的影響，本集團仍在評估隨後期間的合併財務報表。

45 SUBSEQUENT EVENTS (Cont'd)

- (d) Since early 2020, the epidemic of Coronavirus Disease 2019 ("the COVID-19 outbreak") has spread across China and other countries, and it has affected business and economic activities to some extent. There is no impact to the consolidated financial statements of the Group for the year ended 31 December 2019.

In January 2020, the Group announced that rental and management fee charge would be deducted in half for tenants leasing the Group's investment properties for the period from 25 January 2020 to 31 March 2020. Based on the relevant lease contracts, it is estimated that the concession will result in approximately RMB500 million lower rental and management fee income for the Group.

As at 31 December 2019, carrying amount of the Group's investment properties amounted to RMB66,182,793,000 (note 7). The Group measures its investment properties using fair value model. Fair value of the investment properties may be affected by the outbreak of COVID-19 in the future.

As at 31 December 2019, carrying amount of the Group's property held or under development for sale amounted to RMB232,513,480,000 (note 17). Property held or under development for sale was measured at lower of cost or net realizable value. Net realizable value of properties held or under development for sale may be affected by the outbreak of COVID-19 in the future.

The Group will pay close attention to the development of the COVID-19 outbreak and evaluate its impact on the financial position and operating results of the Group. As at the date on which this set of consolidated financial statements was authorised for issue, the Group is still under assessment on the consolidated financial statements for subsequent periods as a result of the COVID-19 outbreak.

獨立核數師報告

INDEPENDENT AUDITOR'S REPORT



羅兵咸永道

致新城發展控股有限公司董事會

(於開曼群島註冊成立的有限公司)

意見

我們已審計的內容

新城發展控股有限公司（以下簡稱「貴公司」）及其子公司（以下統稱「貴集團」）列載於第F-16頁至F-285頁的合併財務報表，包括：

- 於2018年12月31日的合併財務狀況表；
- 截至該日止年度的合併損益表；
- 截至該日止年度的合併全面收益表；
- 截至該日止年度的合併權益變動表；
- 截至該日止年度的合併現金流量表；及
- 合併財務報表附註，包括主要會計政策概要。

我們的意見

我們認為，該等合併財務報表已根據香港會計師公會（「香港會計師公會」）頒佈的《香港財務報告準則》（「香港財務報告準則」）真實而中肯地反映了貴集團於2018年12月31日的合併財務狀況及其截至該日止年度的合併財務表現及合併現金流量，並已遵照香港《公司條例》的披露規定妥為編製。

TO THE BOARD OF DIRECTORS OF

FUTURE LAND DEVELOPMENT HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

OPINION

What we have audited

The consolidated financial statements of Future Land Development Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages F-16 to F-285, which comprise:

- the consolidated statement of financial position as at 31 December 2018;
- the consolidated statement of profit or loss for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Our Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

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羅兵咸永道

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》(「香港審計準則」) 進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計合併財務報表承擔的責任」章節中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

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

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期合併財務報表的審計最為重要的事項。這些事項是在我們審計整體合併財務報表及對其出具意見過程中需要應對的，但我們不對這些事項提供單獨的意見。

我們在審計中識別的關鍵審計事項概述如下：

1. 投資物業的公允價值
2. 子公司、合營企業及聯營公司的分類
3. 完工待售或在建銷售物業的減值虧損撥備

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code.

KEY AUDIT MATTERS

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

Key audit matters identified in our audit are summarised as follows:

1. Fair Value of Investment Properties
2. Classification of Subsidiary, Joint Venture and Associate
3. Provision for Impairment Loss of Properties Held or Under Development for Sale



羅兵咸永道

關鍵審計事項 (續)

KEY AUDIT MATTERS (Cont'd)

關鍵審計事項1：投資物業的公允價值

Key Audit Matter 1: Fair Value of Investment Properties

具體信息參見 貴集團合併財務報表附註4.5 (重大會計估計及判斷) 及附註7 (投資物業)。

Refer to note 4.5 (Critical accounting estimates and judgements) and note 7 (Investment properties) to the consolidated financial statements.

截至2018年12月31日，貴集團投資物業賬面值為人民幣407.58億元。截至該日止年度，貴集團確認投資物業公允價值收益人民幣32.85億元。

As at 31 December 2018, carrying amount of investment properties of the Group amounted to RMB40,758 million. For the year then ended, the Group recognised fair value gains on investment properties of RMB3,285 million.

貴集團基於獨立專業合資格估值師作出的估值結果釐定投資物業的公允價值。公允價值的釐定涉及重大會計判斷及估計，包括估值方法的選擇以及關鍵輸入數據（如現時租金、估計未來租金、租期收益率、復歸收益率、至竣工的估計建設成本及持有及開發有關的物業至竣工所需的估計利潤率）的使用。

The Group determined fair value of the investment properties based on the results of valuations done by independent professional qualified valuers. The determination of fair value involved significant accounting judgements and estimates, including selection of valuation method, and usage of key inputs, such as current rental, estimated future rental, term yield, reversionary yield, estimated construction costs to completion, and estimated profit margin required to hold and develop property to completion.

我們的審計如何應對關鍵審計事項

How our audit addressed the Key Audit Matter

我們已執行以下審計程序：

We performed the following procedures:

- (1) 我們已評估出具估值報告的外部估值師的獨立性及能力。
- (1) We assessed the independence and competence of the external valuer which issued valuation report.
- (2) 我們已評估所採用的估值方法的合適性。
- (2) We assessed the appropriateness of the valuation method adopted.
- (3) 對於估值中採用的現時租金，我們依靠抽樣核對金額至租賃台賬及租賃合同。
- (3) For current rental used in the valuation, we checked the amount to rent roll and lease arrangement on a sample basis.



羅兵咸永道

關鍵審計事項 (續)

KEY AUDIT MATTERS (Cont'd)

關鍵審計事項1：投資物業的公允價值 (續)

Key Audit Matter 1: Fair Value of Investment Properties (Cont'd)

由於投資物業的估值對 貴集團合併財務狀況及財務表現具有重大影響且涉及重大會計估計及判斷，因此我們將投資物業的公允價值認定為關鍵審計事項。

We consider fair value of investment properties a Key Audit Matter because the valuation of the investment properties has a significant impact on the Group's consolidated financial position and financial performance, and involves significant accounting estimates and judgements.

我們的審計如何應對關鍵審計事項 (續)

How our audit addressed the Key Audit Matter (Cont'd)

(4) 對於未來租金、租期收益率、復歸收益率及估計利潤率，我們利用市場交易證據將其與我們的預期進行了比較。當發現估計與假設超出所採用的標準範疇時，我們與估值師討論，以理解其理據，隨後根據所有現有證據與我們的行業經驗評估該估計或假設的使用是否合理。

(4) For estimated future rental, term yield, reversionary yield, and estimated profit margin, we compared them with market transaction data. Where we identified estimates and assumptions that were outside the typical ranges used, we discussed these with the valuers to understand the rationale and then assessed, based on all the available evidence and our experience in this sector, whether the use of the estimate or assumption was justified.

(5) 對於至竣工的估計成本，我們將其與管理層制定並經由內部批准的項目預算進行了比較；同時，我們還將新竣工物業的實際成本與其預算成本進行了比較，以評估該項目預算的可靠性。

(5) For estimated construction costs to completion, we compared them to the project budgets which were developed and approved internally by management; we also compared the actual costs of the newly completed properties to their budget costs to assess the reliability of the project budgets.

我們的測試表明，對 貴集團的物業組合而言，該等估計與假設均獲支持。

Our testing indicated that the estimates and assumptions used were justified in the context of the Group's property portfolio.



羅兵咸永道

關鍵審計事項 (續)

KEY AUDIT MATTERS (Cont'd)

關鍵審計事項2：子公司、合營企業及聯營公司的分類

Key Audit Matter 2: Classification of Subsidiary, Joint Venture and Associate

我們的審計如何應對關鍵審計事項

How our audit addressed the Key Audit Matter

具體信息參見合併財務報表附註4.6（子公司、合營企業及聯營公司的分類）、附註9（於聯營公司的投資）、附註10（於合營企業的投資）及附註44（子公司詳情）。

Refer to note 4.6 (Classification of subsidiary, joint venture and associate), note 9 (Investments in associates), note 10 (Investments in joint ventures) and note 44 (Particulars of subsidiaries) to the consolidated financial statements.

貴集團就房地產開發業務與其他實體合作。截至2018年12月31日，投資聯營公司及合營企業的賬面值分別為人民幣68.40億元及人民幣126.33億元。同時，於2018年12月31日，貴集團擁有多家非全資子公司，非控股權益總額為人民幣265.69億元。

The Group co-operated with other entities in property development business. As of 31 December 2018, carrying amounts of investments in associates and joint ventures amounted to RMB6,840 million and RMB12,633 million respectively. At the same time, the Group had a large number of non-wholly owned subsidiaries with total non-controlling interest of RMB26,569 million as at 31 December 2018.

對於單獨或匯總的重大投資，我們已對管理層估計進行評估並執行以下審計程序：

For material investments, individually or in aggregate, we have assessed management's assessment and performed the following audit procedures:

- (1) 我們查閱了與投資相關的法律文件，包括投資合約、被投資公司的組織章程及其他法律文件，以評估關鍵條款，並重點關注治理結構、投資者的權利、決策機制、分紅安排、退出及終止等。
- (1) We examined the legal documents associated with investments, including investment contracts, investee company's articles of associations and other relevant legal documents, to assess the key terms, with a particular focus on governance structure, rights of the investors, decision making mechanism, profit-sharing arrangements, exit and termination, etc.



羅兵咸永道

關鍵審計事項 (續)

KEY AUDIT MATTERS (Cont'd)

關鍵審計事項2：子公司、合營企業及聯營公司的分類 (續)

Key Audit Matter 2: Classification of Subsidiary, Joint Venture and Associate (Cont'd)

我們的審計如何應對關鍵審計事項 (續)

How our audit addressed the Key Audit Matter (Cont'd)

貴集團根據投資合約、被投資公司的組織章程及其他法律文件訂明的權力及報酬條款將投資分類為子公司、合營企業及聯營公司。子公司於貴集團的財務報表合併入賬，即各項資產、負債及交易均列示於貴集團的合併財務報表，而於聯營公司及合營企業的投資僅以單項投資列示於合併財務狀況表，且以單項收入／虧損呈列其業績淨額。

The Group classified the investments into subsidiaries, joint ventures and associates based on the power and return terms specified in the investment contracts, articles of association of the investee companies and other legal documents. Subsidiaries are consolidated, which means each asset, liability and transaction are shown in the Group's financial statements, whereas investments in associates and joint ventures are shown as a single line item in the consolidated statement of financial position with a single item of income/loss for their net results.

由於將投資分類為子公司、合營企業或聯營公司涉及重大會計判斷，且該分類釐定合併範圍，進一步對貴集團的資產總額、負債總額、收入、成本及開支產生重大影響。因此我們將子公司、合營企業及聯營公司的分類認定為關鍵審計事項。

We consider classification of subsidiaries, joint ventures and associates a Key Audit Matter because the classification of an investment as a subsidiary, joint venture or associate involves significant accounting judgements and the classification determines consolidation scope which further significantly affects the Group's total assets, total liabilities, revenue, costs and expenses.

(2) 倘有收購或出售事項，我們通過與獨立估值師出具的估值報告進行比較，評估了收購或出售投資支付／收到的對價是否代表公平交易中的公平市價。

(2) We assessed whether the consideration paid or received in acquisition or disposal of investment represents the fair market value in arm's length transaction by comparison to the valuation report issued by independent valuers, when there was acquisition or disposal.

(3) 當法律文件或治理結構發生後續變更時，我們重點評估該等變更是否影響初始分析。

(3) In case where there have been subsequent changes to the legal documents or governance structures, we critically assessed whether these change the initial analysis.

(4) 我們通過書面或致電貴集團的合作方尋求確認關鍵條款，包括治理結構、投資者的權利、決策機制、分紅安排、退出及終止等。

(4) We sought for confirmation in written or via phone calls from the Group's co-operating parties to confirm key terms, including governance structure, rights of the investors, decision making mechanism, profit-sharing arrangements, exit and termination, etc.



羅兵咸永道

關鍵審計事項 (續)

KEY AUDIT MATTERS (Cont'd)

關鍵審計事項2：子公司、合營企業及聯營公司的分類 (續)

Key Audit Matter 2: Classification of Subsidiary, Joint Venture and Associate (Cont'd)

我們的審計如何應對關鍵審計事項 (續)

How our audit addressed the Key Audit Matter (Cont'd)

- (5) 我們已將 貴集團對子公司、合營企業及聯營公司之分類及其賬面值的呈列及披露納入考慮。
- (5) We considered the Group's presentation and disclosures in respect of the classification and carrying values of subsidiaries, joint ventures, and associates.

根據我們執行的審計程序，我們認為子公司、聯營公司及合營企業的分類可被接受，且獲現有子公司、合營企業及聯營公司的投資分類證據支持。

Based on our audit procedures performed, we consider the classification of subsidiaries, associates, and joint ventures is acceptable and supportable by the available evidence in respect of the classification of investments in subsidiaries, joint ventures and associates.



羅兵咸永道

關鍵審計事項 (續)

KEY AUDIT MATTERS (Cont'd)

關鍵審計事項3：完工待售或在建銷售物業的減值虧損撥備

Key Audit Matter 3: Provision for Impairment Loss of Properties Held or Under Development For Sale

我們的審計如何應對關鍵審計事項

How our audit addressed the Key Audit Matter

具體信息參見合併財務報表附註4.2（完工待售或在建銷售物業的減值虧損撥備）及附註17（完工待售或在建銷售物業）。

Refer to note 4.2 (Provision for impairment of properties held or under development for sale), note 17 (Properties held or under development for sale) to the consolidated financial statements.

截至2018年12月31日，貴集團的完工待售或在建銷售物業為人民幣1,455.97億元，約佔貴集團資產總額的43%。

As at 31 December 2018, the Group's properties held or under development for sale is RMB145,597 million, representing approximately 43% of the Group's total assets.

貴集團於完工待售或在建銷售物業的可變現淨值低於其各自的賬面值時就減值虧損作出撥備。完工待售或在建銷售物業可變現淨值的釐定涉及重大會計估計，包括估計銷售價格、將產生的銷售開支及至竣工的成本。

The Group made provision for impairment loss when the net realisable value of the properties held or under development for sale is lower than their respective carrying amounts. The determination of net realisable value of properties held or under development for sale involves significant accounting estimate, including the estimated selling price, selling expenses to be incurred and costs to completion.

由於涉及龐大金額及重大會計估計，我們將完工待售或在建銷售物業的減值虧損撥備認定為關鍵審計事項。

We consider provision for impairment loss of properties held or under development for sale a Key Audit Matter because of the significance of the amount and the accounting estimate involved.

我們已執行以下審計程序：

We performed the following procedures:

(1) 我們瞭解、評估並驗證貴集團對完工待售或在建銷售物業之可變現淨值之估計的內部控制並就減值虧損作出撥備。

(1) We understood, evaluated and validated the internal controls over the Group's estimating of net realisable values of properties held or under development for sale and making provisions for impairment loss.

(2) 我們對完工待售或在建銷售物業的實際變現與管理層於過往年度作出的估計進行抽樣比較，以於事後檢視管理層作出的可變現淨值評估及過程是否受管理層偏見影響。

(2) We compared, on a sampling basis, the actual realisation of properties held or under development for sale with management's estimate made in the prior years to consider, with hindsight, whether management's net realisable value assessment and process had been subject to management bias.

(3) 我們對用於計算2018年12月31日的減值撥備虧損的管理層關鍵估計進行評估並已執行以下審計程序：

(3) We assessed management's key estimates used in calculating the provision for impairment loss as at 31 December 2018 and performed the following procedures:



羅兵咸永道

關鍵審計事項 (續)

KEY AUDIT MATTERS (Cont'd)

關鍵審計事項3：完工待售或在建銷售物業的減值虧損撥備 (續)

Key Audit Matter 3: Provision for Impairment Loss of Properties Held or Under Development For Sale (Cont'd)

我們的審計如何應對關鍵審計事項 (續)

How our audit addressed the Key Audit Matter (Cont'd)

- 我們對預估銷售價格與近期市場交易進行比較，並參考 貴集團同項目預售單位的銷售價格，或類似規模、用途及地點之可資比較物業的現行市價。
- We compared the estimated selling price to the recent market transactions, making reference to the Group's selling price of the same project's pre-sale units or the prevailing market price of comparable properties with similar size, usage and location.
- 估計將產生的銷售開支乃按銷售價格之若干百分比估計。我們對上述估計百分比和 貴集團近年實際平均銷售開支與收入的比率進行比較。
- We compared the estimated selling expenses to be incurred which is estimated based on a certain percentage of selling price with the actual average selling expenses to revenue ratio of the Group in recent years.



羅兵咸永道

關鍵審計事項 (續)

KEY AUDIT MATTERS (Cont'd)

關鍵審計事項3：完工待售或在建銷售物業的減值虧損撥備 (續)

Key Audit Matter 3: Provision for Impairment Loss of Properties Held or Under Development For Sale (Cont'd)

我們的審計如何應對關鍵審計事項 (續)

How our audit addressed the Key Audit Matter (Cont'd)

- 對於在建物業至竣工的估計成本，我們核對至竣工的估計成本及經管理層批准的預算，並在抽樣基礎上審閱已簽署的建築合約，或與貴集團類似竣工物業的實際成本進行比較。
- For estimated costs to completion for properties under development, we reconciled the estimated costs to completion to the budgets approved by management and examined, on a sample basis, the signed construction contracts or compared to the actual costs of similar completed properties of the Group.

根據我們已執行的審計程序，我們認為管理層對完工待售或在建銷售物業的減值虧損撥備的估計得以由我們所獲得的證據支持。

Based on the procedures performed, we consider management's estimates on provision for impairment loss of properties held or under development for sale were supported by the evidence we gathered.

獨立核數師報告

INDEPENDENT AUDITOR'S REPORT



羅兵咸永道

其他資料

貴公司董事須對其他信息負責。其他信息包括我們在本核數師報告日前取得的董事長報告及管理層討論與分析（但不包括合併財務報表及我們的核數師報告），以及預期會在本核數師報告日後取得的公司資料、財務概要／財務回顧、財務摘要、主要物業明細、董事及高級管理層、董事會報告、企業管治報告。

我們對合併財務報表的意見並不涵蓋其他信息，我們既不對該等其他信息發表任何形式的鑒證結論。

結合我們對合併財務報表的審計，我們的責任是閱讀上述的其他信息並在此過程中，考慮其他信息是否與合併財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們對在本核數師報告日前取得的其他信息所執行的工作，如果我們認為此等其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何需要報告的事項。

當我們閱讀公司資料、財務概要／財務回顧、財務摘要、主要物業明細、董事及高級管理層、董事會報告、企業管治報告後，如果我們認為其中存在重大錯誤陳述，我們需要將有關事項與審核委員會溝通，並在考慮我們的法律權利和義務後採取適當行動。

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the chairman's statement and management discussion and analysis (but does not include the consolidated financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the corporate information, financial summary/financial review, financial highlights, breakdown of major properties, directors and senior management, report of the directors and corporate governance report which are expected to be made available to us after that date.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the corporate information, financial summary/financial review, financial highlights, breakdown of major properties, directors and senior management, report of the directors and corporate governance report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the audit committee and take appropriate action considering our legal rights and obligations.



羅兵咸永道

董事及審核委員會就合併財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》的披露規定編製真實而中肯的合併財務報表，並對其認為為使合併財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在編製合併財務報表時，董事負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關，以及與使用持續經營為會計基礎有關的事項，除非董事有意將 貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會須負責監督 貴集團的財務匯報過程。

核數師就審計合併財務報表承擔的責任

我們的目標，是對合併財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向 閣下（作為整體）報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The audit committee is responsible for overseeing the Group's financial reporting process.

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

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



羅兵咸永道

核數師就審計合併財務報表承擔的責任 (續)

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響合併財務報表使用者依賴合併財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致合併財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

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

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

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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



羅兵咸永道

核數師就審計合併財務報表承擔的責任 (續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意合併財務報表中的相關披露。假若有關的披露不足，則我們需要發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價合併財務報表的整體列報方式、結構和內容，包括披露，以及合併財務報表是否中肯反映內涵的交易和事項。
- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對合併財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與審核委員會溝通了所設想的審計範圍、時間安排以及重大審計發現，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與審核委員會溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，所採取的相關防範措施。

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

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

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

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

INDEPENDENT AUDITOR'S REPORT



羅兵咸永道

核數師就審計合併財務報表承擔的責任 (續)

從與審核委員會溝通的事項中，我們確定哪些事項對本期合併財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是鄧偉東。

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

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

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

羅兵咸永道會計師事務所
執業會計師

香港，2019年3月8日

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 8 March 2019

合併財務狀況表

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

於2018年12月31日 As at 31 December 2018

			2018年12月31日 31 December 2018	2017年12月31日 31 December 2017
	附註 Note	人民幣千元 RMB'000	人民幣千元 RMB'000	
資產				
非流動資產				
物業、廠房及設備	6	3,014,910	2,919,703	
投資物業	7	40,758,000	23,496,000	
無形資產	8	539,109	59,503	
於聯營公司的投資	9	6,840,149	1,953,166	
於合營企業的投資	10	12,633,050	11,966,336	
遞延所得稅資產	26	3,031,448	1,658,730	
可供出售金融資產	11	–	1,099,526	
以公允價值計量且其變動計入當期損益的金融資產	12	1,032,194	–	
按攤銷成本計量之金融資產	13	734,735	–	
衍生金融工具	14	–	162,539	
商譽		10,260	777	
土地使用權	15	427,949	429,592	
其他應收款項及預付款項	18	463,427	727,710	
非流動資產總額		69,485,231	44,473,582	
流動資產				
租賃土地預付款項	16	13,610,385	9,808,432	
完工待售或在建銷售物業	17	145,596,570	76,396,636	
貿易及其他應收款項以及預付款項	18	58,906,517	34,071,920	
合同取得成本	28	1,229,533	–	
按攤銷成本計量之其他金融資產	13	220,001	–	
衍生金融工具	14	151,475	–	
受限制現金	20	6,441,945	4,105,100	
現金及現金等價物	20	41,213,881	20,542,676	
流動資產總額		267,370,307	144,924,764	
資產總額		336,855,538	189,398,346	
權益				
本公司擁有人應佔權益				
股本：面值	21	4,813	4,609	
儲備	23	19,147,278	12,776,397	
		19,152,091	12,781,006	
非控股權益		26,568,692	11,851,538	
權益總額		45,720,783	24,632,544	

合併財務狀況表

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

於2018年12月31日 As at 31 December 2018

			2018年12月31日 31 December 2018 人民幣千元 RMB'000	2017年12月31日 31 December 2017 人民幣千元 RMB'000
	附註 Note			
負債		LIABILITIES		
非流動負債		Non-current liabilities		
借款	24	Borrowings	56,515,373	34,108,070
遞延所得稅負債	26	Deferred income tax liabilities	3,720,666	1,755,493
貿易及其他應付款項	25	Trade and other payables	144,505	–
非流動負債總額		Total non-current liabilities	60,380,544	35,863,563
流動負債		Current liabilities		
貿易及其他應付款項	25	Trade and other payables	75,524,146	56,558,252
預收客戶款項		Advances from customers	435,133	50,866,242
合約負債	28	Contract liabilities	118,230,992	–
即期所得稅負債		Current income tax liabilities	9,476,038	6,204,479
借款	24	Borrowings	24,987,790	15,273,142
以公允價值計量且其變動計入當期損益的金融負債	27	Financial liabilities at fair value through profit or loss	2,069,576	–
衍生金融工具	14	Derivative financial instruments	12,478	–
應付股息		Dividends payables	18,058	124
流動負債總額		Total current liabilities	230,754,211	128,902,239
負債總額		Total liabilities	291,134,755	164,765,802
權益及負債總額		Total equity and liabilities	336,855,538	189,398,346

上述合併財務狀況表應與附註一併閱讀。

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

載於第F-16頁至F-285頁之財務報表已於3月8日獲董事會批准，並由下列董事代表董事會簽署。

The financial statements on Page F-16 to F-285 were approved by the Board of Directors on 8 March and were signed on its behalf.

Wang Zhenhua

王振華
Director
董事

Lu Zhongming

陸忠明
Director
董事

合併損益表

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

截至2018年12月31日止年度 For the year ended 31 December 2018

			截至12月31日止年度 Year ended 31 December	
			2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
		附註 Note		
收入	Revenue	28	54,780,995	40,820,316
銷售及服務成本	Cost of sales and services	30	(35,723,588)	(27,239,193)
毛利	Gross profit		19,057,407	13,581,123
投資物業公允價值收益	Fair value gain on investment properties	7	3,285,089	1,331,853
以公允價值計量且其變動計入 當期損益的金融工具	Fair value loss on financial instruments at fair value through profit or loss			
公允價值虧損		12	(235,790)	–
銷售及營銷成本	Selling and marketing costs	30	(2,374,416)	(1,831,870)
行政開支	Administrative expenses	30	(2,650,816)	(2,266,887)
金融資產減值虧損淨額	Net impairment losses on financial assets	3	(157,769)	–
其他收入	Other income	29	97,929	41,792
其他開支	Other expenses	29	(23,788)	(2,486)
其他收益 – 淨額	Other gains – net	29	840,148	301,048
經營利潤	Operating profit		17,837,994	11,154,573
財務收入	Finance income	31	229,626	176,332
融資成本	Finance cost	31	(969,568)	(844,529)
融資成本 – 淨額	Finance costs – net		(739,942)	(668,197)
應佔聯營公司業績	Share of results of associates	9	990,068	266,631
應佔合營企業業績	Share of results of joint ventures	10	559,380	(10,597)
除所得稅前利潤	Profit before income tax		18,647,500	10,742,410
所得稅開支	Income tax expense	33	(6,599,934)	(4,728,785)
年度利潤	Profit for the year		12,047,566	6,013,625
應佔年度利潤：	Profit for the year attributable to:			
– 本公司權益持有人	– Equity holders of the Company		6,761,004	3,793,998
– 非控股權益	– Non-controlling interests		5,286,562	2,219,627
			12,047,566	6,013,625
本公司權益持有人應佔利潤的 每股盈利	Earnings per share for profit attributable to equity holders of the Company			
– 基本每股盈利	– Basic earnings per share	34	人民幣1.15元 RMB1.15	人民幣0.67元 RMB0.67
– 每股攤薄盈利	– Diluted earnings per share	34	人民幣1.12元 RMB1.12	人民幣0.67元 RMB0.67

上述合併損益表應與附註一併閱讀。

The above consolidated statement of profit or loss should be read in conjunction with the accompanying notes.

合併全面收益表

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

截至2018年12月31日止年度 For the year ended 31 December 2018

		截至12月31日止年度 Year ended 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
年度利潤	Profit for the year	12,047,566	6,013,625
其他全面收益	Other comprehensive income		
可能重新分類至損益之項目	<i>Items that may be reclassified to profit or loss</i>		
– 匯兌差額	– Currency translation differences	(304,371)	(3,065)
可能不會重新分類至損益之項目	<i>Items that may not be reclassified to profit or loss</i>		
– 以公允價值計量且其變動計入 其他全面收益的股本投資 公允價值變動	– Changes in fair value of equity investments at fair value through other comprehensive income	10,674	20,077
年度全面收益總額	Total comprehensive income for the year	11,753,869	6,030,637
應佔年度全面收益總額：	Total comprehensive income for the year attributable to:		
– 本公司權益持有人	– Equity holders of the Company	6,565,699	3,804,087
– 非控股權益	– Non-controlling interests	5,188,170	2,226,550
		11,753,869	6,030,637

上述合併全面收益表應與附註一併閱讀。

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

合併權益變動表

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

截至2018年12月31日止年度 For the year ended 31 December 2018

		本公司權益持有人應佔								
		Attributable to equity holders of the Company								
			股本	股份溢價	其他儲備	庫存股	保留盈利	小計	非控股權益	權益總額
			Share capital	Share premium	Other reserves	Treasury stock	Retained earnings	Sub-total	Non-controlling interests	Total equity
	附註		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
	Note		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
原本於2017年12月31日呈列的結餘		Balance at 31 December 2017 as originally presented	4,609	546,640	52,586	-	12,177,171	12,781,006	11,851,538	24,632,544
會計政策變動	2.2	Change in accounting policies	-	-	(20,904)	-	147,053	126,149	68,698	194,847
於2018年1月1日之重列結餘		Restated balance at 1 January 2018	4,609	546,640	31,682	-	12,324,224	12,907,155	11,920,236	24,827,391
年內利潤		Profit for the year	-	-	-	-	6,761,004	6,761,004	5,286,562	12,047,566
其他全面收益		Other comprehensive income	-	-	(195,305)	-	-	(195,305)	(98,392)	(293,697)
截至2018年12月31日止年度全面收益總額		Total comprehensive income for the year ended 31 December 2018	-	-	(195,305)	-	6,761,004	6,565,699	5,188,170	11,753,869
直接於權益確認與擁有人之交易		Transactions with owners, recognised directly in equity								
發行新股份	21	Issue of new shares	219	1,268,261	-	-	-	1,268,480	-	1,268,480
購回股份	21	Share buy back	(15)	-	(89,617)	(34,793)	-	(124,425)	-	(124,425)
非控股股東之增資		Capital contributions from non-controlling shareholders	-	-	-	-	-	-	9,099,917	9,099,917
聯營公司投資人投入的股本溢價		Capital premium from an investor of an associate	-	-	(3,088)	-	-	(3,088)	-	(3,088)
非控股股東減少的資本金		Capital reduction from non-controlling shareholders	-	-	-	-	-	-	(515,857)	(515,857)
收購子公司	36	Acquisition of subsidiaries	-	-	-	-	-	-	1,555,058	1,555,058
出售子公司	42	Disposal of subsidiaries	-	-	-	-	-	-	(107,000)	(107,000)
子公司之股份激勵計劃	22(b)	Share incentive scheme of a subsidiary	-	-	(33,987)	-	-	(33,987)	125,338	91,351
2017年末期股息及2018年特別股息	35	2017 final dividend and 2018 special dividend	-	(1,326,536)	-	-	-	(1,326,536)	-	(1,326,536)
子公司股息		Dividends of a subsidiary	-	-	-	-	-	-	(648,418)	(648,418)
子公司購回股份	41	Share buy back of a subsidiary	-	-	(101,207)	-	-	(101,207)	(48,752)	(149,959)
			204	(58,275)	(227,899)	(34,793)	-	(320,763)	9,460,286	9,139,523
於2018年12月31日的結餘		Balance at 31 December 2018	4,813	488,365	(391,522)	(34,793)	19,085,228	19,152,091	26,568,692	45,720,783

合併權益變動表

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

截至2018年12月31日止年度 For the year ended 31 December 2018

		本公司權益持有人應佔							
		Attributable to equity holders of the Company							
	附註 Note	股本	股份溢價	其他儲備	其他權益 – 庫存股 Other equity – Treasury stock	保留盈利	小計	非控股權益	權益總額
		Share capital	Share premium	Other reserves		Retained earnings	Sub-total	Non- controlling interests	Total equity
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
於2017年1月1日之結餘	Balance at 1 January 2017	4,609	829,540	17,728	–	8,383,173	9,235,050	5,940,355	15,175,405
年內利潤	Profit for the year	–	–	–	–	3,793,998	3,793,998	2,219,627	6,013,625
其他全面收益	Other comprehensive income	–	–	10,089	–	–	10,089	6,923	17,012
截至2017年12月31日止年度 全面收益總額	Total comprehensive income for the year ended 31 December 2017	–	–	10,089	–	3,793,998	3,804,087	2,226,550	6,030,637
直接於權益確認與擁有人之 交易總額	Total transactions with owners, recognised directly in equity								
非控股股東之增資	Capital contributions from non-controlling shareholders	–	–	–	–	–	–	2,743,201	2,743,201
投資人投入聯營公司的 股本溢價	Share capital premium from investors for an associate	–	–	11,277	–	–	11,277	–	11,277
非控股股東減少的資本金	Capital reduction from a non-controlling shareholder	–	–	–	–	–	–	(550,000)	(550,000)
子公司之股份激勵計劃	Share incentive scheme of a subsidiary	22(b)	–	25,957	–	–	25,957	148,868	174,825
2016年末期股息	2016 final dividend	–	(282,900)	–	–	–	(282,900)	–	(282,900)
子公司股息	Dividend of subsidiaries	–	–	–	–	–	–	(451,838)	(451,838)
子公司所有者權益變動而 控股權不變	Changes in ownership interests in subsidiaries without change	–	–	(12,465)	–	–	(12,465)	12,465	–
收購子公司	Acquisition of subsidiaries	–	–	–	–	–	–	1,781,937	1,781,937
		–	(282,900)	24,769	–	–	(258,131)	3,684,633	3,426,502
於2017年12月31日的結餘	Balance at 31 December 2017	4,609	546,640	52,586	–	12,177,171	12,781,006	11,851,538	24,632,544

上述合併權益變動表應與附註一併閱讀。

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

合併現金流量表

CONSOLIDATED STATEMENT OF CASH FLOWS

截至2018年12月31日止年度 For the year ended 31 December 2018

		截至12月31日止年度 Year ended 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
	附註 Note		
經營活動所得現金流量	Cash flows from operating activities		
經營活動所用現金	Cash used in operations 37	9,378,776	(8,608,225)
已付利息	Interest paid	(3,354,703)	(2,399,046)
已付中國所得稅	PRC income tax paid	(3,771,656)	(1,806,022)
已付中國土地增值稅	PRC land appreciation tax paid	(1,931,473)	(765,210)
經營活動所得／(所用) 現金淨額	Net cash from/(used in) operating activities	320,944	(13,578,503)
投資活動所得現金流量	Cash flows from investing activities		
業務合併，扣除收到的現金	Business combination, net of cash	(1,582,840)	427,291
添置投資物業	Additions of investment properties	(10,190,899)	(4,454,057)
添置物業、廠房及設備和 非流動資產預付款項	Additions of property, plant and equipment and prepayments for non-current assets	(500,131)	(703,894)
出售物業、廠房及設備及 無形資產所得款項	Proceeds from disposal of property, plant and equipment and intangible assets 37	63,178	71,751
添置無形資產	Additions of intangible assets 8	(23,234)	(16,466)
出售無形資產所得款項	Proceeds from disposal of intangible assets	—	2
於聯營公司的投資	Investments in associates	(2,523,176)	(699,485)
於合營企業的投資	Investments in joint ventures	(1,604,255)	(6,542,588)
收購可供出售金融資產	Acquisition of available-for-sale financial assets	—	(641,322)
可供出售金融資產減少	Reduction of available-for-sale financial assets	—	3,539
出售子公司，扣除相關出售現金	Disposal of subsidiaries, net of cash disposed 42	(487,046)	(1,057,371)
已收股息	Dividends received	137,801	24,664
已收利息	Interest received 31	229,626	176,332
向關連方／合營企業或 聯營公司其他投資者撥款	Fundings to related parties/other investors of joint ventures or associates	(112,187,688)	(40,794,093)
來自關聯方／合營企業或 聯營公司其他投資者的撥款	Fundings received from related parties/other investors of joint ventures or associates	108,266,710	55,927,024
購買衍生金融工具	Acquisition of derivative financial instruments	(12,300)	(50,000)
收購以公允價值計量且其 變動計入當期損益的金融資產	Acquisition of financial assets at fair value through profit or loss	(248,143)	—
收購按攤銷成本計量之金融資產	Acquisition of financial assets at amortised costs	(839,247)	—
出售以公允價值計量且其 變動計入當期損益的金融資產	Disposal of financial assets at fair value through profit or loss	329,613	—
合營企業削資	Capital reduction from a joint venture	176,638	—
向被投資公司借款	Lending to an investee company	(51,404)	(287,173)
收購應收銀行貸款權利	Acquisition of bank loan receivable rights	—	(1,355,781)
收購子公司所付按金	Deposits for acquisition of subsidiaries	—	(1,055,097)
投資活動所用現金流量淨額	Net Cash flows used in investing activities	(21,046,797)	(1,026,724)

合併現金流量表

CONSOLIDATED STATEMENT OF CASH FLOWS

截至2018年12月31日止年度 For the year ended 31 December 2018

		截至12月31日止年度 Year ended 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
	附註 Note		
融資活動所得現金流量	Cash flows from financing activities		
借款所得款項	Proceeds from borrowings	59,957,769	41,364,083
償還借款	Repayments of borrowings	(26,269,702)	(17,539,840)
以公允價值計量且其變動計入 當期損益的金融負債所得款項	Proceed from financial liabilities at fair value through profit or loss	1,879,292	–
與融資活動相關的受限制 現金減少／(增加)	Decrease/(increase) in restricted cash relating to financing activities	20 1,328,587	(2,438,671)
向本公司權益持有人支付股息	Dividends paid to equity holders of the Company	35 (1,326,536)	(282,900)
向非控股權益支付股息	Dividends paid to non-controlling interests	(630,485)	(451,838)
發行新股份	Issue of new shares	1,268,480	–
非控股權益投入的資本金	Capital contribution from non-controlling interests	9,099,917	2,743,201
非控股權益減少的資本金	Capital reduction by non-controlling interests	(515,857)	(550,000)
來自子公司非控股權益的撥款	Fundings from non-controlling interests of subsidiaries	10,404,442	770,019
向非控股權益附屬公司撥款	Fundings to non-controlling interests of subsidiaries	(13,670,297)	(1,047,705)
購回股份	Share buy back	(124,425)	–
子公司購回股份	Share buy-back by a subsidiary	22(b) (149,959)	–
回購A股公司限制性股份激勵計劃	Buy-back of the A share company's restricted share incentive scheme	22(b) (3,802)	(10,677)
於物業項目的潛在投資所得金額	Amounts received for potential investments in property projects	–	845,177
融資活動所得現金流量淨額	Net Cash flows from financing activities	41,247,424	23,400,849
現金及現金等價物增加淨額	Net increase in cash and cash equivalents	20,521,571	8,795,622
年初的現金及現金等價物	Cash and cash equivalents at the beginning of the year	20,542,676	11,905,339
匯兌收益／(虧損)	Exchange gains/(losses)	149,634	(158,285)
年末的現金及現金等價物	Cash and cash equivalents at end of the year	20 41,213,881	20,542,676

上述合併現金流量表應與附註一併閱讀。

The above consolidated statement of cash flow should be read in conjunction with the accompanying notes.

合併財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

1 一般資料

新城發展控股有限公司（「本公司」）於2010年4月23日根據開曼群島公司法（2010年修訂本）在開曼群島註冊成立為獲豁免有限公司。本公司註冊辦事處地址為Grand Pavilion, Hibiscus Way, 802 West Bay Road, P.O. Box 31119, Grand Cayman KY1-1205, Cayman Islands.

本公司及其子公司（統稱「本集團」）的主要業務為於中華人民共和國（「中國」）從事物業開發及物業投資。本公司的母公司為富域香港投資有限公司（「富域香港」），本公司的最終控股公司為First Priority Group Limited，富域香港和First Priority Group Limited均於英屬處女群島註冊成立。本集團最終控股方為王振華先生（「王先生」或「控股股東」）。

為籌備本公司股份首次在香港聯合交易所有限公司（「聯交所」）主板上市，本集團進行重組（「重組」），據此，本公司成為組成本集團各子公司之控股公司。

本公司股份於2012年11月29日開始在香港聯合交易所有限公司（「聯交所」）主板上市（「上市」）。

除另有指明外，合併財務報表以人民幣千元（「人民幣千元」）為單位呈列。

本公司董事會（「董事會」）於2019年3月8日批准及授權此等載於第F-16頁至第F-285頁的合併財務報表。

1 GENERAL INFORMATION

Future Land Development Holdings Limited (the "Company") was incorporated in the Cayman Islands on 23 April 2010 as an exempted company with limited liability under the Companies Law (2010 Revision) of the Cayman Islands. The address of its registered office is Grand Pavilion, Hibiscus Way, 802 West Bay Road, P.O. Box 31119, Grand Cayman KY1-1205, Cayman Islands.

The principal activities of the Company and its subsidiaries (together, the "Group") are property development and property investment in the People's Republic of China (the "PRC"). The Company's parent company is Wealth Zone Hong Kong Investments Limited ("Wealth Zone Hong Kong") and the Company's ultimate holding company is First Priority Group Limited, both of which are incorporated in the British Virgin Islands. The ultimate controlling party of the Group is Mr. Wang Zhenhua ("Mr. Wang" or the "Controlling Shareholder").

To prepare for the initial listing of the Company's shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the Group has undertaken a reorganisation (the "Reorganisation") pursuant to which the Company became the holding company of the subsidiaries comprising the Group.

The Company's shares began to list on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 29 November 2012 (the "Listing").

The consolidated financial statements are presented in thousands of Renminbi ("RMB'000"), unless otherwise stated.

These consolidated financial statements set out on page F-16 to F-285 have been approved and authorized by the board of directors (the "Board") of the Company on 8 March 2019.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要

2.1 編製基準

(i) 遵守香港財務報告準則及香港公司條例

合併財務報表是根據所有適用的香港財務報告準則（「香港財務報告準則」）及香港《公司條例》（第622章）（「香港公司條例」）的披露規定編製。

(ii) 歷史成本慣例

合併財務報表按照歷史成本法編製，並已就按公允價值列賬的可供出售金融資產、以公允價值計量且其變動計入損益的金融資產和金融負債（包括衍生工具）及投資物業的重估而作出調整。

(iii) 本集團採納的新準則、修訂及詮釋

若干新訂或經修訂準則適用於本報告期，故本集團已更改其會計政策及因採納下列準則而進行調整：

- 香港財務報告準則第9號金融工具
- 香港財務報告準則第15號來自客戶合約收入
- 香港財務報告準則第2號（修訂本）－以股份為基礎付款交易的分類及計量

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

(i) Compliance with HKFRS and HKCO

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”) and disclosure requirements of the Hong Kong Companies Ordinance Cap.622 (“HKCO”).

(ii) Historical cost convention

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, and financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss and investment properties, which are carried at fair value.

(iii) New standards, amendments and interpretation adopted by the Group

A number of new or amended standards became applicable for the current reporting period and the Group changed its accounting policies and make adjustments as a result of adopting the following standards:

- HKFRS 9 Financial Instruments
- HKFRS 15 Revenue from Contracts with Customers
- Amendments to HKFRS 2 – Classification and Measurement of Share-based Payment Transactions

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.1 編製基準 (續)

(iii) 本集團採納的新準則、修訂及詮釋 (續)

- 香港財務報告準則第4號 (修訂本) – 與香港財務報告準則第4號保險合約一併應用香港財務報告準則第9號金融工具
- 2014年至2016年週期之年度改進
- 香港會計準則第40號 (修訂本) – 投資物業轉撥，及
- (香港) 國際財務報告詮釋委員會第22號外幣交易及預付代價

採納香港財務報告準則第9號及香港財務報告準則第15號的影響披露於附註2.2。其他上述準則、修訂及詮釋現時與本集團無關或且並無對本集團財務報表產生任何重大影響。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.1 Basis of preparation (Cont'd)

(iii) *New standards, amendments and interpretation adopted by the Group* (Cont'd)

- Amendments to HKFRS 4 – Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts
- Annual improvements 2014 – 2016 cycle
- Amendments to HKAS 40 – Transfers of Investment Property, and
- HK (IFRIC) 22 Foreign Currency Transactions and Advance Consideration

The effects of the adoption of HKFRS 9 and HKFRS 15 are disclosed in Note 2.2. The other standards, amendments and interpretations described above are either currently not relevant to the Group or had no material impact on the Group's financial statements.

合併財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.1 編製基準 (續)

(iv) 已頒佈但本集團尚未採納的準則的影響

已頒佈但於本集團2018年1月1日後開始的財政年度並未強制生效，且本集團並無提早採納的若干新訂會計準則、現有準則之修訂及詮釋。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.1 Basis of preparation (Cont'd)

(iv) Impact of standards issued but not yet adopted by the Group

Certain new accounting standards, amendments and interpretations to existing standards have been published that are not mandatory for the financial year beginning 1 January 2018 and have not been early adopted by the Group.

香港財務報告準則第16號	租賃	於下列日期或之後開始的年度期間生效2019年1月1日 Effective for annual periods beginning on or after 1 January 2019
HKFRS 16	Leases	
香港(國際財務報告詮釋委員會)第23號 HK (IFRIC) 23	所得稅項處理的不確定性	2019年1月1日
香港財務報告準則第9號 (修訂本)	Uncertainty over income tax treatments	1 January 2019
Amendment to HKFRS 9	具有負補償的預付款項特性	2019年1月1日
香港會計準則第28號(修訂本)	Prepayment features with negative compensation	1 January 2019
Amendments to HKAS 28	於聯營公司及合營企業之長期權益	2019年1月1日
香港會計準則第19號(修訂本)	Long-term interests in associates and joint ventures	1 January 2019
Amendments to HKAS 19	修訂、縮減或結算計劃	2019年1月1日
香港財務報告準則之年度改進 (2015年至2017年週期)	Plan amendment, curtailment or settlement	1 January 2019
Annual improvements to HKFRSs	香港財務報告準則之年度改進 (2015年至2017年週期)	2019年1月1日
香港財務報告準則第17號 HKFRS 17	Annual improvements to HKFRS standards 2015-2017 cycle	1 January 2019
香港財務報告準則第10號及 香港會計準則第28號 (修訂本)	保險合約	2022年1月1日
Amendments to HKFRS 10 and HKAS 28	Insurance Contracts	1 January 2022
	投資者及其聯營公司或合營企業出售或貢獻資產	待釐定
	Sale or contribution of assets between an investor and its associate or joint venture	To be determined

本集團已開始評估該等新訂準則、修訂及詮釋的影響。根據初步評估，除香港財務報告準則第16號外，預期生效後對財務報表不會產生重大影響。

The Group has commenced the assessment of the impact of these new standards, amendments and interpretations. According to the preliminary assessment, no significant impact on the financial statements is expected when they become effective, with the exception of HKFRS 16.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.1 編製基準 (續)

(iv) 已頒佈但本集團尚未採納的準則的影響 (續)

變動性質

香港財務報告準則第16號於2016年1月發佈。由於對經營租賃和融資租賃的計量劃分已經刪除，其將會導致幾乎所有租賃須由承租人於資產負債表內確認。根據新訂準則，資產(租賃資產的使用權)及支付租金的金融負債須確認入賬。豁免僅適用於短期及低價值租賃。

影響

本集團為若干建築物的承租人，目前分類為經營租賃。該準則將主要影響本集團經營租賃的會計處理。於2018年12月31日，本集團擁有不可撤銷經營租賃承擔人民幣409,631,000元。在各項租賃承諾中，與短期租賃相關的承諾約為人民幣135,371,000元，與低值租賃相關的承諾人民幣245,000元將在合併收益表中以直線法確認為開支。就餘下租賃承擔而言，本集團預期於2019年1月1日確認使用權資產約人民幣236,247,000元及租賃負債人民幣236,247,000元。淨資產將不會有變動，但流動資產淨額將為人民幣54,233,000元，因將部分負債作為流動負債列報而降低。本集團預期在採納新規則下，2019年除稅後淨利潤將減少約人民幣4,954,000元。經營現金流量將增加，融資現金流量減少約人民幣56,891,000元，因為償還租賃負債的主要部分將會被歸類為融資活動的現金流量。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.1 Basis of preparation (Cont'd)

(iv) *Impact of standards issued but not yet adopted by the Group* (Cont'd)

Nature of change

HKFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the balance sheet by lessees, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

Impact

The Group is the lessee of certain buildings which are currently classified as operating lease. The standard will affect primarily the accounting for the Group's operating leases. As at 31 December 2018, the Group had non-cancellable operating lease commitments of RMB409,631,000. Among the lease commitments, approximately RMB135,371,000 of the commitments related to short-term leases and RMB245,000 of the commitments related to low value leases which will both be recognised on a straight-line basis as expense in the statement of comprehensive income. For the remaining lease commitments the Group expects to recognise right-of-use assets of approximately RMB236,247,000 and lease liabilities of RMB236,247,000 on 1 January 2019. Net assets will not be changed, however, net current assets will be RMB54,233,000 lower due to the presentation of a portion of the liability as a current liability. The Group expects that net profit after tax will decrease by approximately RMB4,954,000 for 2019 as a result of adopting the new rules. Operating cash flows will increase and financing cash flows decrease by approximately RMB56,891,000 as repayment of the principal portion of the lease liabilities will be classified as cash flows from financing activities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.1 編製基準 (續)

(iv) 已頒佈但本集團尚未採納的準則的影響 (續)

影響 (續)

本集團持有多個投資物業，並為該等物業的出租人。對於出租人而言，會計基準維持不變，因此，本集團預計在新準則下這些安排不會對財務報表產生任何重大影響，但需要額外披露。

本集團採納日期

本集團將於2019年1月1日的強制採納日期起應用該準則。本集團擬應用簡化過渡法，並不會重列首次採納前一年的比較金額。使用權資產將按採納時的租賃負債金額計量(根據任何預付或應計租賃費用進行調整)。

此外並未有其他尚未生效，且預計其會對當前或未來報告期內的實體以及可預見的未來交易產生重大影響之準則。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.1 Basis of preparation (Cont'd)

(iv) *Impact of standards issued but not yet adopted by the Group* (Cont'd)

Impact (Cont'd)

The Group holds a number of investment properties and is the lessor of these properties. For lessors, the accounting remains largely unchanged and hence the Group does not expect any significant impact on the financial statements for these arrangement due to the new standard. However, some additional disclosures will be required.

Date of adoption by Group

The Group will apply the standard from its mandatory adoption date of 1 January 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. Right-of-use assets will be measured at the amount of the lease liability on adoption (adjusted for any prepaid or accrued lease expenses).

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

合併財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.2 會計政策變動

本附註解釋採納香港財務報告準則第9號金融工具及香港財務報告準則第15號來自客戶合約收益對本集團財務報表的影響。

2.2.1 對財務報表的影響

根據香港財務報告準則第9號的過渡條文，本集團並未就香港財務報告準則第9號的影響重列過往期間。此外，本集團選擇應用香港財務報告準則第15號項下的修改追溯法。因此，該等比較數字並未重列。

下表顯示就各個別項目確認的調整。未受變動影響的項目則不包括在內。因此，所披露的小計及總計不得按所列數字重新計算。下文將更詳細解釋有關調整。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Change in accounting policies

This note explains the impact of the adoption of HKFRS 9 Financial Instruments and HKFRS 15 Revenue from Contracts with Customers on the Group's financial statements.

2.2.1 Impact on the financial statements

In accordance with transitional provisions in HKFRS 9, the Group did not restate prior periods for impact of HKFRS 9. In addition, the Group elected to apply modified retrospective approach under HKFRS 15. Accordingly, the comparative figures were not restated.

The following tables show the adjustments recognised for each individual line item. Line items that were not affected by the changes have not been included. As a result, the sub-totals and totals disclosed cannot be recalculated from the numbers provided. The adjustments are explained in more detail by standard below.

合併財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.2 會計政策變動 (續)

2.2.1 對財務報表的影響 (續)

- (a) 應用香港財務報告準則第9號與應用香港會計準則第39號以及應用香港財務報告準則第15號與應用香港財務報告準則第15號之前生效的香港會計準則第18號及香港會計準則第11號對本公司財務狀況影響的比較如下：

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Change in accounting policies (Cont'd)

2.2.1 Impact on the financial statements (Cont'd)

- (a) The impact on the Company's financial position by the application of HKFRS 9 as compared to HKAS 39 and HKFRS 15 as compared to HKAS 18 and HKAS 11 that were previously in effect before the adoption is as follows:

合併財務狀況表 (摘錄)	Consolidated statement of financial position (extract)	附註 Note	2017年 12月31日 以往呈列 31 December 2017 as previously stated	根據香港財務 報告準則 第9號調整	根據香港財務 報告準則 第15號調整	2018年1月1日 重列
			人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
非流動資產	Non-current assets					
於聯營公司的投資	Investments in associates	2.2.3	1,953,166	–	1,027	1,954,193
於合營企業的投資	Investments in joint ventures	2.2.3	11,966,336	–	26,637	11,992,973
遞延所得稅資產	Deferred income tax assets	2.2.2	1,658,730	65,265	–	1,723,995
可供出售金融資產	Available-for-sales financial assets	2.2.2(a)	1,099,526	(1,099,526)	–	–
以公允價值計量且其變動計入其他全面收益的金融資產	Financial assets at fair value through other comprehensive income(FVOCI)	2.2.2(a)	–	72,099	–	72,099
以公允價值計量且其變動計入當期損益的金融資產	Financial assets at fair value through profit or loss (FVPL)	2.2.2(a)	–	1,027,427	–	1,027,427
其他應收款項及預付款項	Other receivables and prepayments	2.2.2(b)	727,710	(3,563)	–	724,147
流動資產	Current assets					
完工待售或在建銷售物業	Properties held or under development for sale	2.2.3(c)	76,396,636	–	1,245,166	77,641,802
合同取得成本	Contract cost	2.2.3	–	–	488,493	488,493
貿易及其他應收款項以及預付款項	Trade and other receivables and prepayments	2.2.2(b)	34,071,920	(260,888)	–	33,811,032
資產總額	Total assets		189,398,346	(199,186)	1,761,323	190,960,483
非流動負債	Non-current liabilities					
遞延所得稅負債	Deferred income tax liabilities	2.2.3	1,755,493	–	122,124	1,877,617
流動負債	Current liabilities					
預售物業預收款項	Advances from pre-sale of properties	2.2.3(b)	50,866,242	–	(50,866,242)	–
合約負債	Contract liabilities	2.2.3(b), 2.2.3(c)	–	–	52,111,408	52,111,408
負債總額	Total liabilities		164,765,802	–	1,367,290	166,133,092
其他儲備	Other reserves	2.2.2(a)	52,586	(20,904)	–	31,682
保留盈利	Retained earnings	2.2.2, 2.2.3	12,177,171	(115,747)	262,800	12,324,224
非控股權益	Non-controlling interests	2.2.2, 2.2.3	11,851,538	(62,535)	131,233	11,920,236
權益總額	Total equity		24,632,544	(199,186)	394,033	24,827,391

合併財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.2 會計政策變動 (續)

2.2.1 對財務報表的影響 (續)

- (b) 本集團於及截至2018年12月31日止年度之各財務報表項目之金額由於應用香港財務報告準則第9號及香港財務報告準則第15號而受到之影響如下：

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Change in accounting policies (Cont'd)

2.2.1 Impact on the financial statements (Cont'd)

- (b) The amount by each financial statements line items affected as of and for the year ended 31 December 2018 by the application of HKFRS 9 and HKFRS 15 is as follows:

		於2018年12月31日 As at 31 December 2018			呈報金額 Amounts as reported 人民幣千元 RMB'000
合併財務狀況表 (摘錄) Consolidated statement of financial position (extract)		未採納香港 財務報告準則 第9號及第15號 之金額 Amounts without the adoption of HKFRS 9 and 15 人民幣千元 RMB'000	採納香港 財務報告準則 第9號之影響 Effects of the adoption of HKFRS 9 人民幣千元 RMB'000	採納香港 財務報告準則 第15號之影響 Effects of the adoption of HKFRS 15 人民幣千元 RMB'000	
非流動資產	Non-current assets				
於聯營公司的投資	Investments in associates	6,805,215	–	34,934	6,840,149
於合營企業的投資	Investments in joint ventures	12,468,144	–	164,906	12,633,050
遞延所得稅資產	Deferred income tax assets	2,926,741	104,707	–	3,031,448
可供出售金融資產	Available-for-sale financial assets	1,766,929	(1,766,929)	–	–
以公允價值計量且其變動計入當期損益的金融資產	Financial assets at fair value through profit or loss (FVPL)	–	1,032,194	–	1,032,194
按攤銷成本計量之金融資產	Financial asset at amortised costs	–	734,735	–	734,735
其他應收款項及預付款項	Other receivables and prepayments	467,345	(3,918)	–	463,427
流動資產	Current assets				
完工待售或在建銷售物業	Properties held or under development for sale	142,411,079	–	3,185,491	145,596,570
合同取得成本	Contract cost	–	–	1,229,533	1,229,533
貿易及其他應收款項以及預付款項	Trade and other receivables and prepayments	59,324,819	(418,302)	–	58,906,517
資產總額	Total assets	332,558,187	(317,513)	4,614,864	336,855,538
非流動負債	Non-current liabilities				
遞延所得稅負債	Deferred income tax liabilities	3,413,283	–	307,383	3,720,666
流動負債	Current liabilities				
預售物業預收款項	Advances from pre-sale of properties	115,480,634	–	(115,045,501)	435,133
合約負債	Contract liabilities	–	–	118,230,992	118,230,992
負債總額	Total liabilities	287,641,881	–	3,492,874	291,134,755
其他儲備	Other reserves	(370,618)	(20,904)	–	(391,522)
保留盈利	Retained earnings	18,732,050	(196,551)	549,729	19,085,228
非控股權益	Non-controlling interests	26,096,488	(100,057)	572,261	26,568,692
權益總額	Total equity	44,916,305	(317,512)	1,121,990	45,720,783

合併財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.2 會計政策變動 (續)

2.2.1 對財務報表的影響 (續)

(b) (續)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Change in accounting policies (Cont'd)

2.2.1 Impact on the financial statements (Cont'd)

(b) (Cont'd)

		截至2018年12月31日止年度 Year ended 31 December 2018			
		未採納香港 財務報告準則 第9號及第15號 之金額 Amounts without the adoption of HKFRS 9 and 15 人民幣千元 RMB'000	採納香港 財務報告準則 第9號之影響 Effects of the adoption of HKFRS 9 人民幣千元 RMB'000	採納香港 財務報告準則 第15號之影響 Effects of the adoption of HKFRS 15 人民幣千元 RMB'000	呈報金額 Amounts as reported 人民幣千元 RMB'000
合併損益表 (摘錄)	Consolidated statement of profit or loss (extract)				
收入	Revenue	51,360,983	–	3,420,012	54,780,995
銷售及服務成本	Cost of sales and services	(32,382,665)	–	(3,340,923)	(35,723,588)
銷售及營銷成本	Selling and marketing costs	(3,036,368)	–	661,952	(2,374,416)
金融資產減值虧損淨額	Net impairment losses on financial assets	–	(157,769)	–	(157,769)
應佔聯營公司業績	Share of results of associates	956,161	–	33,907	990,068
應佔合營企業業績	Share of results of joint ventures	421,111	–	138,269	559,380
所得稅開支	Income tax expense	(6,454,116)	39,442	(185,260)	(6,599,934)
年內利潤	Profit for the year				
– 本公司權益持有人 應佔利潤	– profit attribute to equity holders of the Company	6,554,879	(80,804)	286,929	6,761,004
– 非控股權益應佔利潤	– profit attribute to non-controlling interests	4,883,056	(37,522)	441,028	5,286,562

合併財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.2 會計政策變動 (續)

2.2.2 香港財務報告準則第9號金融工具 – 採納之影響

香港財務報告準則第9號取代香港會計準則第39號有關金融資產及金融負債的確認、分類及計量、終止確認金融工具、金融資產減值及對沖會計的條文。

由於自2018年1月1日起採納香港財務報告準則第9號金融工具，故此會計政策變動及財務報表內已確認金額有所調整。新會計政策載於下文附註2.15。根據香港財務報告準則第9號所載過渡性條文，並無重列比較數字。

於2018年1月1日應用香港財務報告準則第9號對本集團保留盈利之總影響如下：

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Change in accounting policies (Cont'd)

2.2.2 HKFRS 9 Financial Instruments – Impact of adoption

HKFRS 9 replaces the provisions of HKAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

The adoption of HKFRS 9 Financial Instruments from 1 January 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. The new accounting policies are set out in Note 2.15 below. In accordance with the transitional provisions in HKFRS 9, comparative figures have not been restated.

The total impact on the Group's retained earnings by application of HKFRS 9 as at 1 January 2018 is as follows:

		2018年1月1日 1 January 2018	
		附註 Note	人民幣千元 RMB'000
將投資自可供出售重新分類至以公允價值計量且其變動計入當期損益	Reclassify investments from available-for-sale to FVPL	(a)	20,904
增加貿易應收款項撥備	Increase in provision for trade receivables	(b)	(1,167)
增加其他應收款項撥備	Increase in provision for other receivables	(b)	(263,284)
增加有關減值撥備之遞延稅項資產	Increase in deferred tax assets relating to impairment provisions		65,265
總影響	Total impact		(178,282)
保留盈利的調整	Adjustment to retained earnings		(115,747)
非控股權益的調整	Adjustment to non-controlling interests		(62,535)

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2 重大會計政策概要 (續)

2.2 會計政策變動 (續)

2.2.2 香港財務報告準則第9號金融工具 – 採納之影響 (續)

(a) 分類及計量

於2018年1月1日 (首次應用香港財務報告準則第9號的日期)，本集團管理層評估對本集團持有金融資產應用何種商業模式並已將其金融工具分類至香港財務報告準則第9號的適合類別。此重新分類的主要影響如下：

金融資產 – 2018年1月1日	Financial assets – 1 January 2018	可供出售 金融資產 Available-for-sale financial assets 人民幣千元 RMB'000	以公允價值 計量且其變動 計入當期損益 FVPL 人民幣千元 RMB'000	以公允價值計量 且其變動計入 其他全面收益 FVOCI 人民幣千元 RMB'000
於2017年12月31日之年末結餘	Closing balance as at 31 December 2017	1,099,526	–	–
將投資自可供出售重新分類至以 公允價值計量且其變動計入 當期損益	Reclassify investments from available-for-sale to FVPL	(1,027,427)	1,027,427	–
將投資自可供出售重新分類至以 公允價值計量且其變動計入 其他全面收益	Reclassify investments from available-for-sale to FVOCI	(72,099)	–	72,099
於2018年1月1日之年初結餘 – 香港財務報告準則第9號	Opening balance as at 1 January 2018 – HKFRS 9	–	1,027,427	72,099

於2018年1月1日，有關可供出售金融資產之相關公允價值收益人民幣20,904,000元自其他儲備轉撥至保留盈利。

由於新規定僅影響指定以公允價值計量且其變動計入當期損益的金融負債的會計處理，而本集團於2018年1月1日並無任何該等負債，故本集團金融負債的會計處理將不受影響。終止確認之規則已過渡至香港會計準則第39號，且並無變動。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Change in accounting policies (Cont'd)

2.2.2 HKFRS 9 Financial Instruments – Impact of adoption (Cont'd)

(a) Classification and measurement

On 1 January 2018 (the date of initial application of HKFRS 9), the Group's management has assessed which business models apply to the financial assets held by the Group and has classified its financial instruments into the appropriate HKFRS 9 categories. The main effects resulting from this reclassification are as follows:

Related fair value gains of RMB20,904,000 related to available-for-sale financial assets were transferred from other reserves to retained earnings on 1 January 2018.

There is no impact on the Group's accounting for financial liabilities, as the new requirement only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Group does not have any such liabilities as of 1 January 2018. The derecognition rules have been transferred from HKAS 39 and have not been changed.

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2 重大會計政策概要 (續)

2.2 會計政策變動 (續)

2.2.2 香港財務報告準則第9號金融工具 – 採納之影響 (續)

(b) 金融資產減值

本集團擁有以下受香港財務報告準則第9號新訂預期信貸虧損模式規限的金融資產：

- 貿易應收款項
- 其他應收款項

本集團就上述各項資產類別根據香港財務報告準則第9號修訂其減值方法。

雖然現金及現金等價物亦受香港財務報告準則第9號的規限，但所識別的減值虧損並不重大。

(i) 貿易應收款項

就貿易應收款項而言，本集團應用香港財務報告準則第9號訂明之簡化方法為預期信貸虧損撥備，其規定對所有貿易應收款項計提使用年期之預期虧損撥備。於2018年1月1日，確認保留盈利人民幣1,167,000元。確認遞延稅項資產人民幣292,000元。於2018年1月1日至報告期末之虧損撥備之對賬載於附註3.1.2。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Change in accounting policies (Cont'd)

2.2.2 HKFRS 9 Financial Instruments – Impact of adoption (Cont'd)

(b) Impairment of financial assets

The Group has the following types of financial assets that are subject to HKFRS 9's new expected credit loss model:

- Trade receivables
- Other receivables

The Group revised its impairment methodology under HKFRS 9 for each of these classes of assets.

While cash and cash equivalent are also subject to the impairment requirement of HKFRS 9, the identified impairment loss was immaterial.

(i) Trade receivables

For trade receivables, the Group applies the simplified approach to providing for expected credit losses prescribed by HKFRS 9, which requires the use of the lifetime expected loss provision for all trade receivables. RMB1,167,000 was recognised in retained earnings as at 1 January 2018. A deferred tax assets of RMB292,000 was recognised. The reconciliation of the loss allowance as at 1 January 2018 to that at the end of the reporting period is described in Note 3.1.2.

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截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.2 會計政策變動 (續)

2.2.2 香港財務報告準則第9號金融工具 – 採納之影響 (續)

(b) 金融資產減值 (續)

(ii) 其他應收款項

就於2018年1月1日已經到位的其他應收款項而言，本集團已應用香港財務報告準則第9號所訂明的預期信貸虧損一般模式，由於信貸風險未於初步確認後大幅增加，故已確認的虧損撥備被限定至12個月預期虧損。於2018年1月1日，人民幣263,284,000元已於保留盈利中確認。確認遞延稅項資產人民幣64,973,000元。於2018年1月1日至報告期末之虧損撥備之對賬載於附註3.1.2。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Change in accounting policies (Cont'd)

2.2.2 HKFRS 9 Financial Instruments – Impact of adoption (Cont'd)

(b) *Impairment of financial assets* (Cont'd)

(ii) *Other receivables*

For other receivables already in place at 1 January 2018, the Group applies the general model for expected credit loss prescribed by HKFRS 9, since credit risk has not significantly increased after initial recognition, the loss allowance recognised was therefore limited to 12 months expected losses. RMB263,284,000 was recognised in retained earnings as at 1 January 2018. A deferred tax assets of RMB64,973,000 was recognised. The reconciliation of the loss allowance as at 1 January 2018 to that at the end of the reporting period is described in Note 3.1.2.

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截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.2 會計政策變動 (續)

2.2.3 香港財務報告準則第15號來自客戶合約收入 – 採納之影響

香港財務報告準則第15號取代香港會計準則第18號收入(「香港會計準則第18號」)及香港會計準則第11號建築合約(「香港會計準則第11號」)有關確認、分類及計量收入及成本的條文。

自2018年1月1日起採納香港財務報告準則第15號已導致會計政策變動及於財務報表內確認之金額調整。新會計政策載於下文附註2.27，比較數字並未重列。

於2018年1月1日應用香港財務報告準則第15號對本集團保留盈利之總影響如下：

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Change in accounting policies (Cont'd)

2.2.3 HKFRS 15 Revenue from Contracts with Customers – Impact of adoption

HKFRS 15 replaces the provisions of HKAS 18 Revenue (“HKAS18”) and HKAS 11 Construction contracts (“HKAS11”) that relate to the recognition, classification and measurement of revenue and costs.

The adoption of HKFRS 15 from 1 January 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. The new accounting policies are set out in Note 2.27 below, comparative figures have not been restated.

The total impact on the Group's retained earnings by application of HKFRS 15 as at 1 January 2018 is as follows:

		2018年1月1日 1 January 2018	
		附註 Note	人民幣千元 RMB'000
就成本確認資產以履行子公司合約	Recognition of asset for costs to fulfil a contract by subsidiaries	(a)	488,493
就成本確認資產以履行聯營公司合約	Recognition of asset for costs to fulfil a contract by associates	(a)	1,027
就成本確認資產以履行合營企業合約	Recognition of asset for costs to fulfil a contract by joint ventures	(a)	26,637
遞延稅項負債增加	Increase in deferred tax liabilities		(122,124)
總影響	Total impact		394,033
保留盈利的調整	Adjustment to retained earnings		262,800
非控股權益的調整	Adjustment to non-controlling interests		131,233

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2 重大會計政策概要 (續)

2.2 會計政策變動 (續)

2.2.3 香港財務報告準則第15號來自客戶合約收入 – 採納之影響 (續)

(a) 獲取合約所產生成本之會計處理

根據香港財務報告準則第15號，不符合資格確認為資產之成本於產生時列為開支。與合約直接相關、產生用於履行合約之資源及預期將獲收回之成本資本化為合同取得成本。於2018年1月1日，本集團有關取得合約作為增量成本之資本化成本為人民幣488,493,000元。同時，由於合同取得成本以權益會計法被資本化，本集團對聯營公司及合營企業的投資餘額錄得增加，分別為人民幣1,027,000元及人民幣26,637,000元。已確認相應之遞延稅項負債人民幣122,124,000元。

(b) 呈列與客戶合約相關的資產及負債

有關物業開發及銷售合約及管理服務合約之合約負債人民幣50,866,242,000元過往計入預收客戶款項及重新分類至香港財務報告準則第15號項下之合約負債。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Change in accounting policies (Cont'd)

2.2.3 HKFRS 15 Revenue from Contracts with Customers – Impact of adoption (Cont'd)

(a) *Accounting for cost incurred to obtain a contract*

Under HKFRS 15, costs did not qualify for recognition as an asset were expensed when incurred. Costs related directly to the contract, generating resources used in satisfying the contract and expected to be recovered are capitalized as contract cost. The Group capitalized cost amounting to RMB488,493,000 as at 1 January 2018 relating to obtaining a contract as incremental costs. At the same time, the Group increased its balance of investments in associates and investments in joint ventures with the amount of RMB1,027,000 and RMB26,637,000 respectively due to the capitalisation of contract cost under equity accounting. A corresponding deferred tax liability of RMB122,124,000 was recognised.

(b) *Presentation of assets and liabilities related to contracts with customers*

Contract liabilities amounted to RMB50,866,242,000 in relation to property development and sales contracts and management services contracts were previously included in advanced proceeds received from customers and were reclassified to contract liabilities under HKFRS 15.

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2 重大會計政策概要 (續)

2.2 會計政策變動 (續)

2.2.3 香港財務報告準則第15號來自客戶合約收入 – 採納之影響 (續)

(c) 合約存在之重大融資成分

本集團擁有自轉讓承諾貨品或服務予客戶至客戶付款間之期間有所不同之合約。因此，本集團就貨幣時間值之交易價格作出調整。於2018年1月1日，合約負債之調整為人民幣1,245,166,000元。於2018年12月31日，合約負債包括客戶預付款項人民幣115,045,501,000元及交易價格調整人民幣3,185,491,000元。

2.3 合併原則及權益會計處理

(i) 子公司

子公司指本集團有權控制的所有實體（包括結構化實體）。當本集團因參與一間實體之業務而可或可獲得可變回報且有能力憑藉其對該實體行使權力而影響該等回報時，則視為本集團控制該實體。子公司於控制權轉移至本集團之日起全面合併入賬。子公司自控制權終止當日起終止合併入賬。

本集團採用收購會計法將業務合併入賬（參見附註2.4）。

集團內公司間交易、結餘及因集團內公司間交易而產生之未變現利得會予以對銷。變現虧損亦予以對銷，除非該交易顯示已轉讓資產減值的證據。子公司的會計政策已按需要作出改動，以確保與本集團所採納者相符。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Change in accounting policies (Cont'd)

2.2.3 HKFRS 15 Revenue from Contracts with Customers – Impact of adoption (Cont'd)

(c) *The existence of a significant financing component in the contract*

The Group has contracts where the period between the transfer of the promised goods or service to the customer and payment by the customer is different. As a consequence, the Group adjusted transaction prices for time value of money. The adjustment to contract liabilities as at 1 January 2018 was RMB1,245,166,000. As at 31 December 2018, contract liabilities includes prepayments from customers amounted to RMB115,045,501,000 and adjustment of transaction prices of RMB3,185,491,000.

2.3 Principles of consolidation and equity accounting

(i) *Subsidiaries*

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (refer to Note 2.4).

Intercompany transactions, balances, and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

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2 重大會計政策概要 (續)

2.3 合併原則及權益會計處理 (續)

(i) 子公司 (續)

子公司的業績及權益中的非控股權益分別於合併財務狀況表、合併損益表、合併全面收益表及合併權益變動表中單獨列示。

(ii) 聯營公司

聯營公司指本集團對其有重大影響但無控制權或共同控制權的所有實體，本集團一般持有20%至50%之投票權。於初步按成本確認後，於聯營公司的投資乃以權益法入賬（見下文(iv)）。

(iii) 合營安排

根據香港財務報告準則第11號共同安排，在共同安排下的投資可分類為共同經營或合營企業。分類視乎每個投資者的合約權利和義務（而非共同安排的法律結構）而定。本集團已評估其共同安排的性質並將其釐定為合營企業。

於初步按成本在合併資產負債表確認後，合營企業權益使用權益法入賬（見下文(iv)）。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.3 Principles of consolidation and equity accounting (Cont'd)

(i) *Subsidiaries* (Cont'd)

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and consolidated statement of changes in equity respectively.

(ii) *Associates*

Associates or associated companies are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost.

(iii) *Joint arrangements*

Under HKFRS 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The group has assessed the nature of its joint arrangements and determined them to be joint ventures.

Interests in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognised at cost in the consolidated balance sheet.

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2 重大會計政策概要 (續)

2.3 合併原則及權益會計處理 (續)

(iv) 權益會計法

根據權益會計法，投資初步按成本確認，其後進行調整以於損益確認本集團應佔被投資方收購後利潤或虧損並於其他全面收益確認本集團應佔被投資方其他全面收益的變動。已收或應收聯營公司及合營企業的股息確認為投資賬面值扣減。

本集團應佔權益入賬投資的虧損等於或超過其於該實體的權益（包括任何其他無抵押長期應收款項）時，本集團不會確認進一步虧損，除非已代表另一實體承擔責任或作出付款。

本集團與其聯營公司及合營企業之間交易的未變現收益按本集團於該等實體的權益予以對銷。未變現虧損亦會予以對銷，除非該交易顯示已轉讓資產減值的證據。權益入賬被投資方的會計政策已於必要時作出調整，以確保與本集團所採納會計政策一致。

權益入賬投資的賬面金額根據附註2.12所述政策進行減值測試。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.3 Principles of consolidation and equity accounting (Cont'd)

(iv) Equity accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit or loss, and the group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 2.12.

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2 重大會計政策概要 (續)

2.3 合併原則及權益會計處理 (續)

(v) 所有權權益變動

本集團將不導致喪失控制權的非控股權益交易視作與本集團權益擁有人的交易。擁有權權益變動導致控股與非控股權益賬面值的調整，以反映其於子公司的相關權益。非控股權益調整數額與任何已付或已收代價之間的任何差額於本公司擁有人應佔權益中的獨立儲備內確認。

當本集團因失去控制權、共同控制權或重大影響力而停止合併入賬或按權益入賬一項投資時，於實體的任何保留權益重新按公允價值計量，而賬面值變動於損益確認。就其後入賬列作聯營公司、合營企業或金融資產的保留權益而言，該公允價值為初始賬面值。此外，先前於其他全面收益就該實體確認的任何金額按猶如本集團已直接出售有關資產或負債的方式入賬。這意味著先前於其他全面收益確認的金額重新分類至損益或轉撥至適用香港財務報告準則所指明／許可的另一權益類別內。

倘於一間合營企業或聯營公司的擁有權權益減少但保留共同控制權或重大影響力，則先前於其他全面收益確認的金額僅有一定比例份額重新分類至損益（如適用）。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.3 Principles of consolidation and equity accounting (Cont'd)

(v) *Changes in ownership interests*

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

合併財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.4 業務合併

本集團採用收購會計法將所有業務合併入賬，不論是否已收購股本工具或其他資產。收購一間子公司轉讓的代價包括：

- 所轉讓資產的公允價值；
- 被收購業務之前擁有人所產生的負債；
- 本集團已發行股本權益；
- 或然代價安排所產生任何資產或負債的公允價值，及
- 子公司任何先前存在的股本權益的公允價值。

在業務合併中所收購的可識別資產以及所承擔的負債及或然負債，首先以其於收購日期的公允價值計量（少數例外情況除外）。本集團以逐項收購基準，按公允價值或按非控股權益所佔被收購實體可識別資產淨值的比例確認於被收購實體的任何非控股權益。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.4 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the group;
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.4 業務合併 (續)

收購相關成本於產生時列為開支。

超出的

- 代價轉讓，
- 於被收購實體的任何非控股權益金額，及
- 於被收購實體的任何先前股權的收購日期公允價值。

超過所收購可識別淨資產的公允價值記錄為商譽。倘該等款項低於所收購業務的可識別資產淨值的公允價值，則差額將直接於損益中確認為議價購買。

或然代價分類為權益或金融負債。分類為金融負債的金額其後將重新按公允價值計量，而公允價值變動於損益中確認。

倘業務合併分階段進行，則收購方先前持有的被收購方股本權益於收購日期的賬面值於收購日期重新按公允價值計量。任何因該項重新計量產生的收益或虧損於損益中確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.4 Business combinations (Cont'd)

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity.

Over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

合併財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.5 獨立財務報表

於子公司之投資乃以成本扣除減值入賬。成本亦包括與投資直接相關的應佔成本。子公司之業績按已收及應收股息計入公司之賬內。

當收到於子公司的股息時，而該股息超過子公司在宣派股息期間之全面收益總額，或在獨立財務報表之投資賬面值超過被投資方淨資產（包括商譽）在合併財務報表之賬面值時，則必須對有關投資進行減值測試。

2.6 分部報告

經營分部乃以與提交予主要經營決策者的內部報告一致的方式呈報。

本集團董事會已委任戰略決策委員會，其負責評估本集團財務業績及狀況並作出戰略性決策。決策委員會已被確定為主要經營決策者，由行政總裁、首席財務官及企業規劃經理組成。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.5 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.6 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker.

The board of the Company has appointed a strategic steering committee which assesses the financial performance and position of the group, and makes strategic decisions. The steering committee, which has been identified as being the chief operating decision maker, consists of the chief executive officer, the chief financial officer and the manager for corporate planning.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.7 外幣換算

(i) 功能及呈列貨幣

本集團的各實體財務報表所列的項目，均以該實體經營所在主要經濟環境所使用的貨幣（「功能貨幣」）計量。由於本集團的大部份資產及營運位於中國，故其財務報表以人民幣呈列，人民幣乃本公司的功能貨幣及本集團的呈列貨幣。

(ii) 交易及結餘

外幣交易均按交易當日的現行匯率換算為功能貨幣。因上述交易結算及按年底匯率兌換以外幣計值的貨幣資產及負債而產生的匯兌盈虧，一般均於損益確認。倘彼等與合資格現金流量對沖及合資格投資淨額對沖有關或歸因於海外業務投資淨額的一部分，則彼等於權益中遞延。

與借款以及現金及現金等價物有關的匯兌收益及虧損在損益表內的「融資收入或成本」項下呈列。所有其他匯兌收益及虧損在損益表內的「其他收益或虧損－淨額」項下呈列。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.7 Foreign currency translation

(i) *Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Since the majority of the assets and operations of the Group are located in the PRC, the financial statements are presented in RMB, which is the functional currency of the Company and the presentation currency of the Group.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of profit or loss within 'finance income or costs'. All other foreign exchange gains and losses are presented in the statement of profit or loss within 'other gains or losses – net'.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.7 外幣換算 (續)

(ii) 交易及結餘 (續)

按公允價值計量並以外幣計值之非貨幣項目使用釐定公允價值當日之匯率換算。按公允價值列賬之資產及負債之匯兌差額呈報為公允價值損益之一部分。例如，以公允價值計量且其變動計入當期損益之權益等非貨幣資產及負債之匯兌差額於損益內確認為公允價值損益其中部分，分類為可供出售金融資產之權益等非貨幣資產之匯兌差額於其他全面收益中確認。

(iii) 集團公司

倘本集團的海外業務(全部均非採用嚴重通脹經濟體系的貨幣)的功能貨幣有別於呈列貨幣，則其業績及財務狀況會按下列方法換算為呈列貨幣：

- (a) 現時集團實體的每份財務狀況表內的資產與負債按該財務狀況表結算日的收市匯率換算；
- (b) 現時集團實體的每份利潤表及全面損益表內的收入及開支按平均匯率換算；及
- (c) 所產生的所有兌換差額乃於其他全面收益內確認及計算，並於權益項目下累積。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.7 Foreign currency translation (Cont'd)

(ii) *Transactions and balances* (Cont'd)

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as available-for-sale financial assets are recognised in other comprehensive income.

(iii) *Group companies*

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (a) assets and liabilities for each statement of financial position of the Group entities are translated at the closing date of that statement of financial position;
- (b) income and expenses for each statement of profit or loss and statement of comprehensive income of the Group entities are translated at average exchange rate; and
- (c) all resulting exchange differences are recognised in other comprehensive income and accumulated as a separate component of equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.7 外幣換算 (續)

(iii) 集團公司

於編製合併賬目時，換算海外實體任何投資淨額以及換算被指定為此等投資的對沖項目的借款及其他金融工具均於其他全面收益確認。當出售海外業務或償還構成該投資淨額部分的任何借款，相關的匯兌差額於損益賬重新歸類為出售的部分收益或虧損。

收購境外主體產生的商譽及公允價值調整視為該海外業務的資產和負債，並按期末匯率換算。

2.8 物業、廠房及設備

物業、廠房和設備按歷史成本減累計折舊及任何減值虧損入賬。資產的初始成本包括購入價及令該資產處於所擬運作狀況及地點之任何直接應佔成本。

當與項目有關的未來經濟利益可能流入本集團，而該項目的成本能夠可靠地計量時，則會將該項目其後產生的成本計入該項資產的賬面值內或確認為獨立資產（如適當）。其他所有維修及保養成本乃於其產生的會計期間內自合併損益表扣除。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.7 Foreign currency translation (Cont'd)

(iii) Group companies (Cont'd)

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.8 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any impairment losses. The initial cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the consolidated statement of profit or loss during the financial period in which they are incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.8 物業、廠房及設備 (續)

折舊按直線法計算，以於其估計可使用年內，或倘為租賃物業裝修則於以下較短租期內分配其成本或重估金額（扣除其剩餘價值）：

— 樓宇	20-30年
— 運輸設備	3-10/20年
— 傢俬、裝置及設備	3-12年
— 租賃物業裝修	3-5年

資產殘值及可使用年期均會於各報告期末時被檢討，並在適當情況下作出調整。

倘資產賬面值高於其估計可收回金額時，該項資產的賬面值將即時撇減至其可收回金額。

出售盈虧乃透過比較所得款項與賬面值而釐定，並於損益內列賬。根據集團政策，當出售重估資產時，有關資產於其他儲備有關的金額一律撥入保留盈利。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.8 Property, plant and equipment (Cont'd)

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term as follows:

– Buildings	20-30 years
– Transport equipment	3-10/20 years
– Furniture, fitting and equipment	3-12 years
– Leasehold improvements	3-5 years

The assets' residual value and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.9 投資物業

持作長期租金收入或資本增值或兩者兼備且並非本集團所佔用的物業分類為投資物業。投資物業也包括正在建造或開發供未來作投資物業使用之物業。

投資物業包括根據經營租賃持有的土地及本集團擁有的樓宇。根據經營租賃持有的土地如能符合投資物業餘下的定義，則分類為投資物業並入賬。在此情況下，經營租賃視為融資租賃入賬。

投資物業初始按其成本計量，包括相關的交易成本及相關的（如適用）借貸成本。於初步確認後，投資物業按公允價值列賬。公允價值變動於合併損益表確認及單獨呈列。

公允價值是根據活躍市價並經（如必要）就特定資產之性質、位置或狀況之任何差異作出調整而釐定。倘無法獲得該等資料，則本集團會使用可替代估值法，如較不活躍市場的近期價格或經折現現金流量預測。這些估值乃於各結算日由外部估值師實施。

倘公允價值能可靠計量，建設中物業按公允價值計量。倘無法可靠地釐定公允價值，則建設中投資物業於公允價值可以釐定或工程竣工前（以較早者為準）將以成本計量。此物業於該日的公允價值與當時賬面值之間的任何差額均在合併損益表中確認。重新發展以持續作投資物業用途的投資物業，或市場活躍度降低的投資物業將繼續以公允價值計量。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.9 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property comprises land held under operating leases and buildings owned by the Group. Land held under operating leases are classified and accounted for as investment property when the rest of the definition of investment property is met. In this case, the operating lease is accounted for as if it were a finance lease.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. After initial recognition, investment property is carried at fair value. Changes in fair value are recognised and presented separately in the consolidated statement of profit or loss.

Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. These valuations are performed at balance sheet date by external valuers.

Property under construction is measured at fair value if the fair value is considered to be reliably measurable. If the fair value cannot be reliably determined, the investment property under construction will be measured at cost until such time as fair value can be determined or construction is completed, whichever is earlier. Any difference between the fair value of the property at that date and its then carrying amount shall be recognised in the consolidated statement of profit or loss. Investment property that is being redeveloped for continuing use as investment property, or for which the market has become less active, continues to be measured at fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.9 投資物業 (續)

其後支出只有在與該支出有關的未來經濟利益有可能流入本集團，而該項目的成本能可靠計量時，才撥入在資產的賬面值中。其他所有維修及保養成本於產生時支銷。

當與另一方就完工待售物業訂立經營租賃合約及租賃開始時，物業轉撥至投資物業。於轉撥日期的物業公允價值與其當時賬面值的差額於損益表中確認為其他收益。

2.10 商譽

商譽按附註2.4所述計量。商譽不予攤銷，惟每年進行減值測試，或當有事件出現或情況變動顯示可能出現減值時進行更頻密減值測試，並按成本減去累計減值虧損列示。出售實體的收益及虧損包括與出售實體有關的商譽賬面值。

商譽會被分配至現金產生單位以進行減值測試。有關分配乃對預期將從商譽產生的業務合併中獲益的現金產生單位或現金產生單位組別作出。現金產生單位或現金產生單位組別乃就內部管理目的而於監察商譽的最低層次（即經營分部（附註2.4））確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.9 Investment properties (Cont'd)

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

When an operating lease contract is entered into with another party on a property originally held for sale and upon the commencement of the lease, the property is transferred to investment property. The difference between the fair value of the property at the date of transfer and its then carrying amount is recognised as other gain in the statement of profit or loss.

2.10 Goodwill

Goodwill is measured as described in Note 2.4. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments (Note 2.4).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.11 無形資產

(i) 商標

本集團商標乃按歷史成本法列賬的單獨購入商標。商標有特定使用年限並按成本減累計攤銷及減值虧損列賬。

(ii) 電腦軟件

本集團的電腦軟件包括按購入及使用該特定軟件所產生的成本作資本化處理的購入電腦軟件。

(iii) 攤銷方法及年期

本集團於以下期間採用直線法攤銷具有有限使用期的無形資產：

— 商標	10年
— 電腦軟件	5年
— 專利	10年
— 客戶資源	10年

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.11 Intangible assets

(i) Trademarks

Trademarks of the Group are separately acquired trademarks which are shown at historical cost. They have a finite useful life and are carried at cost less accumulated amortisation and impairment losses.

(ii) Computer software

Computer software of the Group comprises acquired computer software which is capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

(iii) Amortisation methods and periods

The group amortises intangible assets with a limited useful life using the straight-line method over the following periods:

– Trademarks	10 years
– Computer software	5 years
– Patent	10 years
– Client resources	10 years

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.12 非金融資產的減值

商譽無需攤銷，但每年須就減值進行測試，或倘有事件或情況變動顯示其可能出現減值時則會更頻密地作減值測試。其他資產須於任何事件出現或情況改變顯示賬面值可能無法收回時進行減值測試。減值虧損按資產的賬面值超出其可收回金額的差額確認。可收回金額以資產的公允價值扣除銷售成本或使用價值兩者之間較高者為準。於評估減值時，資產按獨立可辨認現金流入（大致獨立於其他資產或資產組合的現金流入）（現金產出單元）的最低層次組合。除商譽外，非金融資產如出現減值，則會於每個報告期末檢討可否撥回減值。

2.13 完工待售或在建銷售物業

完工待售或在建銷售物業按成本及可變現淨值兩者的較低者列賬於流動資產。完工待售或在建銷售物業成本包括土地租賃成本、建造支出、資本化借款成本及於發展期間產生的其他直接成本。持有的物業成本按其未售出之物業成本按獲比例分配之該發展項目之全部發展成本計量。可變現淨值為管理層根據現行市況釐定之在通常業務過程中的估計銷售價，減預計至竣工需產生的其他成本及銷售時需產生的營銷成本。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.12 Impairment of non-financial assets

Goodwill is not subject to amortisation and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.13 Properties held or under development for sale

Properties held or under development for sale are included in current assets at the lower of cost and net realisable value. The costs of properties held or under development consist of costs of leasehold land, construction expenditure, capitalised borrowing costs and other direct costs incurred during the development period. The costs of properties held are determined by apportionment of the total development costs for that development project attributable to the unsold properties. Net realisable value is based on estimated selling price in the ordinary course of business as determined by management with reference to the prevailing market conditions, less further costs expected to be incurred to completion and selling and marketing costs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.14 土地使用權

中國的所有土地均為國有且無單獨的土地所有權。本集團收購土地使用權從而進行物業開發。用於開發供出售的土地使用權作為存貨，並按成本值與可變現淨值兩者的較低者列賬，其中屬於正常營運週期內的土地使用權分類為流動資產並計入完工待售或在建銷售物業，而屬於正常營運週期以外的土地使用權分類為非流動資產。屬於投資物業的土地使用權分類為投資物業（附註2.9）。

自用的土地使用權列入土地使用權，以直線法於租期內攤銷。

2.15 投資及其他金融資產

(a) 分類

自2018年1月1日起，本集團將其金融資產按下列計量類別分類：

- 其後按公允價值計量的金融資產（不論計入其他全面收益或計入損益）；及
- 按攤銷成本計量的金融資產。

分類視乎實體管理金融資產的業務模型及現金流量的合約年期而定。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.14 Land use rights

All land in the PRC is stated-owned or collectively-owned and no individual ownership right exists. Land use rights are acquired by the Group for development of properties. Land use rights held for development for sale are inventories and measured at lower of cost and net realisable value, of which those within normal operating cycle are classified as current assets and included in properties held or under development for sale, while those out of the normal operating cycle are classified as non-current assets. Land use rights fall within investment properties are classified as investment properties (Note 2.9).

Land use rights for self-use are recorded under land use rights, which are amortised over the period of the lease using the straight-line method.

2.15 Investments and other financial assets

(a) Classification

From 1 January 2018, the Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI, or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.15 投資及其他金融資產 (續)

(a) 分類 (續)

就按公允價值計量的資產而言，收益及虧損將於損益或其他全面收益記賬。就並非持作買賣的股本工具投資而言，則視乎本集團於初步確認之時有否作出不可撤回的選擇，將股本投資按以公允價值計量且其變動計入其他全面收益的方式入賬。

當且僅當本集團管理該等資產的業務模式改變時，方會對債務投資進行重新分類。

(b) 計量

於初步確認時，本集團按其公允價值加上（倘金融資產並非以公允價值計量且其變動計入當期損益）收購金融資產直接應佔的交易成本計量金融資產。按以公允價值計量且其變動計入當期損益列賬的金融資產的交易成本於合併損益表中支銷。

於確定其現金流量是否僅支付本金及利息時會全面考慮附帶嵌入式衍生工具的金融資產。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.15 Investments and other financial assets (Cont'd)

(a) Classification (Cont'd)

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(b) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in consolidated statement of profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.15 投資及其他金融資產 (續)

(b) 計量 (續)

債務工具

債務工具的後續計量取決於本集團管理資產的業務模式及資產的現金流量特徵。本集團將其債務工具分類為三種計量類別：

- 攤銷成本：倘為收取合約現金流量而持有的資產的現金流量僅為本金及利息付款，則該等資產按攤銷成本計量。來自該等金融資產的利息收入採用實際利率法計入財務收入。終止確認產生的任何收益或虧損直接於損益中確認，並與匯兌收益及虧損於其他收益／(虧損) 列示。減值虧損於合併損益表內作為單獨項目列示。
- 以公允價值計量且其變動計入其他全面收益：倘為收取合約現金流量及出售金融資產而持有的資產的現金流量僅為本金及利息付款，則該等資產以公允價值計量且其變動計入其他全面收益計量。賬面值變動乃透過其他全面收益確認，惟就確認減值收益或虧損而言，利息收入及匯兌收益及虧損於損益確認。終止確認金融資產時，先前於其他全面收益確認的累計收益或虧損將自權益重新分類至損益並於其他收益／(虧損) 中確認。來自該等金融資產的利息收入採用實際利率法計入財務收入。匯兌收益及虧損於其他收益／(虧損) 呈列，而減值虧損於合併損益表內作為單獨項目列示。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.15 Investments and other financial assets (Cont'd)

(b) Measurement (Cont'd)

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of profit or loss.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment loss are presented as separate line item in the consolidated statement of profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.15 投資及其他金融資產 (續)

(b) 計量 (續)

債務工具 (續)

- 以公允價值計量且其變動計入當期損益：不符合攤銷成本或以公允價值計量且其變動計入其他全面收益標準的資產以公允價值計量且其變動計入當期損益。其後以公允價值計量且其變動計入當期損益的債務投資產生的收益或虧損於損益內確認並於其產生期間的其他收益／(虧損)以淨值列示。來自該等金融資產之利息收入計入其他收入。

股本工具

本集團其後按公允價值計量所有股本投資。倘本集團管理層已選擇於其他全面收入呈列股本投資的公允價值收益及虧損，則於終止確認此類投資後，公允價值收益及虧損不再重新分類至損益。當本集團收取付款的權利確立時，該等投資的股息繼續於損益中確認為其他收入。

以公允價值計量且其變動計入當期損益的金融資產的公允價值變動於損益表(如適用)其他收益／(虧損)中確認。以公允價值計量且其變動計入其他全面收益的股本投資的減值虧損(及減值虧損撥回)不會與公允價值的其他變動分開呈報。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.15 Investments and other financial assets (Cont'd)

(b) Measurement (Cont'd)

Debt instruments (Cont'd)

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.15 投資及其他金融資產 (續)

(c) 金融資產減值

本集團按前瞻性基準評估與其以攤銷成本及以公允價值計量且其變動計入其他全面收益的債務工具相關的預期信貸虧損。所應用的減值方法取決於信貸風險是否顯著增加。附註3.1.2詳述本集團釐定信貸風險有否大幅上升的方法。

就應收款項而言，本集團採用香港財務報告準則第9號所允許的簡化方法，該方法規定預期使用年期虧損將自初步確認應收款項起確認。

就其他應收款項、按攤銷成本計量的金融資產以及以公允價值計量且其變動計入當期損益的金融資產而言，本集團已應用香港財務報告準則第9號所訂明的預期信貸虧損一般模式，由於信貸風險未於初步確認後大幅增加，故已確認的虧損撥備被限定至12個月預期虧損。

(d) 確認及終止確認

正常買賣金融資產在交易日（本集團承諾買賣該資產的日期）確認。當從金融資產收取現金流量的權利已屆滿或已轉讓，且本集團已實質上將擁有權的所有風險和回報轉讓時，即中止確認金融資產。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.15 Investments and other financial assets (Cont'd)

(c) *Impairment of financial assets*

The Group assesses on a forward looking basis the expected credit losses associated with its debt instrument carried at amortised cost and financial assets at fair value through OCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 3.1.2 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For other receivables, financial assets at amortised cost and financial assets at fair value through profit or loss, the Group applies the general model for expected credit loss prescribed by HKFRS 9, since credit risk has not significantly increased after initial recognition, the loss allowance recognised was therefore limited to 12 months expected losses.

(d) *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.15 投資及其他金融資產 (續)

(e) 直至2017年12月31日應用的會計政策

分類

本集團將金融資產分為以下類別：

- 以公允價值計量且其變動計入當期損益的金融資產
- 貸款及應收款項
- 可供出售金融資產

分類視乎收購金融資產之目的而定。管理層於初步確認金融資產時決定其分類。

(i) 以公允價值計量且其變動計入當期損益的金融資產

倘收購金融資產主要旨在於短期內出售(即持作買賣的金融資產)，本集團即歸類該等資產為本集團以公允價值計量且其變動計入當期損益的金融資產。倘該等資產預期於報告期末起12個月內結算，則分類為流動資產，否則一概分類為非流動資產。

(ii) 貸款及應收款項

貸款及應收款項為附帶固定或可釐定付款的非衍生性質金融資產，而其在活躍市場並無報價。倘該等款項預計在一年或更短時間內收回，則其分類為流動資產。否則則呈列為非流動資產。本集團的貸款及應收款項包括貿易及其他應收款項及現金及現金等價物。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.15 Investments and other financial assets (Cont'd)

(e) Accounting policies applied until 31 December 2017

Classification

The Group classifies its financial assets in the following categories:

- financial assets at fair value through profit or loss
- loans and receivables
- available-for-sale financial assets

The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) Financial assets at fair value through profit or loss

The Group classifies financial assets at fair value through profit or loss if they are acquired principally for the purpose of selling in the short term, ie are held for trading. They are presented as current assets if they are expected to be sold within 12 months after the end of the reporting period; otherwise they are presented as non-current assets.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. If collection of the amounts is expected in one year or less they are classified as current assets. If not, they are presented as non-current assets. The group's loans and receivables comprise of trade and other receivables and cash and cash equivalents.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.15 投資及其他金融資產 (續)

(e) 直至2017年12月31日應用的會計政策 (續)

分類 (續)

(iii) 可供出售金融資產

倘若投資沒有固定之到期日以及固定或可釐定付款而管理層有意中長期持有投資，則投資指定為可供出售。並無分類至任何其他類別的金融資產（以公允價值計量且其變動計入當期損益的金融資產、貸款及應收款項或持有至到期的投資）亦包含在可供出售類別內。

除金融資產到期，或管理層有意於報告期末12個月內出售金融資產外，金融資產呈列為非流動資產。

確認及終止確認

正常買賣金融資產在交易日（本集團承諾買賣該資產的日期）確認。當從金融資產收取現金流量的權利已屆滿或已轉讓，且本集團已實質上將擁有權的所有風險和回報轉讓時，即中止確認金融資產。

當出售分類為可供出售之證券時，在其他全面收益中確認之累計公允價值調整乃重新分類至損益，作為投資證券之收益和虧損。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.15 Investments and other financial assets (Cont'd)

(e) Accounting policies applied until 31 December 2017 (Cont'd)

Classification (Cont'd)

(iii) Available-for-sale financial assets

Investments are designated as available-for-sale financial assets if they do not have fixed maturities and fixed or determinable payments, and management intends to hold them for the medium to long-term. Financial assets that are not classified into any of the other categories (at financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments) are also included in the available-for-sale category.

The financial assets are presented as non-current assets unless they mature, or management intends to dispose of them within 12 months of the end of the reporting period.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss as gains and losses from investment securities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.15 投資及其他金融資產 (續)

(e) 直至2017年12月31日應用的會計政策 (續)

計量

於初步確認時，本集團按金融資產的公允價值外加（倘為並非以公允價值計量且其變動計入當期損益的金融資產）直接歸屬於收購該金融資產的交易成本計量。透過損益按公允價值列賬的金融資產之交易成本於損益支銷。

透過損益按公允價值列賬的金融資產之交易成本於損益支銷。

可供出售金融資產及以公允價值計量且其變動計入當期損益的金融資產其後以公允價值列賬。公允價值變動所產生的收益或虧損按以下確認：

- 以公允價值計量且其變動計入當期損益的金融資產類別的公允價值變動－在其他收入或其他開支內的損益確認。
- 可供出售金融資產（即以外幣計值的貨幣性證券）的公允價值變動－有關證券攤銷成本變動的匯兌差額於損益內確認，賬面值的其他變動在其他全面收益內確認。
- 分類為可供出售的其他貨幣性及非貨幣性證券的公允價值變動在其他全面收益內確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.15 Investments and other financial assets (Cont'd)

(e) Accounting policies applied until 31 December 2017 (Cont'd)

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value are recognised as follows:

- for financial assets at fair value through profit or loss – in profit or loss within other income or other expenses.
- for available-for-sale financial assets that are monetary securities denominated in a foreign currency – translation differences related to changes in the amortised cost of the security are recognised in profit or loss and other changes in the carrying amount are recognised in other comprehensive income.
- for other monetary and non-monetary securities classified as available-for-sale – in other comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.15 投資及其他金融資產 (續)

(e) 直至2017年12月31日應用的會計政策 (續)

計量 (續)

以公允價值計量且其變動計入當期損益的金融資產產生的股息及可供出售股本工具於本集團確立收取股息之權利時於損益表中確認為部分持續經營業務收入。

以公允價值計量且其變動計入當期損益的金融資產的利息收入計入淨收益／(虧損)。可供出售證券及貸款及應收款項的利息及使用實際利率法計算，並於損益表中確認為部分持續經營業務收入。

金融資產減值

本集團於各報告期末評估有否客觀證據顯示一項或一組金融資產出現減值。僅於有客觀證據顯示資產初步確認後發生的一項或多項事件引致減值(「虧損事件」)且虧損事件對一項或一組金融資產能可靠預計的估計未來現金流量有影響，則表示該項或該組資產已減值，並應計減值虧損。就分類為可供出售的股本投資而言，證券公允價值大幅或長期跌至低於其成本會被視為資產出現減值的跡象。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.15 Investments and other financial assets (Cont'd)

(e) Accounting policies applied until 31 December 2017 (Cont'd)

Measurement (Cont'd)

Dividends on financial assets at fair value through profit or loss and available-for-sale equity instruments are recognised in profit or loss as part of revenue from continuing operations when the group's right to receive payments is established.

Interest income from financial assets at fair value through profit or loss is included in the net gains/(losses). Interest on available-for-sale securities and loans and receivables calculated using the effective interest method is recognised in the statement of profit or loss as part of revenue from continuing operations.

Impairment of financial assets

The group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.15 投資及其他金融資產 (續)

(e) 直至2017年12月31日應用的會計政策 (續)

按攤銷成本列賬的資產

對於貸款及應收款類別，損失金額乃根據資產賬面值與按金融資產原實際利率貼現而估計未來現金流量（不包括仍未產生的未來信用損失）的現值兩者的差額計量。資產賬面值予以削減，而損失金額則在合併損益表確認。

如在後繼期間，減值虧損的數額減少，而此減少可客觀地聯繫至減值在確認後才發生的事件（例如債務人的信用評級有所改善），則之前已確認的減值虧損可在合併損益表轉回。

分類為可供出售資產

倘有客觀證據顯示可供出售金融資產出現減值，則累計虧損（以收購成本與現時公允價值之間的差額，減該金融資產先前於損益確認的任何減值虧損計量）自權益中剔除，並於損益確認。

於損益中確認的股本工具的減值虧損於其後期間不會透過損益撥回。

倘分類為可供出售債務工具的公允價值於其後期間增加，而該增加在客觀上與於損益確認減值虧損後發生的事件有關，則減值虧損透過損益撥回。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.15 Investments and other financial assets (Cont'd)

(e) Accounting policies applied until 31 December 2017 (Cont'd)

Assets carried at amortised cost

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated statement of profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated statement of profit or loss.

Assets classified as available for sale

If there is objective evidence of impairment for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss.

Impairment losses on equity instruments that were recognised in profit or loss are not reversed through profit or loss in a subsequent period.

If the fair value of a debt instrument classified as available-for-sale increases in a subsequent period and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.16 衍生活動

衍生工具於訂立衍生工具合約日期首次以公允價值確認入賬，隨後按其公允價值進行重估。公允價值乃根據市場報價於活躍市場中獲得，包括近期市場交易及估值方法（包括現金流量折現模型及期權定價模型（如適用））。

對於不符合對沖會計處理的衍生金融工具，公允價值變動即刻於合併損益表中確認。

2.17 貿易及其他應收款項

倘貿易及其他應收款項被視為無法收回，則與撥備賬目撇銷。其後收回先前撇銷的金額將貸記入合併損益表內。

貿易及其他應收款項計入流動資產，惟於報告期起計超過12個月者（或倘於正常營運週期外，則可較長），則分類為非流動資產。

請參閱附註18有關本集團貿易及其他應收款項賬齡的進一步資料；另請參閱附註3.1.2有關本集團減值政策的說明。

2.18 現金及現金等價物

現金流量表之呈列中，現金及現金等價物包括手頭現金、銀行通知存款、其他可隨時轉換作可知現金金額及價值變動風險輕微的原始投資期限不超過三個月、流動性強的短期投資。現金及現金等價物不包括受限制現金。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.16 Derivative activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and options pricing models, as appropriate.

For derivative financial instruments which do not qualify for hedge accounting, changes in fair value are recognised in the consolidated statement of profit or loss.

2.17 Trade and other receivables

When a trade and other receivable is uncollectible, it is written off against the allowance account for trade and other receivables. Subsequent recoveries of amounts previously written off are credited to the consolidated statement of profit or loss.

Trade and other receivables are included in current assets, except for those maturing more than twelve months after the reporting period (or out of the normal operating cycle of the business if longer) which are classified as non-current assets.

See Note 18 for further information about the Group's aging for trade and other receivables and Note 3.1.2 for a description of the Group's impairment policies.

2.18 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Restricted cash is excluded from cash and cash equivalents.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.19 股本及永續資本工具

普通股分類為權益。直接歸屬於發行新股或期權的新增成本在權益中列為所得款項之減項（扣除稅項）。

沒有償還其本金或支付任何分配的控制義務的永續資本工具，被歸類為權益的一部分。

2.20 貿易及其他應付款項

貿易及其他應付款項指於財政年度結束前提供予本集團之貨品及服務之尚未支付負債。除非款項並非於報告期後12個月內到期，否則應付賬款及其他應付款項乃呈列為流動負債。

貿易及其他應付款項初始以公允價值確認，其後利用實際利率法按攤銷成本計量。

2.21 可換股債券

本集團擁有悉數分類為負債之可換股債券，原因為該等可換股債券乃以本集團功能貨幣以外之貨幣發行。由於該等工具包括嵌入式衍生工具，其乃於初步確認時被指定為以公允價值計量且其變動計入當期損益，因此，其嵌入式轉換特性屬不可分割。所有與被指定為以公允價值計量且其變動計入當期損益的金融工具有關之交易成本於產生時支銷。

有關本集團自有信貸風險之公允價值變動成分於其他全面收益中確認。有關信貸風險之計入其他全面收益之金額不須轉回至損益，惟變現時轉撥至保留盈利。有關市場風險之公允價值變動於損益中確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.19 Share capital and perpetual capital instruments

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Perpetual capital instruments with no control obligation to repay its principle or to pay any distribution are classified as part of equity.

2.20 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.21 Convertible bonds

The Group has convertible bonds which are classified entirely as liability because they were issued in a currency other than the functional currency of the Group. As the instrument contains an embedded derivative, it has been designated at fair value through profit or loss on initial recognition and as such the embedded conversion feature is not separated. All transaction costs related to financial instrument designated at fair value through profit or loss are expensed as incurred.

The component of fair value changes relating to the Group's own credit risk is recognised in other comprehensive income. Amounts recorded in other comprehensive income related to credit risk are not subject to recycling in profit or loss, but are transferred to retained earnings when realized. Fair value changed relating to market risk are recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.22 借款及借貸成本

借款初始按公允價值扣除所產生的交易成本予以確認。借款其後按攤銷成本列賬；所得款項（扣除交易成本）與贖回價值間的任何差額使用實際利率法於借款期間在合併損益表內確認。

在貸款很有可能部份或全部提取的情況下，就設立貸款融資支付的費用乃確認為貸款交易成本。在此情況下，該費用將遞延至提取貸款發生時。在並無跡象顯示該貸款很有可能部份或全部提取的情況下，該費用撥充資本作為流動資金服務的預付款項，並於其相關融資期間內予以攤銷。

可直接歸屬收購、建造或生產合資格資產的一般及特定借款成本，於完成及準備資產作擬定用途或銷售之期間內撥充資本。合資格資產是指必須要經過一段長時間方可達致擬定用途或銷售之資產。尚未使用於合資格資產的特定借款作短暫投資賺取的投資收入，於合資格資本化的借款成本中扣除。其他借款成本於其產生期間支銷。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.22 Borrowings and borrowing costs

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the consolidated statement of profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period when they are incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.23 即期及遞延所得稅

年內所得稅費用即為當期應課稅收入按各司法權區的適用所得稅率計算的應付稅項，並根據由於暫時性差額及未使用稅務虧損而導致的遞延稅項資產和負債變動作出調整。

即期所得稅支出根據本公司及其子公司營運及產生應課稅收入的國家於報告期末已頒佈或實質上已頒佈的稅務法例計算。管理層就適用稅務法例受詮釋所規限的情況定期評估報稅表的狀況，並在適用情況下根據預期須向稅務機關繳納的稅款設定撥備。

對於資產及負債的稅基與其在合併財務報表的賬面值的暫時性差額，使用負債法悉數撥備遞延所得稅。然而，倘遞延所得稅因初步確認商譽產生，則不予確認。倘遞延所得稅乃因首次確認交易（並非業務合併）中的資產或負債而產生，且進行有關交易時並無影響會計或應課稅利潤或虧損，則不予入賬。遞延所得稅乃按結算日前已頒佈或實質上已頒佈，並預期將於相關遞延所得稅資產變現或遞延所得稅負債清償時應用的稅率（及法律）計算。

有關按公允價值計量之投資物業的遞延稅項負債乃假設該物業將透過出售完全收回釐定。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.23 Current and deferred income tax

The income tax expense for the year is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. The deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The deferred tax liability in relation to investment property that is measured at fair value is determined assuming the property will be recovered entirely through sale.

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2 重大會計政策概要 (續)

2.23 即期及遞延所得稅 (續)

遞延稅項資產是就可能有未來應課稅利潤而就此可使用暫時性差額及虧損而確認。

倘本集團可控制對外業務之賬面值與投資稅項基礎暫時差額的撥回時間，而該等差額預期於可見將來不會撥回，則遞延稅負債及資產並未就其確認。

倘若存在可依法強制執行的權利將即期稅項資產與負債抵銷，及倘遞延稅項結餘與同一稅務機構相關，則可將遞延稅項資產與負債抵銷。倘實體有可依法強制執行抵銷權利且有意按淨值基準清償或同時變現資產及清償負債時，則即期稅項資產與稅項負債抵銷。

除與於其他全面收益或直接於權益確認的項目相關外，即期及遞延稅項於合併收益表內確認。於此情況下，該稅項亦分別於其他全面收益或直接於權益中確認。

本集團旗下各公司或會有權就投資合資格資產或有關資格開支申報特別稅務減免。本集團將有關減免入賬為稅務抵免，即該減免將減少應付所得稅及即期稅務開支。結轉為遞延稅項資產的未申報稅務抵免將確認為遞延稅項資產。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.23 Current and deferred income tax(Cont'd)

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Companies within the Group may be entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure. The Group accounts for such allowances as tax credits, which means that the allowance reduces income tax payable and current tax expense. A deferred tax asset is recognised for unclaimed tax credits that are carried forward as deferred tax assets.

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2 重大會計政策概要 (續)

2.24 員工福利

根據中國內地規則及法規，本集團的中國內地員工須參加中國內地有關省市政府管理的多項界定供款退休福利計劃，據此，本集團及中國內地員工須每月按員工薪金的特定百分比向該等計劃供款，惟無需超過若干上限。

省市政府承諾承擔根據上述計劃應付的全部現有及未來中國內地員工退休福利責任。除每月供款外，本集團毋須就其員工承擔其他退休金付款或其他退休後福利的責任。這些計劃的資產與本集團其他資產分開持有，並由市級和省級政府獨立管理的基金保管。

2.25 以股份為基礎的支付

(i) 首次公開發售前股份獎勵計劃

本集團實行數項以權益償付首次公開發售前股份獎勵計劃，在該等計劃下，本集團獲取僱員及若干前僱員、高級僱員及業務合夥人提供的服務作為本公司股本工具（獎勵）的對價。現任僱員及若干前僱員、高級僱員及業務合夥人為獲取股份而提供的服務的公允價值確認為費用。該等予以支銷的總金額乃經參考獲授予股份的公允價值釐定：

- 包括任何市場業績條件；
- 不包括任何服務及非市場業績可行權條件的影響；及
- 包括任何非可行權條件的影響。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.24 Employee benefits

In accordance with the rules and regulations of mainland China, the mainland China based employees of the Group participate in various defined contribution retirement benefit plans organised by the relevant municipal and provincial governments in the mainland China under which the Group and the mainland China based employees are required to make monthly contributions to these plans calculated as a percentage of the employees' salaries, subject to a certain ceiling.

The municipal and provincial governments undertake to assume the retirement benefit obligations of all existing and future retired mainland China based employees payable under the plans described above. Other than the monthly contributions, the Group has no further obligation for the payment of retirement and other post-retirement benefits of its employees. The assets of these plans are held separately from those of the Group in independently administrated funds managed by the municipal and provincial governments

2.25 Share-based payments

(i) Pre-IPO share award scheme

The Group operates an equity-settled pre-IPO share award scheme, under which the Group receives services from employees and certain former employees, officers and business partners as consideration for equity instruments (awards) of the Company. The fair value of the current employee and certain former employees, officers and business partners services received in exchange for the grant of the shares is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the shares granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions; and
- including the impact of any non-vesting conditions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.25 以股份為基礎的支付 (續)

(i) 首次公開發售前股份獎勵計劃

非市場績效歸屬條件包括在有關預期歸屬的股份數目的假設中。列作開支的總金額乃在歸屬期確認，歸屬期即符合所有特定歸屬情況的期間。於各報告期末，本集團會根據非市場績效歸屬條件修改其估計預期將歸屬的股份數目。於合併損益表內確認修改原來估計數字（如有）的影響，以及須對權益作出的相應調整。

本公司向本集團子公司的僱員授予其股份，被視為資本投入。所獲得僱員服務的公允價值乃參考授出日期的公允價值計量，於歸屬期內確認為增加對子公司的投資，並相應計入本公司的權益賬。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.25 Share-based payments (Cont'd)

(i) Pre-IPO share award scheme

Non-market performance vesting conditions are included in assumptions about the number of shares that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the Group revises its estimates of the number of shares that are expected to vest based on the non-market performance vesting conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated statement of profit or loss, with a corresponding adjustment to equity.

The grant by the Company of its shares to the employees of subsidiaries in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investments in subsidiaries, with a corresponding credit to equity account of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.25 以股份為基礎的支付 (續)

(ii) 受限制股份激勵計劃

本集團旗下子公司新城控股集團股份有限公司(「新城控股」或「A股公司」)實行以權益償付的限制性股票激勵計劃，在該計劃下，新城控股獲取其選定現任僱員(包括董事)(「參與者」)提供的服務，作為股本工具(獎勵)的對價。選定現任僱員為獲授限制性股票而提供的服務的公允價值確認為費用。該等予以支銷的總金額乃經參考獲授予股份於授出日期計量的公允價值扣除授出所得款項釐定，並全數被視作歸屬予參與者的資本投入，因此列入非控股權益，直至於各解鎖日本公司將根據當時佔有新城控股股權的份額納入本公司權益持有人應佔的其他儲備。授出所得款項最初入賬列作其他應付款項，直至於各解鎖日本公司將根據當時佔有新城控股股權的份額納入本公司權益持有人應佔的其他儲備。

非市場績效解鎖條件包括在有關於預期解鎖的股份數目的假設中。列作開支的總金額乃在解鎖期確認，解鎖期即所有特定解鎖條件獲達成的期間。於各報告期末，新城控股會根據非市場績效解鎖條件修改其估計預期將解鎖的股份數目。於合併損益表內確認修改原來估計數字的影響(如有)，以及須對非控股權益作出的相應調整。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.25 Share-based payments (Cont'd)

(ii) Restricted Share Incentive Scheme

Seazen Holdings Co., Ltd. (the "Seazen Holdings" or the "A Share Company"), a subsidiary of the Group, operates an equity-settled restricted share incentive scheme, under which Seazen Holdings receives services from its selected current employees (including directors) (the "Participants") as consideration for the equity instruments (awards). The fair value of the selected current employees services received in exchange for the grant of the restricted shares is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the granted shares measured as of the grant date less the proceeds received from the grant, and is treated as a capital contribution wholly belonging to the Participants and thus recorded under non-controlling interests until each unlocking date on which the Company will take up its share based on the then shareholding in Seazen Holdings and record it under other reserves attributable to equity holders of the Company. The proceeds received from the grant is firstly recorded as other payables until each unlocking date on which the Company will take up its share based on the then shareholding in Seazen Holdings and record it under other reserves attributable to equity holders of the Company.

Non-market performance unlocking conditions are included in assumptions about the number of shares that are expected to unlock. The total expense is recognised over the unlocking period, which is the period over which all of the specified unlocking conditions are to be satisfied. At the end of each reporting period, Seazen Holdings revises its estimates of the number of shares that are expected to unlock based on the non-market performance unlocking conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated statement of profit or loss, with a corresponding adjustment to non-controlling interests.

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2 重大會計政策概要 (續)

2.25 以股份為基礎的支付 (續)

(ii) 受限制股份激勵計劃 (續)

解鎖期內，本集團於新城控股的控股將逐漸減少。該等事項構成視作出售事項，且將於若干解鎖日產生攤薄盈虧，此乃由於本公司按當時控股所佔部份所得款項淨額產生的盈虧以及視作由本公司於若干解鎖日出售的新城控股資產淨值損失的綜合結果。有關攤薄收益不會載入利潤表，惟將視作與非控股權益的交易，而相關盈虧將直接入賬列作權益項下的其他儲備。

2.26 撥備及或然負債

倘本集團因過往事件而現時須承擔法定或推定責任，且履行該等責任可能須動用資源，及所涉及的金額能可靠估計時，則確認撥備。未來營運虧損毋須確認撥備。

倘存在多項相若責任時，履行該等責任是否需要動用資源在考慮整體責任之類別後釐定。即使同一類別之任何一項責任可能須動用資源的可能性極低，亦須確認撥備。

撥備按管理層對於報告期間結算日對須償付現有責任的最佳估計支出的的現值計量。用於釐定現值的貼現率為反映當時市場對金錢時間值及負債特定風險的評估的稅前利率。隨時間增加的撥備確認為利息開支。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.25 Share-based payments (Cont'd)

(ii) *Restricted Share Incentive Scheme* (Cont'd)

The Group's shareholding in Seazen Holdings will be reduced gradually during the unlocking period. These constitute deemed disposal and dilution gain or loss will arise at the various unlocking dates which is a combination of the gain or loss arising from a portion of the net proceeds shared by the Company at the then shareholding and loss of the net assets value of Seazen Holdings deemed disposed by the Company at the various unlocking dates. Such dilution gain will not pass through the income statement but will all be treated as transactions with non-controlling interests and the relevant gain or loss is recorded in other reserves under equity directly.

2.26 Provisions and contingent liabilities

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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2 重大會計政策概要 (續)

2.26 撥備及或然負債 (續)

或然負債乃一項因過往事件可能產生的責任，而該責任的存在僅可由一項或多項並非由本集團全權控制之日後不明朗事件之存在與否確定。或然負債亦可為因不大可能需要動用經濟資源或承擔之金額未能可靠地估量而未確認之過往事件產生之現有承擔。

或然負債不予確認，但會於合併財務報表附註中披露。倘支付之可能性出現變動致使有可能需支付，則或然負債將確認為撥備。

2.27 收入確認

(a) 下文描述本集團主要收入來源之會計政策：

(i) 物業銷售

收入於資產控制權轉讓予客戶時確認。視乎合約條款及適用於合約之法律及規則，資產控制權可隨時間或於某一時點轉移。倘本集團在履約過程中滿足下列條件，資產控制權將隨時間轉移：

- 提供客戶同時收取及消耗的所有利益；或
- 創建並提升本集團履約時客戶所控制的資產；或
- 並無創建對本集團而言有其他用途的資產，而本集團可強制執行其權利收回累計至今已完履約部分的款項。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.26 Provisions and contingent liabilities (Cont'd)

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

2.27 Revenue recognition

(a) The following is a description of the accounting policy for the principal revenue streams of the Group:

(i) Sales of properties

Revenues are recognised when or as the control of the asset is transferred to the customer. Depending on the terms of the contract and the laws and rules that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer; or
- creates and enhances an asset that the customer controls as the Group performs; or
- do 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.

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2 重大會計政策概要 (續)

2.27 收入確認 (續)

(a) (續)

(i) 物業銷售 (續)

倘資產的控制權隨時間轉移，收入將於整個合約期間參考已完成履約責任的進度確認。否則，收入於客戶獲得資產控制權的時點確認。

完成履約責任的進度的計量乃基於本集團為完成履約責任而產生的支出或投入，並參考截至報告期末產生的合約成本佔各項合約估計總成本的比例。

對於在某一時點轉移物業控制權的物業開發及銷售合約而言，收入於客戶接納物業時或根據合約被視為已獲接納（即客戶有能力直接使用物業且取得該物業所有剩餘利益之時點）及本集團擁有收取付款的現時權利及可能收取代價時予以確認。

釐定交易價格時，本集團根據融資成分調整承諾代價。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.27 Revenue recognition (Cont'd)

(a) (Cont'd)

(i) Sales of properties (Cont'd)

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the contract cost incurred up to the end of reporting period as a percentage of total estimated costs for each contract.

For property development and sales contract for which the control of the property is transferred at a point in time, revenue is recognised when the property is accepted by the customer, or deemed as accepted according to the contract, which is the point in time when the customer has the ability to direct the use of the property and obtain substantially all of the remaining benefits of the property, and the Group has present right to payment and the collection of the consideration is probable.

In determining the transaction price, the Group adjusts the promised amount of consideration for the effect of a financing component.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.27 收入確認 (續)

(a) (續)

(ii) 商業物業管理服務

本集團提供商業物業管理服務。來自提供服務之收入於提供服務之會計期間確認。

就商業物業管理服務而言，本集團為每月提供的服務開出固定金額賬單，及本集團有權開立發票且與已完成的履約價值直接匹配之金額確認為收入。

倘合約涉及多項服務的銷售，交易價格將根據其相對獨立的售價分配至各項履約責任。倘獨立售價無法直接觀察，則會基於預期成本加上利潤或經調整之市場評估法進行估計（取決於是否可取得觀察資料）。

應收款項於本集團擁有收取代價的無條件權利時入賬。倘若經過一段時間為到期支付代價的唯一前提，則該代價的權利為無條件。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.27 Revenue recognition (Cont'd)

(a) (Cont'd)

(ii) Commercial property management service

The Group provides commercial property management services. Revenue from providing services is recognised in the accounting period in which the services are rendered.

For commercial property management services, the Group billed a fixed amount of each month of services provided and recognised as revenue in the amount to which the Group has a right to invoice and corresponds directly with value of performance completed.

If contracts involve the sale of multiple services, the transaction price will be allocated to each performance obligation based on their relative stand-alone selling prices. If the stand-alone selling prices are not directly observable, they are estimated based on expected cost plus a margin or adjusted market assessment approach, depending on the availability of observable information.

A receivable is recorded when the Group has an unconditional right to consideration. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.27 收入確認 (續)

(a) (續)

(iii) 其他服務

本集團按固定或可變金額向客戶提供多種服務。倘代價為可變，則本集團估計其將有權交換之承諾貨品或服務之代價金額。可變代價估計金額僅在已確認累計收入金額不大可能會在與可變代價相關的不確定因素其後解決時出現重大撥回的情況下，方會計入交易價格中。倘客戶同時獲得及消費由本集團所提供的所有利益，或當本集團履約過程中並無創造可由本集團另作他用的資產且本集團對迄今完成的履約擁有可強制執行的權利時，本集團基於截至報告期末所產生之實際成本佔每份合約之總估計成本之百分比按照對指定交易完成程度的評估隨時間確認與固定費用有關之收入。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.27 Revenue recognition (Cont'd)

(a) (Cont'd)

(iii) Other services

The Group provides various services to its customers at fixed or variable amounts. If the consideration is variable, the Group estimates the amount of consideration to which it will be entitled in exchange for the promised goods or services. The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. The Group recognises revenue associated with fixed fees over time where the customer simultaneously receives and consumes the benefits provided by the Group or when the Group's performance do not create an asset with alternative use and the Group has an enforceable right to perform completed to date, by reference to completion of the specific transaction assessed on the basis of the actual costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.27 收入確認 (續)

(b) 合同取得成本 – 履行合約之成本

倘在履行與客戶之間的合約時所產生的成本不屬於另一項準則的範圍內，則僅於該等成本符合以下所有準則時，本集團將於履行合約時所產生的成本確認為資產：

- 有關成本與實體可明確識別之合約或預期合約有直接關係
- 有關成本令實體將用於履行日後履約責任之資源得以產生或有所增加
- 有關成本預期可收回

(c) 合約負債呈列

於2018年1月1日作出的重新分類與香港財務報告準則第15號所用的詞彙一致。預收客戶款項以合約負債呈列。

(d) 重大融資成分之會計處理

於採納香港財務報告準則第15號後，倘安排包括重大融資成分，則確認收入的金額超過向客戶收取之現金金額。本集團就預收款項相關的融資確認融資成本。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.27 Revenue recognition (Cont'd)

(b) Contract cost – cost to fulfil a contract

If the costs incurred in fulfilling a contract with a customer are not within the scope of another standard, the Group recognises an asset from the costs incurred to fulfil a contract only if those costs meet all of the following criteria:

- the costs relate directly to a contract or to an anticipated contract that the entity can specifically identify
- the costs generate or enhance resources of the entity that will be used in satisfying performance obligations in the future
- the costs are expected to be recovered

(c) Presentation of contract liabilities

Reclassifications were made as at 1 January 2018 to be consistent with the terminology used under HKFRS 15. Advanced proceeds received from customers are presented as contract liabilities.

(d) Accounting for significant financing component

Following the adoption of HKFRS 15, the amount of revenue recognised exceeds the amount of cash received from the customers when an arrangement contains a significant financing component. The Group recognises finance costs on the financing related to advance receipts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.27 收入確認 (續)

(e) 直至2017年12月31日應用的會計政策

收入包括本集團在日常業務過程中出售物業及服務之已收或應收代價之公允價值。收入在扣除退貨、回扣及折扣及經撇銷本集團公司間銷售後予以呈列。收入確認如下：

(i) 物業銷售

出售物業的收入於物業的風險及回報已轉讓予買方(即有關物業已竣工時)並根據銷售協議將物業交付買家，且能合理確保收回有關應收款項時，方予以確認。收入確認日期前就已售物業收取的按金及分期付款於合併財務狀況表內的流動負債下記錄為「預售物業預收款項」。

(ii) 租金收入

來自經營租賃所出租物業的租金收入，以直線法在租賃期內確認。

(iii) 服務收入

服務收入於相關的提供服務已提供，並能夠可靠地估計收入及成本總額，且能合理確保收回有關應收款項時確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.27 Revenue recognition (Cont'd)

(e) Accounting policies applied until 31 December 2017

Revenue comprises the fair value of the consideration received or receivable for the sale of properties and services in the ordinary course of the Group's activities. Revenue is shown net of returns, rebates and discounts and after eliminated sales within the Group. Revenue is recognised as follows:

(i) Sales of properties

Revenue from sales of properties is recognised when the risks and rewards of the properties are transferred to the purchasers, which is when the construction of relevant properties has been completed and the properties have been delivered to the purchasers pursuant to the sales agreement and collectability of related receivables is reasonably assured. Deposits and instalments received on properties sold prior to the date of revenue recognition are recorded as "Advances from pre-sale of properties" in the consolidated statement of financial position under current liabilities.

(ii) Rental income

Rental income from properties being let under operating leases is recognised on a straight line basis over the lease terms.

(iii) Service income

Revenue from services is recognised when services have been provided, total amount of revenue and costs can be estimated reliably and the collectability of the related receivables is reasonably assured.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.27 收入確認 (續)

(e) 直至2017年12月31日應用的會計政策 (續)

(vi) 利息收入

利息收入利用實際利率法按時間比例確認。當應收款項出現減值時，本集團將其賬面值減至其可收回金額（即按工具的原實際利率貼現的估計未來現金流量），並繼續沖抵折現作為利息收入。減值貸款的利息收入利用原實際利率確認。

(v) 股息收入

股息在收取股息之權利獲確定時確認為收入。即使股息由收購前利潤派付，此準則仍然適用。然而，該投資因此可能需要進行減值測試。

2.28 政府補貼

倘可合理地保證本集團將會收到補貼及本集團將符合所有附帶條件，則政府補貼按公允價值確認。與成本有關的政府補貼將會遞延，並於擬補償之成本所需進行配對的期間內於合併損益表內確認。作為開支或已產生的虧損的補償金或向本集團旗下企業提供即時財務援助而成為應收款項（並無日後相關成本）的政府補貼，乃於其成為應收款項的期間確認為收入。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.27 Revenue recognition (Cont'd)

(e) Accounting policies applied until 31 December 2017 (Cont'd)

(vi) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

(v) Dividend income

Dividends are recognised as revenue when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits. However, the investment may need to be tested for impairment as a consequence.

2.28 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in the consolidated statement of profit or loss over the period necessary to match them with the costs they are intended to compensate. Government grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to an entity within the Group with no future related costs are recognised as income of the period in which they become receivable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.29 財務擔保合約

財務擔保合約於發出時確認為金融負債。該負債初始按公允價值計量，其後按下列較高者計量

- 根據香港財務報告準則第9號金融工具項下的預期信貸虧損模式釐定的金額，及
- 初步確認的金額減去根據香港財務報告準則第15號來自客戶合約的收入確認的累計收入金額（如適用）。

財務擔保的公允價值乃根據債務工具項下規定的合約付款與無須擔保的付款之間的現金流量差額的現值，或就承擔相關責任而將應支付予第三方的估計金額釐定。

倘就聯營公司貸款或其他應付款項提供的擔保並無補償，則公允價值入賬列作供款並確認為投資成本的一部分。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.29 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of

- the amount determined in accordance with the expected credit loss model under HKFRS 9 Financial Instruments and
- the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of HKFRS 15 Revenue from Contracts with Customers.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

合併財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2 重大會計政策概要 (續)

2.30 每股盈利

基本每股盈利

每股基本盈利乃按下列計算：

- 本公司擁有人應佔溢利，不包括普通股以外的任何支付權益成本除以於財政年度內已發行普通股的加權平均數，就年內發行的普通股的紅利元素作出調整以及並不包括庫存股份。

每股攤薄盈利

每股攤薄盈利調整釐定每股基本盈利的數字，經考慮：

- 利息的所得稅後影響及有關攤薄潛在普通股的其他融資成本，及
- 當時應為尚未發行的額外普通股加權平均數

2.31 股息收入

股息乃自以公允價值計量且其變動計入當期損益及以公允價值計量且其變動計入其他全面收益的金融資產(2017年一以公允價值計量且其變動計入當期損益的金融資產及可供出售金融資產)收取。股息在收取股息之權利獲確定時於損益確認為其他收入。除非股息清楚表示為收回部分投資成本，否則股息自收購前溢利撥付仍適用。有鑒於此，股息若與以公允價值計量且其變動計入其他全面收益的投資相關，則於其他全面收益確認。然而，該投資因此可能需要進行減值測試。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.30 Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding

2.31 Dividend income

Dividends are received from financial assets measured at fair value through profit or loss (FVPL) and at fair value through other comprehensive income (FVOCI) (2017 – from financial assets at FVPL and available-for-sale financial assets). Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of an investment. In this case, the dividend is recognised in OCI if it relates to an investment measured at FVOCI. However, the investment may need to be tested for impairment as a consequence.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.32 股息分派

撥備乃就於報告期末或之前已宣派(即獲適當授權且不再視乎實體酌處)但於報告期末未派發的任何股息金額作出。

2.33 租賃

本集團作為承租人租賃物業、廠房及設備而承擔及享有擁有權的幾乎全部風險及回報時，該租賃歸類為融資租賃。融資租賃於起租日按所租物業的公允價值或(如較低)最低租賃付款的現值資本化。相應的租金責任扣除融資費用後計入其他短期及長期應付款項。每項租賃付款於負債及融資成本之間分配。融資成本於租期內於損益扣除，以便就每期的剩餘負債餘額產生固定的週期利率。根據融資租賃獲得的物業、廠房及設備按資產的使用年限或(倘本集團無法合理確定租期結束後能否取得擁有權)資產使用年限與租期的較短者折舊。

若租賃所有權的絕大部份風險及回報並未轉讓予本集團(作為承租人)，則租賃列為經營租賃。根據經營租賃支付的款項(扣除自出租人收取之任何獎勵金後)，於租賃期內以直線法自損益扣除。

本集團作為出租人的經營租賃的租賃收入於租期內以直線法於收入內確認。相關租賃資產根據其性質計入資產負債表。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.32 Dividend distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.33 Lease

Leases of property, plant and equipment where the group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the group will obtain ownership at the end of the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

Lease income from operating leases where the group is a lessor is recognised in income on a straight-line basis over the lease term. The respective leased assets are included in the balance sheet based on their nature.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

2 重大會計政策概要 (續)

2.34 利息收入

以公允價值計量且其變動計入當期損益的金融資產的利息收入計入該等資產公允價值收益／(虧損)淨額(見下文附註12)。

採用實際利率法計算的按攤銷成本計量的金融資產及以公允價值計量且其變動計入其他全面收益的金融資產(2017年－可供出售證券、持有至到期的投資以及貸款及應收款項)的利息收入，作為其他收入的一部分於損益表確認。

利息收入呈列為持作現金管理用途的金融資產所賺取的融資收入(請參閱下文附註11)。任何其他利息收入計入其他收入。

利息收入乃用實際利率乘以金融資產的賬面值總額計算得出，惟後續發生信貸減值的金融資產除外。就信貸減值的金融資產而言，其利息收入乃用實際利率乘以金融資產的賬面值淨額(經扣除虧損撥備)計算得出。

2.35 結算日後事項

提供本集團於報告期末狀況的其他資料的報告期後事項(「調整事項」)於合併財務報表中反映。並非調整事項的報告期後事項如涉及金額重大則在附註中披露。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.34 Interest income

Interest income from financial assets at FVPL is included in the net fair value gains/(losses) on these assets, see Note 12 below.

Interest income on financial assets at amortised cost and financial assets at FVOCI (2017 – available-for-sale securities, held-to-maturity investments and loans and receivables) calculated using the effective interest method is recognised in the statement of profit or loss as part of other income.

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes, see Note 11 below. Any other interest income is included in other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

2.35 Subsequent events

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period ("adjusting events") are reflected in the consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

3 財務風險管理及金融工具

3.1 財務風險因素

本集團的業務承受多項財務風險：市場風險（包括外匯風險、價格風險、現金流量及公允價值利率風險）、信貸風險及流動資金風險。本集團的整體風險管理計劃專注於金融市場的不可預測性，並尋求方法盡量降低對本集團財務業績可能構成的不利影響。

3.1.1 市場風險

(i) 外匯風險

除部份融資活動（包括首次公開發售、若干銀行借貸及發行優先票據及可換股債券乃以港元（「港元」）或美元（「美元」）計值）外，本集團僅於中國從事房地產的開發、銷售及管理，幾乎所有交易均以人民幣計值。於2018年12月31日，本集團主要的資產及負債以人民幣計值，惟若干現金及借款以港元或美元計值。

非以功能貨幣計值的現金及借款面臨外匯風險。港元及美元兌人民幣的匯率波動將影響本集團的經營業績。本集團目前並無外匯對沖政策。然而，管理層密切監控外匯風險並於必要時採取行動。

於2018年12月31日，如人民幣兌港元及美元升值／貶值5%，而所有其他可變因素維持不變，年度除稅後利潤將上升／下降人民幣385,959,000元（2017年：人民幣253,094,000元），主要因為換算以港元及美元計值的銀行結餘及借貸的淨外匯收益／虧損所致。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk, cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

3.1.1 Market risk

(i) Foreign exchange risk

The Group is engaged in the development, sale and management of properties solely in the PRC with almost all the transactions denominated in RMB, except for certain financing activities, including the initial public offering, certain borrowings from banks and issuance of senior notes and convertible bonds which are denominated in Hong Kong Dollar ("HKD") or United States Dollar ("USD"). As of 31 December 2018, majority of the Group's assets and liabilities are denominated in RMB except that certain cash and borrowings are denominated in HKD or USD.

Cash and borrowings not denominated in functional currency is subject to foreign exchange risk. Fluctuations in the exchange rates of HKD and USD against RMB will affect the Group's result of operations. The Group currently does not have a foreign currency hedging policy. However, management closely monitors the foreign exchange exposure and will take actions when necessary.

As at 31 December 2018, if RMB had strengthened/weakened by 5%, against HKD and USD with all other variables held constant, post-tax profit for the year would have been RMB385,959,000 (2017: RMB253,094,000) higher/lower, mainly as a result of net foreign exchange gains/losses on translation of HKD and USD denominated bank deposits and borrowings.

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3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.1 市場風險 (續)

(ii) 價格風險

由於本集團所持投資在合併財務狀況表內被分類為以公允價值計量且其變動計入當期損益(附註12)或衍生工具(附註14)，故本集團承受價格風險。

董事認為，本集團就其投資所承受的價格風險並不重大，概因本集團訂有政策，不會作出對本集團財務業績可能造成不利影響的重大投資。所有投資須經董事長批准後方可進行。

下表概述增加／(減少)對淨利潤及其他全面收益的影響。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.1 Market risk (Cont'd)

(ii) Price risk

The Group is exposed to price risk because of investments held by the Group and classified on the consolidated statements of financial position either as FVPL (Note 12) or derivative instruments (Note 14).

In the opinion of the directors, the Group's exposure to price risk with regard to its investments is not significant since it is the Group's policy not to invest significant amounts that might have a detrimental impact to the Group's financial results. All investments must be approved by the Chairman of the Board before they may be entered into.

The following table summarises the impact of increase/ (decrease) on net profit and other comprehensive income.

		淨利潤		其他全面收益	
		Net profit		OCI	
		截至12月31日止年度			
		Year ended 31 December			
		2018年	2017年	2018年	2017年
		2018	2017	2018	2017
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
		RMB'000	RMB'000	RMB'000	RMB'000
－ 上調5%	－ 5 percent higher	(44,919)	－	－	41,232
－ 下調5%	－ 5 percent lower	44,919	－	－	(41,232)

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3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.1 市場風險 (續)

(iii) 現金流量和公允價值利率風險

除銀行現金存款以及部分貿易及其他應收款項外，本集團並無其他重大計息資產。

本集團承受的利率變動風險主要來自借款。浮息借款使本集團承受現金流量利率風險。固定借款則令本集團承受公允價值利率風險。本集團並無對沖其現金流量或公允價值利率風險。利率及償還借款的條款於附註24披露。

由於預期銀行存款以及部分貿易及其他應收款項的利率不會出現大幅波動，管理層預期利率變動不會對計息資產產生重大影響。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.1 Market risk (Cont'd)

(iii) Cash flow and fair value interest rate risk

Except for cash deposits in the bank and certain balances in trade and other receivables, the Group has no other significant interest-bearing assets.

The Group's exposure to changes in interest rates is mainly attributable to its borrowings. Borrowings at variable rates expose the Group to cash flow interest rate risk. Borrowings at fixed rates expose the Group to fair value interest rate risk. The Group has not hedged its cash flow or fair value interest rate risk. The interest rate and terms of repayments of borrowings are disclosed in Note 24.

Management does not anticipate significant impact to interest-bearing assets resulted from the changes in interest rates, because the interest rates of bank deposits and certain balances in trade and other receivables are not expected to change significantly.

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3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.1 市場風險 (續)

(iii) 現金流量和公允價值利率風險 (續)

於2018年和2017年12月31日，倘浮息借款利率上調／下調50個基點，而所有其他變量保持不變，則本集團截至2018年和2017年12月31日止年度的除稅後利潤和資本化利息變動如下：

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.1 Market risk (Cont'd)

(iii) Cash flow and fair value interest rate risk (Cont'd)

As at 31 December 2018 and 2017, if interest rates on borrowings with floating rates had been 50 basis points higher/lower with all other variables held constant, the post-tax profit and capitalised interest of the Group for the years ended 31 December 2018 and 2017 would have changed as follows:

		截至12月31日止年度 Year ended 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
除稅後利潤增加／(減少)	Post-tax profit increase/(decrease)		
— 上調50個基點	– 50 basis points higher	(20,101)	(9,583)
— 下調50個基點	– 50 basis points lower	20,101	9,583
資本化利息增加／(減少)	Capitalised interest increase/(decrease)		
— 上調50個基點	– 50 basis points higher	112,297	68,690
— 下調50個基點	– 50 basis points lower	(112,297)	(68,690)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.2 信貸風險

信貸風險指金融工具之交易對手未能根據金融工具之條款履行其責任而令本集團蒙受財務損失之風險。本集團於初步確認資產時考慮違約之可能性，亦於各報告期間持續評估信貸風險是否會顯著增加。為評估信貸風險是否顯著增加，本集團比較報告日期與初步確認日期之違約風險。其考慮可得之合理及具支持力之前瞻性資料，尤其納入以下指標：特別加入下列指標：

- 內部信用評級
- 外部信用評級
- 實際發生或預期的業務、財務或經濟狀況中的重大不利變動預期導致借款人按期償還到期債務的能力產生重大變化
- 借款人的經營業績實際發生或預期發生重大變動
- 同一借款人的其他金融工具信貸風險顯著增加
- 借款人預期履約或行為發生重大變化，包括集團內借款人付款情況之變化及經營業績之變動。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.2 Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge the obligation under the terms of financial instrument and cause a financial loss to the Group. The Group considered the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. To assess whether there's a significant increase in credit risk, the Group compares the risk of a default occurring on the asset at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower
- significant increases in credit risk on other financial instruments of the same borrower
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the Group and changes in the operating results of the borrower.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.2 信貸風險 (續)

(a) 銀行現金

由於該等存款基本上存入國有銀行及其他中大型上市銀行，故本集團預期並無與銀行現金存款相關之重大信貸風險。管理層預期不會有該等對手方未履約所產生的任何重大虧損。

(b) 貿易應收款項

本集團應用香港財務報告準則第9號訂明之簡化方法為預期信貸虧損模式撥備，其允許對所有貿易應收款項計提使用年期之預期虧損撥備。為計量預期信貸虧損，貿易應收款項已根據攤估信貸風險特點及逾期天數分類。預期信貸虧損亦包含前瞻性資料。

於2018年及2017年12月31日，所有貿易應收款項均於一年內到期。於此基礎上，貿易應收款項之虧損撥備釐定如下：

		流動 Current
2018年1月1日	1 January 2018	
預期虧損率	Expected loss rate	1%
貿易應收款項之總賬面值	Gross carrying amount of trade receivables	116,677
虧損準備	Loss allowance	1,167
於2018年12月31日	As at 31 December 2018	
預期虧損率	Expected loss rate	1%
貿易應收款項之總賬面值	Gross carrying amount of trade receivables	309,362
虧損準備	Loss allowance	3,094

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.2 Credit risk (Cont'd)

(a) Cash in banks

The Group expects that there is no significant credit risk associated with cash deposits at banks since they are substantially deposited with state-owned banks and other medium or large size listed banks. Management does not expect that there will be any significant losses from non-performance by these counterparties.

(b) Trade receivables

The Group applies the simplified approach to providing for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit loss also incorporate forward looking information.

As at 31 December 2018 and 2017, all trade receivables are within one year. On that basis, the loss allowance was determined as follows for trade receivables:

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3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.2 信貸風險 (續)

(b) 貿易應收款項 (續)

於2018年1月1日，貿易應收款項之虧損準備撥備與該撥備之期初虧損準備對賬如下：

		貿易應收款項 (不包括預付款項) Trade receivables (excluding prepayments) 人民幣千元 RMB'000
於2017年12月31日之期末虧損準備 (按香港會計準則第39號計算)	Closing loss allowance as at 31 December 2017 (calculated under HKAS 39)	–
於期初保留盈利中重列之金額	Amounts restated through opening retained earnings	(1,167)
於2018年1月1日之期初虧損準備 (按香港財務報告準則第9號計算)	Opening loss allowance as at 1 January 2018 (calculated under HKFRS 9)	(1,167)
於損益確認之虧損準備撥備	Provision for loss allowance recognised in profit or loss	(1,927)
於2018年12月31日	At 31 December 2018	(3,094)

當無法合理預期可收回時，貿易應收款項即予撇銷。無法合理預期可收回之指標 (其中) 包括債務人無法與本集團達成還款計劃。本集團於截至2018年12月31日止年度月並無撇銷貿易應收款項。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.2 Credit risk (Cont'd)

(b) Trade receivables (Cont'd)

The loss allowance provision for trade receivables as at 1 January 2018 reconciles to the opening loss allowance for that provision as follows:

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group. The Group made no written off for trade receivables during the year ended 31 December 2018.

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3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.2 信貸風險 (續)

(c) 其他應收款項

本集團就其他應收款項採用三個類別，反映其信貸風險及釐定各類別虧損撥備之方式。該等內部信貸風險評級與外部信用評級一致。

本集團預期信貸損失模式基於的假設概述如下：

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.2 Credit risk (Cont'd)

(c) Other receivables

The Group uses three categories for other receivables which reflect their credit risk and how the loss provision is determined for each of those categories. These internal credit risk ratings are aligned to external credit ratings.

A summary of the assumptions underpinning the Group's expected credit loss model is as follows:

類別	本集團針對各類別之定義	確認預期信貸虧損撥備之基準	計算利息收入之基準
Category	Group definition of category	Basis for recognition of expected credit loss provision	Basis for calculation of interest revenue
第一級	客戶違約風險低且有能力產生合約要求之現金流	12個月預期信貸虧損。倘資產之期存續期在12個月之內，則預期虧損按其預期存續期計量。	總賬面值
Stage one	Customers have a low risk of default and a strong capacity to meet contractual cash flow	12 months expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime.	Gross carrying amount
第二級	自初步確認以來信用風險顯著增加之貿易應收款項	年限內預期信貸虧損	總賬面值
Stage two	Receivables for which there is a significant increase in credit risk since initial recognition	Lifetime expected losses	Gross carrying amount
第三級	自初步確認即有信貸虧損的應收款項	年限內預期信貸虧損	攤銷成本賬面值 (扣除信貸準備)
Stage three	Receivables for which there is credit loss since initial recognition	Lifetime expected losses	Amortised cost carrying amount (net of credit allowance)

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3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.2 信貸風險 (續)

(c) 其他應收款項 (續)

本公司通過及時就預期虧損適當計提撥備將其信貸風險入賬。於計算預期信貸虧損率時，本集團會考慮各類別應收款項之歷史虧損率，並就前瞻性的宏觀經濟數據作出調整。

由於信貸風險自初步確認以來並無顯著增加，所確認之虧損準備僅限於12個月預期信貸虧損。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.2 Credit risk (Cont'd)

(c) Other receivables (Cont'd)

The Company accounts for its credit risk by appropriately providing for expected losses on a timely basis. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of receivables and adjusts for forward looking macroeconomic data.

Since credit risk has not significantly increased after initial recognition, the loss allowance recognised was therefore limited to 12 months expected losses.

		應收 政府款項	應收 關連方款項	應收包括 合營企業 夥伴及子公司 非控股股東 之其他方款項 Receivables from others, including joint venture partners and non- controlling shareholders of subsidiaries	合計
		Receivables from government related bodies	Due from related parties		Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
2018年1月1日	1 January 2018				
其他應收款項之 總賬面值	Gross carrying amount of other receivables	3,172,599	16,019,760	10,008,000	29,200,359
減：特定項目撥備	Less: Provision for particular item	–	–	(16,620)	(16,620)
其他應收款項之賬面值	Carrying amount of other receivables	3,172,599	16,019,760	9,991,380	29,183,739
預期信貸虧損率	Expected credit loss rate	0.1%	1.0%	1.0%	
虧損準備	Loss allowance	(3,173)	(160,198)	(99,913)	(263,284)
其他應收款項淨額	Other receivables – Net	3,169,426	15,859,562	9,891,467	28,920,455

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3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.2 信貸風險 (續)

(c) 其他應收款項 (續)

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.2 Credit risk (Cont'd)

(c) Other receivables (Cont'd)

		應收 政府款項	應收 關連方款項	應收包括 合營企業 夥伴及子公司 非控股股東 之其他方款項 Receivables from others, including joint venture partners and non- controlling shareholders of subsidiaries	合計
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
於2018年12月31日	As at 31 December 2018				
其他應收款項之 總賬面值	Gross carrying amount of other receivables	5,009,189	24,350,112	17,078,180	46,437,481
減：特定項目撥備	Less: Provision for particular item	–	–	(16,620)	(16,620)
其他應收款項之賬面值	Carrying amount of other receivables	5,009,189	24,350,112	17,061,560	46,420,861
預期信貸虧損率	Expected credit loss rate	0.1%	1%	1%	
虧損準備	Loss allowance	(5,009)	(243,501)	(170,616)	(419,126)
其他應收款項淨額	Other receivables – Net	5,004,180	24,106,611	16,890,944	46,001,735

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3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.2 信貸風險 (續)

(c) 其他應收款項 (續)

於2018年1月1日，其他應收款項之虧損準備撥備與該撥備之期初虧損準備對賬如下：

		其他應收款項 (不包括預付款項) Other receivable (excluding prepayments) 人民幣千元 RMB'000
於2017年12月31日按香港會計準則第39號計算之期末虧損撥備	Closing loss allowance as at 31 December 2017 calculated under HKAS 39	(16,620)
於期初保留盈利中重列之金額	Amounts restated through opening retained earnings	(263,284)
於2018年1月1日按香港財務報告準則第9號計算之期初虧損撥備	Opening loss allowance as at 1 January 2018 calculated under HKFRS 9	(279,904)
期內於損益確認之虧損準備撥備	Provision for loss allowance recognised in profit or loss during the period	(155,842)
於2018年12月31日按香港財務報告準則第9號計算之期末虧損撥備	Closing loss allowance as at 31 December 2018 calculated under HKFRS 9	(435,746)

當無法合理預期可收回時，其他應收款項即予撇銷。無法合理預期可收回之指標（其中）包括債務人無法與本集團達成還款計劃。本集團於截至2018年12月31日止年度月並無撇銷其他應收款項。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.2 Credit risk (Cont'd)

(c) Other receivables (Cont'd)

The loss allowance provision for other receivables as at 1 January 2018 reconciles to the opening loss allowance for that provision as follows:

Other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group. The Group made no written off for other receivables during the year ended 31 December 2018.

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3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.2 信貸風險 (續)

(d) 按攤銷成本計量之金融資產

實體所有按攤銷成本的債務投資被視為擁有低信貸風險，故期內確認的虧損撥備限於12個月預期虧損。管理層認為上市債券的「低信貸風險」為至少一家主要評級機構的投資級信貸評級。其他工具在具低違約風險且發行人於短期內具備較強的履行合約現金流量責任的能力時，將被視為具有低信貸風險。

(e) 以公允價值計量且其變動計入當期損益的金融資產

本集團亦面臨與債務投資有關的信貸風險，該等投資以公允價值計量且其變動計入當期損益。於報告期末面臨的最大風險乃該等投資的賬面值。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.2 Credit risk (Cont'd)

(d) *Financial assets at amortised cost*

All of the entity's debt investments at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses. Management consider 'low credit risk' for listed bonds to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

(e) *Financial assets at fair value through profit or loss*

The Group is also exposed to credit risk in relation to debt investments that are measured at fair value through profit or loss. The maximum exposure at the end of the reporting period is the carrying amount of these investments.

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3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.2 信貸風險 (續)

(f) 財務擔保

本集團採取政策以確保銷售予財務狀況相對良好及能支付適當比例首期付款之買方。本集團已為本集團物業單位的若干買方安排銀行融資，並就買方還款責任提供擔保。倘買方於擔保期間拖欠按揭貸款，持有該擔保之銀行或會要求本集團償還拖欠之貸款本金及任何應計利息。於此情況下，本集團有權沒收客戶按金並重新出售物業，以收回本集團支付予銀行之任何金額。有鑒於此，董事認為本集團之信貸風險大幅下降。

本集團亦於評估其若干關連方之信貸紀錄及抵押資料後，向該等關連方提供取得借款之擔保。本集團密切監控該等關連方償還相關借款之進度。本集團董事認為，關連方交易乃於日常業務過程中按照本集團與各關連方相互磋商的條款進行。董事認為，由於所有從物業開發的關連方財務狀況均穩健，故拖欠付款之可能性極小，且以公允價值計量之財務擔保並不重大。

3.1.3 流動資金風險

本集團管理層旨在從內部銷售所得款項及充足的承諾信貸融資維持足夠現金以滿足其物業項目的營運需求和承諾。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.2 Credit risk (Cont'd)

(f) Financial Guarantee

The Group has policies in place to ensure that sales are made to purchasers with an appropriate financial strength and appropriate percentage of down payments. The Group has arranged bank financing for certain purchasers of the Group's property units and provided guarantees to secure obligations of such purchasers for repayments. If a purchaser defaults on the payment of its mortgage loan during the guarantee period, the bank holding the guarantee may demand the Group to repay the outstanding principal of the loan and any interest accrued thereon. Under such circumstances, the Group is able to forfeit the customer's deposit and resell the property to recover any amounts paid by the Group to the bank. In this regard, the directors consider that the Group's credit risk is significantly reduced.

The Group also provides guarantees to certain related parties of the Group to obtain borrowings after assessing the credit history and pledge information of these related parties. The Group closely monitors the repayment progress of the relevant borrowings by these related parties. In the opinion of the directors of the Group, the related party transactions were carried out in the normal course of business and at terms mutually negotiated between the Group and the respective related parties. The directors consider that the likelihood of default in payments is minimal and the financial guarantees measured at fair value is immaterial, as all the related parties are engaged in property development with solid financial position.

3.1.3 Liquidity risk

Management of the Group aims to maintain sufficient cash through internally generated sales proceeds and an adequate amount of committed credit facilities to meet its operation needs and commitments in respect of property projects.

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3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.3 流動資金風險 (續)

下表乃根據於2018年及2017年12月31日至合同到期日的剩餘期間，按相關到期組別分析本集團金融負債。表內披露的金額為合同未貼現現金流量。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.3 Liquidity risk (Cont'd)

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period as at 31 December 2018 and 2017 to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

		一年內 Within 1 year 人民幣千元 RMB'000	一年至兩年 Between 1 and 2 years 人民幣千元 RMB'000	兩至五年 Between 2 and 5 years 人民幣千元 RMB'000	五年以上 Over 5 years 人民幣千元 RMB'000	合計 Total 人民幣千元 RMB'000
於2018年12月31日	As at 31 December 2018					
借款本金	Borrowings, principal	24,998,073	37,213,473	19,504,720	56,250	81,772,516
以公允價值計量且其變動計入當期損益的金融負債	Financial liabilities at fair value through profit or loss	2,069,576	–	–	–	2,069,576
支付借款利息	Interest payments on borrowings	4,873,837	3,312,464	2,689,000	3,954	10,879,255
貿易及其他應付款項	Trade and other payables	72,539,543	144,505	–	–	72,684,048
衍生金融工具	Derivative financial instruments	12,478	–	–	–	12,478
應付股息	Dividends payable	18,058	–	–	–	18,058
有關購買本集團物業而獲授按揭額度的擔保(附註39)	Guarantees in respect of mortgaged facilities granted to purchasers of the Group's properties (Note 39)	4,829,947	36,185,584	–	–	41,015,531
向合營企業及聯營公司就借款作出的擔保(附註40(d))	Guarantees for joint ventures and associates in respect of borrowings (Note 40(d))	7,733,148	9,877,018	7,608,270	–	25,218,436
		117,074,660	86,733,044	29,801,989	60,204	233,669,897
於2017年12月31日	As at 31 December 2017					
借款本金	Borrowings, principal	15,282,222	15,929,103	18,172,990	81,250	49,465,565
支付借款利息	Interest payments on borrowings	2,379,920	1,500,968	807,114	8,010	4,696,012
貿易及其他應付款項	Trade and other payables	54,538,176	–	–	–	54,538,176
應付股息	Dividends payable	124	–	–	–	124
有關購買本集團物業而獲授按揭額度的擔保(附註39)	Guarantees in respect of mortgaged facilities granted to purchasers of the Group's properties (Note 39)	14,238,614	4,586,744	–	–	18,825,358
向合營企業及聯營公司就借款作出的擔保(附註40(d))	Guarantees for joint ventures and associates in respect of borrowings (Note 40(d))	3,825,420	9,220,294	11,511,550	–	24,557,264
		90,24,476	31,237,109	30,491,654	89,260	152,082,499

附註：借款利息沒有考慮到未來借貸，並且分別根據2018年及2017年12月31日所持借款計算。浮動利息分別使用2018年及2017年12月31日的當時利率估算。

Note: The interest on borrowings is calculated based on borrowings held as at 31 December 2018 and 2017, respectively, without taking into account future borrowings. Floating-rate interests are estimated using the current interest rate as at 31 December 2018 and 2017, respectively.

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3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.3 流動資金風險 (續)

鑒於相關業務的動態性質，本集團的管理層會密切監控流動資金的風險並採取以下措施管理流動資金風險：

- (i) 編製年度現金流量預測並按月更新該預測以反映最新變化及密切監控流動資金風險；
- (ii) 與主要銀行和其他金融機構保持戰略合作關係以在適當時取得信貸額度；
- (iii) 繼續取得長期融資信貸、附有抵押本集團物業的主要發行優先票據、項目銀行貸款或本集團視為適當的其他資金來源；
- (iv) 積極推動銷售本集團竣工物業及預售在建物業。本集團亦會考慮靈活調整價格和銷量以管理流動資金風險。

3.1.4 資本風險管理

本集團的資本管理的目標乃為保障本集團能繼續營運，以為股東提供回報和維持最佳的資本結構以降低資金成本。

為維持或調整資本結構，本集團可能會調整支付予股東的股息金額、發行新股或出售資產以減少債務。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.3 Liquidity risk (Cont'd)

Due to dynamic nature of the underlying business, the management of the Group is closely monitoring the risk of the liquidity and takes the following actions to manage the liquidity risk:

- (i) prepares annual cash flow forecast and updates such forecast on a monthly basis to reflect the latest changes and monitor the liquidity risk closely;
- (ii) maintains strategic cooperation with major banks and other financial institutions to secure credit facilities where appropriate;
- (iii) continues to obtain longer term financing facilities, mainly issuance of senior notes, project bank loans with pledge of the Group's properties or other resources of funding which the Group considers appropriate;
- (iv) proactively promotes the sales of the Group's completed properties and pre-sales of properties under development. The Group also considers the flexibility of adjusting the price and volume on sale of properties for management of liquidity risk.

3.1.4 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

3 財務風險管理及金融工具 (續)

3.1 財務風險因素 (續)

3.1.4 資本風險管理 (續)

本集團利用資產負債比率監察其資本。此比率按照債務淨額除以資本總額計算。債務淨額為借款總額減去現金及現金等價物。資本總額按合併財務狀況表所列示的權益總額加上債務淨額計算。

於2018年及2017年12月31日，本集團資產負債比率如下：

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.4 Capital risk management (Cont'd)

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as total equity, as shown in the consolidated statement of financial position, plus net debt.

The gearing ratios of the Group at 31 December 2018 and 2017 were as follows:

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
借款總額及可換股債券	Total borrowings and convertible bonds	83,572,739	49,381,212
減：現金及現金等價物	Less: Cash and cash equivalents	(41,213,881)	(20,542,676)
債務淨額	Net debt	42,358,858	28,838,536
權益總額	Total equity	45,720,783	24,632,544
資本總額	Total capital	88,079,641	53,471,080
資產負債比率	Gearing ratio	48%	54%

於2018年12月31日的資產負債比率減少乃主要由於現金及現金等價物增加以及資本總額相較於借款較高的增長率所致。

The decrease in the gearing ratio as at 31 December 2018 resulted primarily from the increase of cash and cash equivalent, as well as total equity at a higher rate compared to that of borrowings.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

3 財務風險管理及金融工具 (續)

3.2 公允價值估計

(a) 金融資產及負債

(i) 釐定公允價值的估值法

下表利用估值法分析按公允價值入賬的金融工具。不同層級的定義如下：

- 相同資產或負債的活躍市場報價(未經調整)(第一層)。
- 除第一層所包括的報價外，資產或負債的可直接(即如價格)或間接(即價格衍生物)觀察的輸入值(第二層)。
- 並非依據可觀察的市場數據而釐定的資產或負債的輸入值(即不可觀察輸入值)(第三層)。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.2 Fair value estimation

(a) Financial assets and liabilities

(i) Valuation techniques used to determine fair value

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

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截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

3 財務風險管理及金融工具 (續)

3.2 公允價值估計 (續)

(a) 金融資產及負債 (續)

(ii) 公允價值分層

下表分別呈列本集團於2018年及2017年12月31日按公允價值計量的金融資產。請參閱附註7就投資物業按公允價值計量所作的披露。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.2 Fair value estimation (Cont'd)

(a) Financial assets and liabilities (Cont'd)

(ii) Fair value hierarchy

The following table presents the Group's financial assets that are measured at fair value at 31 December 2018 and 2017 respectively. See Note 7 for disclosures of the investment properties that are measured at fair value.

經常性公允價值 計量	Recurring fair value measurements	第一層 Level 1 人民幣千元 RMB'000	第二層 Level 2 人民幣千元 RMB'000	第三層 Level 3 人民幣千元 RMB'000	合計 Total 人民幣千元 RMB'000
於2018年12月31日	At 31 December 2018				
金融資產	Financial assets				
以公允價值計量且其變動計入當期損益的金融資產	Financial assets at FVPL				
衍生金融工具	Derivative financial instrument	–	189,160	843,034	1,032,194
金融資產總額	Total financial assets	12,300	–	139,175	151,475
		12,300	189,160	982,209	1,183,669
金融負債	Financial liabilities				
以公允價值計量且其變動計入當期損益的金融負債	Financial liabilities at FVPL				
衍生金融工具	Derivative financial instrument	2,069,576	–	–	2,069,576
金融負債總額	Total financial liabilities	–	12,478	–	12,478
		2,069,576	12,478	–	2,082,054
於2017年12月31日	At 31 December 2017				
金融資產	Financial assets				
衍生金融工具	Derivative financial instrument	–	–	162,539	162,539
可供出售金融資產	Available-for-sale financial assets	–	–	1,099,526	1,099,526
金融資產總額	Total financial assets	–	–	1,262,065	1,262,065

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截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

3 財務風險管理及金融工具 (續)

3.2 公允價值估計 (續)

(a) 金融資產及負債 (續)

(ii) 公允價值分層 (續)

年內並無就經常性公允價值計量在第一、二及三層之間轉移。

本集團的政策為於報告期初確認公允價值等級架構的轉入及轉出數額。

第一層：於活躍市場上買賣的金融工具（如公開買賣衍生工具、上市債券及股本證券）的公允價值乃按報告期末的市場報價釐定。本集團所持有的金融資產採用的市場報價為當時買盤價。本集團所持金融資產使用的市場報價為現行買價。該等工具計入第一層。

第二層：並非在活躍市場買賣的金融工具（例如場外衍生工具）公允價值以估值法釐定，該等估值法盡量採用可觀察市場數據，並盡可能不倚賴實體特定估計。倘計算工具公允價值需要的所有重要參數均為可觀察數據，則該工具計入第二層。

第三層：倘一項或多項重要參數並非基於可觀察市場數據，則該工具計入第三層。非上市股本證券主要屬此情況。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.2 Fair value estimation (Cont'd)

(a) Financial assets and liabilities (Cont'd)

(ii) Fair value hierarchy (Cont'd)

There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the year.

The group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the beginning of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, listed bond and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case mainly for unlisted equity securities.

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3 財務風險管理及金融工具 (續)

3.2 公允價值估計 (續)

(a) 金融資產及負債 (續)

(iii) 使用重大不可觀察輸入值之公允價值計量

下表呈列截至2018年12月31日止年度第三層項目之變動：

		以公允價值計量且其變動計入當期損益的金融資產		
		Financial assets at FVPL	Derivative financial instrument	Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
於2018年1月1日	As at 1 January 2018	–	162,539	162,539
會計政策變動	Change in accounting policy	1,099,526	–	1,099,526
於2018年1月1日	As at 1 January 2018	1,099,526	162,539	1,262,065
添置	Additions	73,121	–	73,121
於損益確認之公允價值虧損	Fair value loss recognised in profit or loss	–	(23,364)	(23,364)
出售	Disposal	(329,613)	–	(329,613)
於2018年12月31日	As at 31 December 2018	843,034	139,175	982,209

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.2 Fair value estimation (Cont'd)

(a) Financial assets and liabilities (Cont'd)

(iii) Fair value measurement using significant unobservable inputs

The following table presents the changes in level 3 items for the year ended 31 December 2018:

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3 財務風險管理及金融工具 (續)

3.2 公允價值估計 (續)

(a) 金融資產及負債 (續)

(iv) 公允價值分層

估值輸入值及關連公允價值 (第三層)

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.2 Fair value estimation (Cont'd)

(a) Financial assets and liabilities (Cont'd)

(iv) Fair value hierarchy

Valuation inputs and relationships to fair value (level 3)

說明	於2018年 12月31日的 公允價值 (人民幣千元) Fair value at 31 December 2018 (RMB'000)	於2017年 12月31日的 公允價值 (人民幣千元) Fair value at 31 December 2017 (RMB'000)	估值方法 Valuation technique(s)	不可觀察輸入值 Unobservable inputs	不可觀察 輸入值的範圍 Range of unobservable inputs	不可觀察輸入值 與公允價值的關係 Relationship of unobservable inputs to fair value
Description						
以公允價值計量且其變動計入當期損益的金融資產 Financial assets at FVPL	843,034	–	市場法 Market approach	市淨率 P/B	0.7370-1.4635	市淨率高，公允價值越高 The higher the P/B, the higher the fair value
衍生金融資產 Derivative financial assets	139,175	162,539	期權定價模式 Option pricing model	波動率 Volatility	13%-15%	波動率越高，公允價值越高 The higher the volatility, the higher the fair value
				無風險收益率 Risk-free interest rate	2.56%-2.83%	無風險利率越高，公允價值越高 The higher the risk-free interest rate, the higher the fair value

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3 財務風險管理及金融工具 (續)

3.2 公允價值估計 (續)

(a) 金融資產及負債 (續)

(v) 估值過程

本集團財務部門內設團隊，專門負責對財務報告所需之非物業項目進行估值，包括第三層公允價值。該團隊直接向首席財務官(CFO)和審計委員會(AC)報告。根據本集團半年度報告期規定，CFO、AC和估值團隊至少每六個月對估值流程和結果進行商議。

CFO、AC和估值團隊在進行半年度估值商議時，會於每個報告期末對第二層和第三層公允價值的變化進行分析。作為這次商議的一部分，該團隊提交了一份報告，以解釋公允價值變動的原因。

(b) 非金融資產及負債

本集團的投資物業按公允價值計量並處於公允價值分層第三層。有關估值詳情，請參閱附註7。

3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

3.2 Fair value estimation (Cont'd)

(a) *Financial assets and liabilities* (Cont'd)

(v) *Valuation processes*

The finance department of the Group includes a team that performs the valuation of non-property items required for financial reporting purposes, including level 3 fair value. This team reports directly to the chief financial officer (CFO) and the audit committee (AC). Discussion of valuation processes and results are held between the CFO, AC and the valuation team at least once every six months, in line with the Group's half-yearly reporting periods.

Changes in level 2 and 3 fair value are analysed at the end of each reporting period during the half-yearly valuation discussion between the CFO, AC and the valuation team. As part of this discussion, the team presents a report that explains the reason for the fair value movements.

(b) *Non-financial assets and liabilities*

The Group's investment property is measured at fair value and under level 3 of the fair value hierarchy. Please see Note 7 for details of valuation.

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4 重大會計估計及判斷

估計及判斷乃根據過往經驗及其他因素（包括在當時情況下對未來事件之合理預期）作持續評估。管理層就未來作出多項估計及假設。按其定義，就此產生之會計估計甚少相等於相關實際結果。具有導致於下一個財政年度內對資產及負債賬面值出現重大調整的主要風險的估計及假設於下文討論。

4.1 直接應佔物業開發活動的開發成本

本集團分配部份土地及開發成本至完工待售及在建銷售物業。由於本集團若干物業開發項目分若干期開發和完成，整個項目的預算開發成本取決於對總開發成果的估算。根據經驗和開發項目的性質，管理層就未來事項作出多項在當時情況下屬合理的估計及假設。鑒於物業開發活動涉及的不確定性因素，相關實際業績可能會高於或低於報告期末估算的金額。估計及假設出現任何變動將對本集團日後數年的經營表現產生影響。

4.2 完工待售或在建銷售物業減值撥備

管理層根據完工待售或在建銷售物業的估計可收回金額對這些物業計提減值撥備。鑒於中國物業市場的波動性，實際可收回金額可能會高於或低於報告期末的估計。撥備的任何增加或減少將對本集團日後年度的經營表現產生影響。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

4.1 Development costs directly attributable to property development activities

The Group allocates portions of land and development costs to properties held and under development for sale. As certain of the Group's property development projects are developed and completed by phases, the budgeted development costs of the whole project are dependent on the estimate on the outcome of total development. Based on the experience and the nature of the development undertaken, the management makes estimates and assumptions concerning the future events that are believed to be reasonable under the circumstances. Given the uncertainties involved in the property development activities, the related actual results may be higher or lower than the amount estimated at the end of the reporting period. Any change in estimates and assumptions would affect the Group's operating performance in future years.

4.2 Provision for impairment of properties held or under development for sale

The management makes provision for impairment of properties held or under development for sale based on the estimate of the recoverable amount of the properties. Given the volatility of the property market in the PRC, the actual recoverable amount may be higher or lower than the estimate made as at the end of the reporting period. Any increase or decrease in the provision would affect the Group's operating performance in future years.

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4 重大會計估計及判斷 (續)

4.3 中國土地增值稅

本集團需繳納中國土地增值稅。然而，由於有關稅項的實施及結算在中國各城市不同的稅務司法權區均有所不同，故須作出重大估計以釐定土地增值稅的金額。本集團根據管理層按其對多個稅務機關對稅務規則詮釋的理解作出的最佳估計，確認此等土地增值稅。最終稅款可能有別於最初錄得的金額，而有關差額將影響獲地方稅務機關確定該等稅項期間的所得稅開支。

4.4 即期及遞延所得稅

本集團須繳納中國企業所得稅。在釐定企業所得稅的撥備時須作出重大判斷。在日常業務過程中，多項交易及計算方式均會導致未能確定最終所定稅項。倘這些事宜最終所得稅務與最初錄得的款額有所差異，有關差額將會影響稅項獲釐定期間的所得稅開支。

倘管理層認為有可能日後會產生應課稅利潤以抵銷暫時性差異或稅務虧損，則確認此等暫時性差異及稅務虧損相關的遞延稅項資產。實際結果或會有所不同。

4.5 投資物業的公允價值

投資物業的公允價值乃採用估值方法釐定。有關判斷及假設已披露於附註7。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

4.3 Land appreciation tax of the PRC

The Group is subject to land appreciation tax in the PRC. However, since the implementation and settlement of the tax varies among various tax jurisdictions in cities of the PRC, significant estimate is required in determining the amount of the land appreciation tax. The Group recognises the land appreciation tax based on management's best estimates according to its understanding of the interpretation of tax rules by various tax authorities. The final tax outcome could be different from the amounts that were initially recorded, and these differences will impact the income tax expense in the periods in which such taxes have been finalised with local tax authorities.

4.4 Current and deferred income tax

The Group is subject to corporate income tax in the PRC. Significant judgement is required in determining the provision for corporate income tax. There are many transactions and calculations for which the ultimate determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that we initially recorded, such difference will impact the income tax expense in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognised when management considers to be probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. The outcome of their actual utilisation may be different.

4.5 Fair value of investment properties

The fair value of investment properties is determined by using valuation techniques. Details of the judgement and assumptions have been disclosed in Note 7.

合併財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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4 重大會計估計及判斷 (續)

4.6 子公司、合營企業及聯營公司的分類

在正常業務過程中，本集團透過與其他發展商或機構訂立合作協議而與該等人士發展物業。本集團與其他各方的權利和義務在項目公司的相關合作協議、組織章程等訂明。由於安排複雜，故確定項目公司是否本集團子公司、合營企業或聯營公司需作出重大判斷。

本集團根據安排的實質內容及附註2.3、2.4及2.5披露子公司、合營企業及聯營公司的定義而作出判斷。

4.7 金融資產減值

金融資產的虧損撥備乃根據有關違約風險及預期虧損率的假設。於各報告期末，本集團根據本集團的過往歷史、現行市況及前瞻性估計，採用判斷作出該等假設及選擇輸入數據進行減值計算。有關所採用的主要假設及輸入數據詳情披露於附註3的表格。

4.8 收入確認

釐定收入是否應於某個時間點亦或於一段時間內確認涉及判斷。本集團根據客戶合約規範以及相關法律法規作出判斷。

對於可變金額合約，本集團估計釐定過渡價格的金額，該金額極大可能不會發生重大撥回。

有關收入確認詳情披露於附註2.27。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

4.6 Classification of subsidiary, joint venture and associate

In the normal course of business, the Group develops properties together with other developers or institutions, through entering into co-operation agreements with these parties. The rights and obligations of the Group and the other parties are stipulated by respective co-operation agreements, articles of associations of the project companies, etc. Because of the complexity of the arrangements, significant judgement is needed in determining whether the project company is subsidiary, joint venture or associate of the Group.

The Group makes judgement based on the substance of the arrangements and the definition of subsidiary, joint venture and associate as disclosed in Notes 2.3, 2.4 and 2.5.

4.7 Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in the tables in Note 3.

4.8 Revenue recognition

Determining whether revenue should be recognized at a point in time or over time involves judgment. The Group makes judgements based on the specification in contracts with customers, as well as relevant laws and regulations.

For contracts with variable amount, the Group estimates the amount that is highly probable that significant reversal will not occur for determining transition price.

Details of revenue recognition is disclosed in Note 2.27.

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5 分部資料

管理層根據主要經營決策者（「主要經營決策者」）審核的報告（用於作出戰略決策）釐定營運分部。董事長王先生被視為主要經營決策者。

本集團透過兩個營運分部管理業務，其與就資源分配及表現評估目的向本集團主要經營決策者進行內部資料報告的方式一致。本集團並無將營運分部合併，以組成下列可呈報分部。

- 新城控股集團股份有限公司（前稱「新城控股集團有限公司」），一家在上海證券交易所上市的公司（「A股公司」或「新城控股」）
- 非A股公司內的物業管理及其他服務公司（「非A股公司」）。

A股公司主要從事作為出售或投資用途的住宅物業開發及多用途綜合樓開發，而非A股公司主要從事服務。集團總部費用亦主要包含於非A股公司分部。所有物業開發項目均位於中國，因此本集團的大部分收入來自中國，且大部分資產位於中國。

主要經營決策者根據收入和除所得稅前的利潤的計量評估營運分部的業績。計量基準不包括所得稅開支的影響。

5 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker (the "CODM") that are used to make strategic decisions. The chairman, Mr. Wang has been identified as the CODM.

The Group manages its business by two operating segments, which is consistent with the way in which information is reported internally to the Group's CODM for the purpose of resources allocation and performance assessment. No operating segments have been aggregated to form the following reportable segments.

- Seazen Holdings Co., Ltd., (formerly known as "Future Land Holdings Co., Ltd.,") a company listed on the Shanghai Stock Exchange (the "A share company" or "Seazen Holdings")
- Property management and other service companies not within the A share company (the "Non-A share companies").

The A share company is mainly engaged in development of residential properties and mixed-use complexes for sale and investment, while the Non-A share companies are mainly engaged in services. Corporate expenses are also primarily included in the Non-A share companies segment. All the property development projects are in the PRC, and accordingly majority of the revenue of the Group are derived from the PRC and most of the assets are located in the PRC.

The CODM assesses the performance of the operating segments based on a measure of revenue and profit before income tax. The measurement basis excludes the effects of income tax expense.

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5 分部資料 (續)

5 SEGMENT INFORMATION (Cont'd)

		截至2018年12月31日止年度 Year ended 31 December 2018				
		A股公司 A share company 人民幣千元 RMB'000	非A股公司 Non-A share companies 人民幣千元 RMB'000	分部合計 Total segment 人民幣千元 RMB'000	對銷 Elimination 人民幣千元 RMB'000	本集團合計 Total Group 人民幣千元 RMB'000
分部收入	Segment revenue	54,133,311	716,791	54,850,102	(69,107)	54,780,995
— 於一個時點	— At a point in time	51,096,362	374,724	51,471,086	(4,381)	51,466,705
— 隨時間	— Over time	1,753,593	342,067	2,095,660	(24,229)	2,071,431
— 租金收入	— Rental income	1,283,356	—	1,283,356	(40,497)	1,242,859
除所得稅開支前分部 利潤／(虧損)	Segment profit/(loss) before income tax expense	19,094,619	792,840	19,887,459	(1,239,959)*	18,647,500
投資物業公允價值收益	Fair value gains on investment properties	3,285,089	—	3,285,089	—	3,285,089
財務收入	Finance income	186,680	509,021	695,701	(466,075)	229,626
融資成本	Finance costs	(922,778)	(512,865)	(1,435,643)	466,075	(969,568)
折舊和攤銷	Depreciation and amortisation	(264,079)	(180,498)	(444,577)	—	(444,577)
應佔聯營公司業績	Share of results of associates	951,683	38,385	990,068	—	990,068
應佔合營企業業績	Share of results of joint ventures	560,039	(659)	559,380	—	559,380

* 對銷主要指A股公司宣派的股息。

* The elimination represses mainly the dividend declared by the A share company.

年度利潤對賬如下： A reconciliation to profit for the year is as follows:

對銷後除所得稅開支前 的分部利潤總額	Total segment profits before income tax expense after elimination	18,647,500
所得稅開支	Income tax expense	(6,599,934)
年度利潤	Profit for the year	12,047,566

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5 分部資料 (續)

5 SEGMENT INFORMATION (Cont'd)

		於2018年12月31日 As at 31 December 2018				
		A股公司 A share company 人民幣千元 RMB'000	非A股公司 Non-A share companies 人民幣千元 RMB'000	分部合計 Total segment 人民幣千元 RMB'000	對銷 Elimination 人民幣千元 RMB'000	本集團合計 Total Group 人民幣千元 RMB'000
分部資產	Segment assets	330,318,417	14,718,956	345,037,373	(8,181,835)	336,855,538
分部資產包括：	Segment assets include:					
於聯營公司的投資	Investments in associates	6,288,449	5,031,770	11,320,219	(4,480,070)*	6,840,149
於合營企業的投資	Investments in joint ventures	12,520,106	112,944	12,633,050	–	12,633,050
添置非流動資產 (金融工具和遞延 稅項資產除外)	Additions to non-current assets (other than financial instruments and deferred tax assets)	16,160,864	193,275	16,354,139	–	16,354,139
分部負債	Segment liabilities	279,361,543	13,996,032	293,357,575	(2,222,820)	291,134,755

* 對銷主要指於由A股公司所控制
公司的非A股公司股權。

* The elimination represents mainly the
Non-A's associate interests in companies
controlled by the A Share Company.

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5 分部資料 (續)

5 SEGMENT INFORMATION (Cont'd)

		截至2017年12月31日止年度 Year ended 31 December 2017				
		A股公司 A share company 人民幣千元 RMB'000	非A股公司 Non-A share companies 人民幣千元 RMB'000	分部合計 Total segment 人民幣千元 RMB'000	對銷 Elimination 人民幣千元 RMB'000	本集團合計 Total Group 人民幣千元 RMB'000
分部收入	Segment revenue	40,525,685	320,599	40,846,284	(25,968)	40,820,316
除所得稅開支前分部利潤／(虧損)	Segment profit/(loss) before income tax expense	11,268,492	(25,508)	11,242,984	(500,574)	10,742,410
投資物業公允價值收益	Fair value gains on investment properties	1,331,853	—	1,331,853	—	1,331,853
財務收入	Finance income	154,143	172,852	326,995	(150,663)	176,332
融資成本	Finance costs	(533,194)	(461,998)	(995,192)	150,663	(844,529)
折舊和攤銷	Depreciation and amortisation	(180,695)	(160,383)	(341,078)	—	(341,078)
應佔聯營公司業績	Share of results of associates	244,896	21,735	266,631	—	266,631
應佔合營企業業績	Share of results of joint ventures	(20,508)	9,911	(10,597)	—	(10,597)

* 對銷主要指A股公司宣派的股息。

* The elimination represents mainly the dividend declared by the A share company.

年度利潤對賬如下： A reconciliation to profit for the year is as follows:

對銷後除所得稅開支前的分部利潤總額	Total segment profits before income tax expense after elimination					10,742,410
所得稅開支	Income tax expense					(4,728,785)
年度利潤	Profit for the year					6,013,625

		於2017年12月31日 As at 31 December 2017				
		A股公司 A share company 人民幣千元 RMB'000	非A股公司 Non-A share companies 人民幣千元 RMB'000	分部合計 Total segment 人民幣千元 RMB'000	對銷 Elimination 人民幣千元 RMB'000	本集團合計 Total Group 人民幣千元 RMB'000
分部資產	Segment assets	183,526,661	10,705,682	194,232,343	(4,833,997)	189,398,346
分部資產包括：	Segment assets include:					
於聯營公司的投資	Investments in associates	1,522,878	430,288	1,953,166	—	1,953,166
於合營企業的投資	Investments in joint ventures	11,864,142	102,194	11,966,336	—	11,966,336
添置非流動資產 (金融工具和 遞延稅項資產除外)	Additions to non-current assets (other than financial instruments and deferred tax assets)	10,603,401	388,891	10,992,292	—	10,992,292
分部負債	Segment liabilities	157,544,887	10,575,608	168,120,495	(3,354,693)	164,765,802

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6 物業、廠房及設備

6 PROPERTY, PLANT AND EQUIPMENT

		樓宇	運輸設備	傢俬裝置 及設備 Furniture	在建工程	租賃 物業裝修	合計
		Buildings	Transport equipment	fittings and equipment	Construction in progress	Leasehold improvements	Total
非流動	Non-current	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
於2018年1月1日	At 1 January 2018						
成本	Cost	1,682,759	398,301	1,087,734	70,107	352,665	3,591,566
累計折舊	Accumulated depreciation	(180,766)	(37,076)	(289,428)	–	(164,593)	(671,863)
賬面淨值	Net book amount	1,501,993	361,225	798,306	70,107	188,072	2,919,703
截至2018年 12月31日止年度	Year ended 31 December 2018						
期初賬面淨值	Opening net book amount	1,501,993	361,225	798,306	70,107	188,072	2,919,703
收購子公司	Acquisition of subsidiaries	79,494	4,190	14,944	–	14,230	112,858
添置	Additions	5,673	20,217	74,032	269,657	130,552	500,131
在建工程竣工	Completion of construction in progress	–	–	141,293	(274,097)	132,804	–
成本調整	Cost adjustment	–	–	–	(53,648)	–	(53,648)
出售	Disposals	(54,400)	(2,375)	(7,970)	–	–	(64,745)
出售子公司	Disposal of subsidiaries	–	(252)	(831)	–	(381)	(1,464)
折舊費用(附註30)	Depreciation charge (Note 30)	(84,371)	(26,114)	(179,350)	–	(108,090)	(397,925)
期末賬面淨值	Closing net book amount	1,448,389	356,891	840,424	12,019	357,187	3,014,910
於2018年12月31日	At 31 December 2018						
成本	Cost	1,730,003	422,485	1,312,134	12,019	630,251	4,106,892
累計折舊	Accumulated depreciation	(281,614)	(65,594)	(471,710)	–	(273,064)	(1,091,982)
賬面淨值	Net book amount	1,448,389	356,891	840,424	12,019	357,187	3,014,910

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6 物業、廠房及設備 (續)

6 PROPERTY, PLANT AND EQUIPMENT (Cont'd)

		樓宇	運輸設備	傢俬、裝置 及設備	在建工程	租賃 物業裝修	合計
		Buildings	Transport equipment	fittings and equipment	Construction in progress	Leasehold improvements	Total
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
非流動	Non-current	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
於2017年1月1日	At 1 January 2017						
成本	Cost	1,620,124	66,908	888,076	62,706	203,364	2,841,178
累計折舊	Accumulated depreciation	(99,465)	(25,209)	(169,949)	–	(103,554)	(398,177)
賬面淨值	Net book amount	1,520,659	41,699	718,127	62,706	99,810	2,443,001
截至2017年 12月31日止年度	Year ended 31 December 2017						
期初賬面淨值	Opening net book amount	1,520,659	41,699	718,127	62,706	99,810	2,443,001
收購子公司	Acquisition of subsidiaries	–	695	6,229	–	939	7,863
添置	Additions	76,519	345,230	65,234	241,450	148,560	876,993
在建工程竣工	Completion of construction in progress	–	–	229,046	(229,046)	–	–
出售	Disposals	(7,652)	(8,422)	(59,519)	–	–	(75,593)
成本調整	Cost adjustment	–	–	–	(5,003)	–	(5,003)
出售子公司	Disposal of subsidiaries	–	–	(1,886)	–	(198)	(2,084)
折舊費用（附註30）	Depreciation charge (Note 30)	(87,533)	(17,977)	(158,925)	–	(61,039)	(325,474)
期末賬面淨值	Closing net book amount	1,501,993	361,225	798,306	70,107	188,072	2,919,703
於2017年12月31日	At 31 December 2017						
成本	Cost	1,682,759	398,301	1,087,734	70,107	352,665	3,591,566
累計折舊	Accumulated depreciation	(180,766)	(37,076)	(289,428)	–	(164,593)	(671,863)
賬面淨值	Net book amount	1,501,993	361,225	798,306	70,107	188,072	2,919,703

本集團的折舊費用人民幣229,160,000元(2017年: 人民幣173,084,000元)已計入銷售成本, 人民幣2,197,000元(2017年: 人民幣5,885,000元)已計入銷售及營銷費用及人民幣166,568,000元(2017年: 人民幣146,505,000元)已計入行政開支。

於2018年12月31日, 賬面總值為人民幣955,527,000元(2017年: 人民幣989,856,000元)的物業、廠房和設備已抵押作本集團借款的抵押品(附註24)。

The Group's depreciation charges of RMB229,160,000 (2017: RMB173,084,000) have been included in cost of sales, RMB2,197,000 (2017: RMB5,885,000) in selling and marketing expenses and RMB166,568,000 (2017: RMB146,505,000) in administrative expenses.

Property, plant and equipment with a total carrying amount of RMB955,527,000 as at 31 December 2018(2017: RMB989,856,000) were pledged as collateral for the Group's borrowings (Note 24).

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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7 投資物業

7 INVESTMENT PROPERTIES

		截至12月31日止年度 Year ended 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
期初結餘	Opening balance	23,496,000	13,506,826
添置	Additions	12,107,967	8,393,778
收購子公司(附註36)	Acquisition of subsidiaries (Note 36)	2,155,802	436,971
自在建物業轉撥	Transfer from properties under development	700,116	816,354
成本調整	Cost adjustment	(34,974)	(50,782)
公允價值調整所得淨收益	Net gains from fair value adjustments	3,285,089	1,331,853
出售子公司	Disposal of a subsidiary	(952,000)	(939,000)
年末結餘	Closing balance	40,758,000	23,496,000

就投資物業於損益確認的金額

Amounts recognised in profit or loss for investment properties

		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
租金收入(附註28)	Rental income (Note 28)	1,242,859	573,536
產生租金收入的物業直接經營開支	Direct operating expenses from property that generated rental income	123,309	6,073
於其他收入確認的公允價值收益	Fair value gain recognised in other income	3,285,089	1,331,853

本集團持有的投資物業均為位於中國的商用物業。

Investment properties held by the Group are all commercial properties located in the PRC.

截至2018年12月31日止年度，於投資物業資本化的借款成本約為人民幣374,720,000元(2017年：人民幣269,415,000元)。

Borrowing costs capitalised in investment properties for the year ended 31 December 2018 were approximately RMB374,720,000 (2017: RMB269,415,000).

截至2018年12月31日止年度，借款資本化率為6.09%(2017年：5.44%)。

The capitalisation rate of borrowings was 6.09% for the year ended 31 December 2018 (2017: 5.44%).

本集團所有投資物業的公允價值均以第三層計量，有重大不可觀察輸入值。

Fair value of all of the Group's investment properties are measured at Level 3, with significant unobservable inputs.

年內並無在第一、二及三層之間轉移。

There were no transfers between Level 1, 2 and 3 during the year.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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7 投資物業 (續)

使用重大不可觀察輸入值 (第三層) 進行
公允價值計量

7 INVESTMENT PROPERTIES (Cont'd)

Fair value measurements using significant
unobservable inputs (Level 3)

		竣工 Completed 人民幣千元 RMB'000	在建 Under development 人民幣千元 RMB'000	合計 Total 人民幣千元 RMB'000
於2018年1月1日	At 1 January 2018	15,192,000	8,304,000	23,496,000
添置	Additions	–	12,107,967	12,107,967
收購子公司	Acquisition of a subsidiary	2,155,802	–	2,155,802
自在建物業轉撥	Transfer from properties under development	700,116	–	700,116
項目竣工	Completion of projects	11,201,349	(11,201,349)	–
成本調整	Cost adjustment	(34,974)	–	(34,974)
公允價值調整所得淨收益	Net gains from fair value adjustments	2,624,707	660,382	3,285,089
出售子公司	Disposal of a subsidiary	–	(952,000)	(952,000)
於2018年12月31日	At 31 December 2018	31,839,000	8,919,000	40,758,000
計入損益中的年末持有 資產的年內總利得或 損失，包括在 「投資物業公允價值 收益」項下	Total gains or losses for the year included in profit or loss for assets held at the end of the year, under 'Fair value gains on investment properties'	2,624,707	665,356	3,290,063

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

7 投資物業 (續)

使用重大不可觀察輸入值 (第三層) 進行
公允價值計量 (續)

7 INVESTMENT PROPERTIES (Cont'd)

Fair value measurements using significant
unobservable inputs (Level 3) (Cont'd)

		竣工 Completed 人民幣千元 RMB'000	在建 Under development 人民幣千元 RMB'000	合計 Total 人民幣千元 RMB'000
於2017年1月1日	At 1 January 2017	10,028,826	3,478,000	13,506,826
添置	Additions	–	8,393,778	8,393,778
收購子公司	Acquisition of subsidiaries	436,971	–	436,971
自在建物業轉撥	Transfer from properties under development	–	816,354	816,354
項目竣工	Completion of projects	4,134,892	(4,134,892)	–
資本化其後開支	Capitalised subsequent expenditure	(50,782)	–	(50,782)
公允價值調整所得淨收益	Net gains from fair value adjustments	642,093	689,760	1,331,853
出售子公司	Disposal of a subsidiary	–	(939,000)	(939,000)
於2017年12月31日	At 31 December 2017	15,192,000	8,304,000	23,496,000
計入損益中的年末持有 資產未實現利得或 損失的變動	Change in unrealised gains or losses for the year included in profit or loss for assets held at the end of the year	642,093	689,428	1,331,521

本集團的估值過程

所有投資物業於2018年及2017年12月31日由獨立專業合資格估值師戴德梁行有限公司進行重估。

本集團的財務部將會審閱獨立估值師所進行的估值，包括：

- 查核獨立估值報告內的所有重要輸入值；
- 與上一年度的估值報告進行比較時評估物業估值變動；
- 與獨立估值師進行討論。

Valuation processes of the Group

All investment properties were revalued as at 31 December 2018 and 2017 by DTZ Debenham Tie Leung Limited, the independent professional qualified valuer.

The Group's finance team will review the valuation performed by the independent valuers, including:

- verifies all major inputs to the independent valuation report;
- assesses property valuation movements when compared to the prior year valuation report;
- holds discussions with independent valuers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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7 投資物業 (續)

估值方法

本集團就將予開發及在建投資物業分別採用直接比較法及投資法。直接比較法乃假設該等物業各自按現況交吉出售。經參考有關市場的可資比較銷售交易，選擇鄰近地區的可資比較物業並就位置及物業規模等因素的差異作出調整；投資法計及已產生建設成本及完成該開發項目將產生的成本以反映已竣工開發項目的質量，依據是該物業將根據本集團最近開發計劃予以開發和完成。就已竣工投資物業而言，估值乃根據投資法透過將來自現有租約的淨租金收入（在計及物業未來可享有的潛在收入增長後）作出資本化計算，並經參考於活躍市場上的比較價格後作出。

年內估值方法並無變動。

7 INVESTMENT PROPERTIES (Cont'd)

Valuation techniques

For investment properties to be developed and under development, the Group adopted direct comparison approach and investment approach, respectively. Direct comparison approach assumes sale of each of these properties in its existing state with the benefit of vacant possession. By making reference to sales transactions as available in the relevant market, comparable properties in close proximity have been selected and adjustments have been made to account for the difference in factors such as locations and property size; Investment approach has taken into account the construction costs incurred and the costs that will be incurred to complete the development to reflect the quality of the completed development on the basis that the properties will be developed and completed in accordance with the Group's latest development plan. For completed investment properties, valuations were based on investment approach by capitalisation of the net rental income derived from the existing tenancy agreements with due allowance for reversionary income potential of the properties and by reference to comparable price in an active market.

There were no changes to the valuation techniques during the year.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

7 投資物業 (續)

估值方法 (續)

有關使用重大不可觀察輸入值 (第三層) 進行公允價值計量的資料：

7 INVESTMENT PROPERTIES (Cont'd)

Valuation techniques (Cont'd)

Information about fair value measurements using significant unobservable inputs (Level 3):

說明	於2018年 12月31日的 公允價值 (人民幣千元) Fair value at 31 December 2018 (RMB'000)	於2017年 12月31日的 公允價值 (人民幣千元) Fair value at 31 December 2017 (RMB'000)	估值方法	不可觀察輸入值	不可觀察輸入值的範圍	不可觀察輸入值與 公允價值的關係
Description			Valuation technique(s)	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
已竣工商用物業 Completed commercial property	31,839,000	15,192,000	投資法 Investment approach	租期收益率 Term yield	經計及可資比較物業的收益率及反映所擔保及將收取租期收入的確定性的調整，租期收益率為4.0%-6.0% (2017年：4.0%-6.0%)。 Term yield of 4.0%-6.0% (2017: 4.0%-6.0%), taking into account of yield generated from comparable properties and adjustment to reflect the certainty of term income secured and to be received.	租期收益率越高，公允價值越低 The higher the term yield, the lower the fair value
				復歸收益率 Reversionary yield	經計及可資比較物業的年度單位市場租金收入及單位市場價值，復歸收益率為4.5%-6.5% (2017年：5.5%-6.5%)。 Reversionary yield of 4.5%-6.5% (2017: 5.5%-6.5%), taking into account annual unit market rental income and unit market value of the comparable properties.	復歸收益率越高，公允價值越低 The higher the reversionary yield, the lower the fair value
在建商用物業 Commercial property under development	3,259,000	6,577,000	投資法，有至竣工的估計成本 Investment approach with estimated costs to complete	復歸收益率 Reversionary yield	經計及可資比較物業的年度單位市場租金收入及單位市場價值，復歸收益率為6.0%-11.0% (2017年：6.0%-6.5%)。 Reversionary yield of 6.0%-11.0% (2017: 6.0%-6.5%), taking into account annual unit market rental income and unit market value of the comparable properties.	復歸收益率越高，公允價值越低 The higher the reversionary yield, the lower the fair value
				至竣工的估計建設成本 Estimated construction costs to completion	人民幣200,708,223元至人民幣828,596,427元 (2017年：人民幣3,634,348元至人民幣708,031,445元) RMB200,708,223 – RMB828,596,427 (2017: RMB3,634,348 – RMB708,031,445)	估計建設成本越高，公允價值越低 The higher the estimated construction costs, the lower the fair value
				持有及開發有關的物業至竣工所需的估計利潤率 Estimated profit margin required to hold and develop property to completion	物業價值的12%至25% (2017年：8%至30%) 12%-25% (2017: 8%-30%) of property value	所需利潤率越高，公允價值越低 The higher the profit margin required, the lower the fair value
	5,660,000	1,727,000	銷售比較 Sales comparison	銷售價格 Sales price	人民幣137元/平方米至人民幣1,443元/平方米 (2017年：人民幣165元/平方米至人民幣2,807元/平方米) RMB137-RMB1,443 (2017: RMB165-RMB2,807) per square metre	經調整市價越高，公允價值越高 The higher the adjusted market price, the higher the fair value

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7 投資物業 (續)

估值方法 (續)

本集團於估算收益率時計及市場數據。已產生的建設成本以會計記錄中所述的已產生的實際成本為基準，而將產生的建設成本以建築物業的最新預算為基準。

倘假設將產生的收益率、建設成本和所需利潤率較管理層的預測數據增加或減少10%，於2018年和2017年12月31日之投資物業的賬面值將變動如下：

7 INVESTMENT PROPERTIES (Cont'd)

Valuation techniques (Cont'd)

The Group considers the market data when estimating the yield rate. Construction costs incurred are based on the actual costs incurred as reflected in the accounting records, while the construction costs to incur are based on the most updated budget for the construction of the properties.

Were the yield rate, the construction costs to incur and the profit margin required assumed to increase or decrease by 10% from management's estimate, the carrying amount of investment properties as at 31 December 2018 and 2017 would have changed as follows:

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
投資物業增加／(減少)	Investment properties increase/(decrease)		
－所用收益率增加10%	－ yield rate used 10 percent higher	(3,120,981)	(1,573,381)
－所用收益率減少10%	－ yield rate used 10 percent lower	3,445,361	1,892,524
投資物業增加／(減少)	Investment properties increase/(decrease)		
－將產生的建設成本增加10%	－ construction costs to incur 10 percent higher	(1,099,358)	(299,500)
－將產生的建設成本減少10%	－ construction costs to incur 10 percent lower	1,095,759	304,898
投資物業增加／(減少)	Investment properties increase/(decrease)		
－所需利潤率增加10%	－ profit margin required 10 percent higher	(294,584)	(88,568)
－所需利潤率減少10%	－ profit margin required 10 percent lower	281,178	96,193

就已竣工物業而言，估值乃透過將現有租約的未來淨租金收入（在計及物業未來可享有的潛在收入增長後）作出資本化計算或運用直接比較法，假設各項物業按現有狀況交吉出售，並參考有關市場的比較銷售交易作出。

For completed properties, valuations were based on either capitalisation of net rental income derived from the existing tenancies with allowance for the reversionary income potential of the properties or on direct comparison approach assuming sale of each of these properties in its existing state with the benefit of vacant possession by making reference to comparable sales transactions as available in the relevant market.

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7 投資物業 (續)

估值方法 (續)

於2018年12月31日，賬面總值約為人民幣11,851,000,000元（2017年：人民幣6,352,248,000元）的投資物業已抵押作本集團借款的抵押品（附註24）。

購買、建造或開發投資物業時概無附帶維修、保養或改善等合約義務。

7 INVESTMENT PROPERTIES (Cont'd)

Valuation techniques (Cont'd)

Investment properties with a total carrying amount of RMB11,851,000,000 as at 31 December 2018 (2017: RMB6,352,248,000) were pledged as collateral for the Group's borrowings (Note 24).

There's no contractual obligation for purchase, construct or develop investment property as for repairs, maintenance or enhancement.

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8 無形資產

8 INTANGIBLE ASSETS

		商標	電腦軟件	專利	客戶資源	合計
		Trademarks	Computer software	Patent	Client Resources	Total
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
非流動資產	Non-current assets	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
於2018年1月1日	At 1 January 2018					
成本	Cost	800	105,851	–	–	106,651
累計攤銷	Accumulated amortisation	(800)	(46,348)	–	–	(47,148)
賬面淨值	Net book amount	–	59,503	–	–	59,503
截至2018年12月31日止年度	Year ended 31 December 2018					
期初賬面淨值	Opening net book amount	–	59,503	–	–	59,503
收購子公司	Acquisition of subsidiaries	270,000	11,836	180,000	39,619	501,455
添置	Additions	–	23,234	–	–	23,234
出售	Disposals	–	(74)	–	–	(74)
攤銷費用	Amortisation charge	(13,500)	(20,528)	(9,000)	(1,981)	(45,009)
期末賬面淨值	Closing net book amount	256,500	73,971	171,000	37,638	539,109
於2018年12月31日	At 31 December 2018					
成本	Cost	270,800	147,149	180,000	39,619	637,568
累計攤銷	Accumulated amortisation	(14,300)	(73,178)	(9,000)	(1,981)	(98,459)
賬面淨值	Net book amount	256,500	73,971	171,000	37,638	539,109
於2017年1月1日	At 1 January 2017					
成本	Cost	800	67,968	–	–	68,768
累計攤銷	Accumulated amortisation	(800)	(30,744)	–	–	(31,544)
賬面淨值	Net book amount	–	37,224	–	–	37,224
截至2017年12月31日止年度	Year ended 31 December 2017					
期初賬面淨值	Opening net book amount	–	37,224	–	–	37,224
收購子公司	Acquisition of subsidiaries	–	21,419	–	–	21,419
添置	Additions	–	16,466	–	–	16,466
出售	Disposals	–	(2)	–	–	(2)
攤銷費用	Amortisation charge	–	(15,604)	–	–	(15,604)
期末賬面淨值	Closing net book amount	–	59,503	–	–	59,503
於2017年12月31日	At 31 December 2017					
成本	Cost	800	105,851	–	–	106,651
累計攤銷	Accumulated amortisation	(800)	(46,348)	–	–	(47,148)
賬面淨值	Net book amount	–	59,503	–	–	59,503

截至2018年及2017年12月31日止年度，本集團無形資產的攤銷費用已悉數計入行政開支。

The Group's amortisation charges of intangible assets have all been included in administrative expenses for the years ended 31 December 2018 and 2017.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

9 於聯營公司的投資

9 INVESTMENTS IN ASSOCIATES

		截至12月31日止年度 Year ended 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
期初結餘	Opening balance	1,953,166	521,623
採納香港財務報告準則第15號之 調整(扣除稅項)(附註2.2)	Adjustment on adoption of HKFRS 15, net of tax (Note 2.2)	1,027	–
年初(於採納香港財務報告準則 第15號後)	At beginning of year, after the adoption of HKFRS 15	1,954,193	521,623
添置	Additions	2,523,176	724,484
收購子公司	Acquisition of subsidiaries	890,525	–
合營企業轉為聯營公司	Change from joint ventures to associates	614,800	429,151
聯營公司轉為子公司(附註36)	Change from associates to subsidiaries (Note 36)	(369)	–
分佔聯營公司股本溢價	Share of capital premium of an associate	(3,088)	11,277
應佔業績	Share of results	990,068	266,631
股息	Dividend	(129,156)	–
年末結餘	Ending balance	6,840,149	1,953,166

本集團所有聯營公司均為私營公司，其股權並無市場報價。

All of the Group's associates are private companies and there are no quoted market prices available for such equity interests.

本集團對其於聯營公司的投資承擔於附註38呈列，而本集團為若干聯營公司就彼等的借款提供擔保(附註40)。

The Group's commitments to its investments in associates are presented in Note 38 and the Group provided guarantees for certain associates on their borrowings (Note 40).

於截至2018年與2017年12月31日止年度，本集團概無任何個別而言屬重大的聯營公司。

For the years ended 31 December 2018 and 2017, no associate is considered to be material to the Group individually.

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9 於聯營公司的投資 (續)

下表概述本集團聯營公司之財務資料。

9 INVESTMENTS IN ASSOCIATES (Cont'd)

The following table summarizes financial information of the Group's associates.

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
單獨非重大聯營公司賬面總值	Aggregate carrying amount of individually immaterial associates	6,840,149	1,953,166
本集團應佔以下總額：	Aggregate amounts of the Group's share of:		
持續經營業務的利潤	Profit from continuing operations	990,068	266,631
全面收益總額	Total comprehensive income	990,068	266,631

10 於合營企業的投資

10 INVESTMENTS IN JOINT VENTURES

		截至12月31日止年度 Year ended 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
期初結餘	Opening balance	11,966,336	4,348,312
採納香港財務報告準則第15號之調整 (扣除稅項) (附註2.2)	Adjustment on adoption of HKFRS 15, net of tax (Note 2.2)	26,637	—
年初 (於採納香港財務報告準則第15號後)	At beginning of year, after the adoption of HKFRS 15	11,992,973	4,348,312
添置	Additions	1,604,255	9,360,647
轉換自子公司	Converted from subsidiaries	1,132,308	—
於合營企業的資本減少*	Capital reduction in joint ventures*	(676,638)	—
應佔業績	Share of results	559,380	(10,597)
合營企業轉為聯營公司	Change from joint ventures to associates	(614,800)	(429,151)
合營企業轉為子公司 (附註36)	Change from joint ventures to subsidiaries (Note 36)	(1,364,428)	(1,302,875)
年末結餘	Ending balance	12,633,050	11,966,336

* 包括以結付貿易及其他應付款項人民幣500,000,000元之形式的資本減少。

* Including capital reduction in the form of settlement of trade and other payables of RMB500,000,000.

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10 於合營企業的投資 (續)

所有本集團的合營企業均為私營公司，其權益並無市場報價。

本集團對其於合營企業的權益承擔於附註38呈列，而本集團亦為若干合營企業之借款提供擔保(附註40)。

於截至2018年12月31日止年度，本集團概無任何個別而言屬重大的合營企業。

於截至2017年12月31日止年度，單獨重大合營企業如下：

10 INVESTMENTS IN JOINT VENTURES (Cont'd)

All of the Group's joint ventures are private companies and here are no quoted market prices available for such equity interests.

The commitments relating to the Group's interests in joint ventures are presented in Note 38 and the Group provided guarantees for certain joint ventures on their borrowings (Note 40).

For the year ended 31 December 2018, no joint ventures is considered to be material to the Group individually.

For the year ended 31 December 2017, individually material joint venture is as follow:

資產負債表概要		Summarised balance sheet	上海佳朋 Shanghai Jiapeng 於12月31日 As at 31 December 2017年 2017 人民幣千元 RMB'000
流動資產	Current assets		
現金及現金等價物	Cash and cash equivalents	21,223	
其他流動資產	Other current assets	4,871,853	
流動資產總額	Total current assets	4,893,076	
非流動資產	Non-current assets	1,135	
流動負債	Current liabilities		
金融負債(不包括貿易應付款項)	Financial liabilities (excluding trade payables)	–	
其他流動負債	Other current liabilities	(330,458)	
流動負債總額	Total current liabilities	(330,458)	
非流動負債	Non-current liabilities		
金融負債(不包括貿易應付款項)	Financial liabilities (excluding trade payables)	(1,960,000)	
其他非流動負債	Other non-current liabilities	–	
非流動負債總額	Total non-current liabilities	(1,960,000)	
淨資產	Net assets	2,603,753	

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10 於合營企業的投資 (續)

10 INVESTMENTS IN JOINT VENTURES (Cont'd)

		上海佳朋 Shanghai Jiapeng 於12月31日 As at 31 December 2017年 2017 人民幣千元 RMB'000
資產負債表概要	Summarised balance sheet	
對賬至賬面值：	Reconciliation to carrying amounts:	
於1月1日的年初淨資產	Opening net assets 1 January	101,253
期內虧損	Loss for the period	(1,736)
注資	Capital Injection	2,504,236
其他全面收益	Other comprehensive income	—
已付股息	Dividends paid	—
年末淨資產	Closing net assets	2,603,753
本集團所佔比例 (以百分比列示)	Group's share in %	51%
本集團所佔比例 (以人民幣列示)	Group's share in RMB	1,327,914
商譽	Goodwill	—
賬面值	Carrying amount	1,327,914
		截至12月31日 止年度 Year ended 31 December 2017年 2017 人民幣千元 RMB'000
收入	Revenue	—
利息收入	Interest income	11,753
折舊及攤銷	Depreciation and amortisation	(240)
所得稅開支	Income tax expense	579
持續經營業務的利潤／(虧損)	Profit/(loss) from continuing operations	(1,736)
已終止經營業務的利潤	Profit from discontinued operations	—
年內利潤／(虧損)	Profit/(loss) for the year	(1,736)
其他全面收益	Other comprehensive income	—
其他全面收益總額	Total comprehensive income	(1,736)
自聯營公司及合營企業實體 收取的股息	Dividends received from associates and joint venture entities	—

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10 於合營企業的投資 (續)

下表概述本集團單獨非重大合營企業之財務資料。

10 INVESTMENTS IN JOINT VENTURES (Cont'd)

The following table summarizes financial information of the Group's individually immaterial joint ventures.

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
單獨非重大合營企業賬面總值	Aggregate carrying amount of individually immaterial joint ventures	12,633,050	10,638,422
本集團應佔以下總額：	Aggregate amounts of the Group's share of:		
持續經營業務的利潤	Profit/(loss) from continuing operations	559,380	(8,861)
全面收益總額	Total comprehensive income	559,380	(8,861)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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11 按類別劃分之金融工具

本集團持有下列金融工具：

11 FINANCIAL INSTRUMENTS BY CATEGORY

The group holds the following financial instruments:

		於12月31日 As at 31 December	
		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
金融資產	Financial assets		
按攤銷成本計量之資產	Assets at amortised cost		
貿易及其他應收款項 (附註18)	Trade and other receivables (Note 18)	46,836,448	29,321,036
按攤銷成本計量之金融資產 (附註13)	Financial assets at amortised cost (Note 13)	954,736	–
現金及現金等價物 (附註20)	Cash and cash equivalents (Note 20)	41,213,881	20,542,676
受限制現金 (附註20)	Restricted cash (Note 20)	6,441,945	4,105,100
可供出售金融資產 (附註2.2)	Available-for-sale financial assets (Note 2.2)	–	1,099,526
以公允價值計量且其變動計入 當期損益的金融資產 (附註12)	Financial assets at fair value through profit or loss (Note 12)	1,032,194	–
衍生金融工具 (附註14)	Derivative financial instruments (Note 14)	151,475	162,539
		96,630,679	55,230,877

		於12月31日 As at 31 December	
		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
金融負債	Financial liabilities		
按攤銷成本計量之負債	Liabilities at amortised cost		
貿易及其他應付款項	Trade and other payables	72,684,048	54,538,176
借款	Borrowings	81,503,163	49,381,212
以公允價值計量且其變動計入 當期損益的金融負債 (附註27)	Financial liabilities at fair value through profit or loss (Note 27)	2,069,576	–
衍生金融工具 (附註14)	Derivative financial instruments (Note 14)	12,478	–
應付股息	Dividends payables	18,058	124
		156,287,323	103,919,512

本集團面臨的與金融工具有關的不同風險於附註3討論。於報告期末面臨的最大信貸風險乃上述各類金融資產的賬面值。

The group's exposure to various risks associated with the financial instruments is discussed in Note 3. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets mentioned above.

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12	以公允價值計量且其變動計入當期損益的金融資產	12	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS
(i)	以公允價值計量且其變動計入當期損益的金融資產之分類	(i)	Classification of financial assets at fair value through profit or loss

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
非流動資產	Non-current assets	1,032,194	–

(ii)	於損益中確認的金額	(ii)	Amounts recognised in profit or loss
年內，以下收益／(虧損) 於損益確認：		During the year, the following gains/(losses) were recognised in profit or loss:	

		截至12月31日止年度 Year ended 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
以公允價值計量且其變動計入當期損益的金融工具公允價值 (虧損)／收益	Fair value (losses)/gains on financial instruments at fair value through profit or loss	(235,790)	1,360

(iii)	風險及公允價值計量	(iii)	Risk exposure and fair value measurements
有關本集團面臨的價格風險的資料載於附註3。有關釐定公允價值所採用的方法及假設的資料，請參閱附註3。		Information about the Group's exposure to price risk is provided in Note 3. For information about the methods and assumptions used in determining fair value please refer to Note 3.	

(iv)	過往會計處理：以公允價值計量且其變動計入當期損益的金融資產之分類	(iv)	Previous accounting policy: Classification of financial assets at fair value through profit or loss
於2017年，倘收購金融資產主要旨在於短期內出售（即持作買賣的金融資產），本集團即歸類該等資產為本集團以公允價值計量且其變動計入當期損益的金融資產。倘該等資產預期於報告期末起12個月內結算，則分類為流動資產，否則一概分類為非流動資產。本集團並無選擇指定任何以公允價值計量且其變動計入當期損益的金融資產。有關本集團金融資產的會計政策，請參閱附註2.15。		In 2017, the Group classified financial assets at fair value through profit or loss if they were acquired principally for the purpose of selling in the short term, ie are held for trading. They were presented as current assets if they are expected to be sold within 12 months after the end of the reporting period; otherwise they were presented as non-current assets. The group did not elect to designate any financial assets at fair value through profit or loss. See Note 2.15 for the Group's accounting policies for financial assets.	

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13 按攤銷成本計量之金融資產

(i) 按攤銷成本計量之金融資產分類

13 FINANCIAL ASSETS AT AMORTISED COSTS

(i) Classification of financial assets at amortised costs

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
非流動資產	Non-current assets	734,735	–
流動資產	Current assets	220,001	–
		954,736	–

(ii) 減值及風險

附註3.1.2載列有關金融資產減值及本集團面臨的信貸風險的資料。

(ii) Impairment and risk exposure

Note 3.1.2 sets out information about the impairment of financial assets and the Group's exposure to credit risk.

(iii) 按攤銷成本計量之金融資產公允價值

於2018年12月31日，按攤銷成本計量的金融資產的公允價值與其賬面值相若。

(iii) Fair value of financial assets at amortised costs

As at 31 December 2018, the fair value of financial assets at amortised costs approximate their carrying amounts.

14 衍生金融工具

14 DERIVATIVE FINANCIAL INSTRUMENTS

		截至12月31日止年度 Year ended 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
資產	Assets		
－ 衍生金融工具(a)	－ Derivative financial instruments (a)	151,475	162,539
－ 減：非即期部分	－ Less: Non-current portion	–	(162,539)
即期部分	Current portion	151,475	–
負債	Liabilities		
－ 衍生金融工具(b)	－ Derivative financial instruments (b)	12,478	–
－ 減：非即期部分	－ Less: Non-current portion	–	–
即期部分	Current portion	12,478	–

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14 衍生金融工具 (續)

- (a) 就於2016年出售子公司上海迪裕商業經營管理有限公司而言，本集團獲得上海迪裕商業經營管理有限公司股份的認購期權，總代價為人民幣150,000,000元，須於2016年、2017年及2018年分別支付人民幣60,000,000元、人民幣50,000,000元及人民幣40,000,000元。截至2018年12月31日，本集團已支付人民幣150,000,000元。同時，本集團有權在支付人民幣30,000,000元後，即第三年末，將該贖回權利展期一年；也有權在支付人民幣20,000,000元後，即第四年末，再將該贖回權利展期一年。

認購期權於2018年12月31日的公允價值估計為人民幣139,175,000元。

- (b) 於2018年，本集團購買了面額為1億美元（相當於人民幣6.85億元）的外幣遠期合約。於2018年12月31日，遠期合約的公允價值虧損估計為人民幣7,851,000元。

15 土地使用權

該結餘主要指未來取得必要批文將該地塊重新劃為商業用途後將用於在建銷售物業的土地使用權、經營性酒店的土地使用權及經營性醫院／養老院的土地使用權。於2018年12月31日，並無抵押任何土地使用權作為本集團借款的抵押品（2017年：並無抵押任何土地使用權作為本集團借款的抵押品）（附註24）。

攤銷費用為人民幣1,643,000元（2017年：人民幣444,000元）已於銷售成本內列支。

14 DERIVATIVE FINANCIAL INSTRUMENTS (Cont'd)

- (a) Associated with the disposal of a subsidiary Shanghai Diyu Business Management Co., Ltd. in 2016, the Group acquired a call option on the shares of Shanghai Diyu Business Management Co., Ltd. at a total consideration of RMB150,000,000, which are payable in 2016, 2017 and 2018 with the amount of RMB60,000,000, RMB50,000,000 and RMB40,000,000 respectively. The Group had paid RMB150,000,000 as of 31 December 2018. The Group also has the rights to extend the call option for one year by the end of the third year after making a payment of RMB30,000,000 and another one year by the end of the fourth year after making a further payment of RMB20,000,000.

Fair value of the call option was estimated to be RMB139,175,000 as at 31 December 2018.

- (b) The Group bought a foreign currency forward contract with nominal amount of USD100 million (equivalent to RMB685 million) in 2018. Fair value loss of the forward contract was estimated to RMB7,851,000 as at 31 December 2018.

15 LAND USE RIGHTS

The balance represents mainly land use rights to be used for development of properties for sale in the future upon obtaining the necessary approval to re-zone the site for commercial use, land use rights for an operational hotel and land use rights for an operational hospital/nursing house. As at 31 December 2018, no land use rights was pledged as a collateral for the Group's borrowings (2017: no land use rights was pledged as a collateral for the Group's borrowings) (Note 24).

The amortisation charges of RMB1,643,000 (2017: RMB444,000) have been included in cost of sales.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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16 租賃土地預付款項

本集團於2018年12月31日預付人民幣13,610,385,000元用於購買租賃土地(2017年：人民幣9,808,432,000元)。

16 PREPAYMENTS FOR LEASEHOLD LAND

The Group made prepayments of RMB13,610,385,000 for the acquisition of leasehold land as at 31 December 2018 (2017: RMB9,808,432,000).

17 完工待售或在建銷售物業

17 PROPERTIES HELD OR UNDER DEVELOPMENT FOR SALE

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
將予開發的租賃土地	Leasehold land to be developed	11,186,933	19,640,167
在建銷售物業	Properties under development for sale	130,296,605	51,327,435
完工待售物業	Properties held for sale	4,510,903	5,653,421
		145,994,441	76,621,023
減：減值虧損撥備	Less: Provision for impairment loss	(397,871)	(224,387)
		145,596,570	76,396,636

完工待售或在建銷售物業均位於中國。

The properties held or under development for sale are all located in the PRC.

截至2018年12月31日止年度，於在建銷售物業及完工待售物業中資本化的融資成本約為人民幣8,475,691,000元(2017年：人民幣1,403,777,000元)，包括借款利息及可換股債券人民幣3,115,354,000元(2017年：人民幣1,403,777,000元)以及合約負債的融資成分人民幣5,360,337,000元。

Financing costs capitalised in properties under development for sale and held for sale for the year ended 31 December 2018 were approximately RMB8,475,691,000 (2017: RMB1,403,777,000), including interest on borrowings and convertible bonds of RMB3,115,354,000 (2017: RMB1,403,777,000) and financing component of contract liabilities of RMB5,360,337,000.

截至2018年12月31日止年度，借款資本化率為6.09%(2017年：5.44%)。

The capitalisation rate of borrowings was 6.09% for the year ended 31 December 2018 (2017: 5.44%).

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17 完工待售或在建銷售物業 (續)

於2018年及2017年12月31日，本集團以下在建銷售物業和完工待售物業已抵押作本集團借款的抵押品（附註24）。

17 PROPERTIES HELD OR UNDER DEVELOPMENT FOR SALE (Cont'd)

As at 31 December 2018 and 2017, the Group's following properties under development for sale and properties held for sale were pledged as collateral for the Group's borrowings (Note 24).

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
已抵押的賬面值：	Carrying value pledged:		
在建銷售物業	Properties under development for sale	44,599,681	26,677,474
完工待售物業	Properties held for sale	—	—

截至2018年12月31日止年度，確認為開支及計入銷售成本的完工待售物業成本為人民幣32,799,201,000元（2017年：人民幣25,356,428,000元），連帶撥回的減值撥備人民幣89,882,000元（2017年：撥回人民幣82,412,000元）已貸記入銷售成本。

For the year ended 31 December 2018, the cost of properties held for sale recognised as expense and included in cost of sales amounted to RMB32,799,201,000 (2017: RMB25,356,428,000), accompanying by a reversal of provision for impairment of RMB89,882,000 (2017: reversal of RMB82,412,000) credited to cost of sales.

於2018年12月31日，總賬面值為人民幣51,417,355,000元（2017年：人民幣22,132,157,000元）的在建銷售物業與不預期於一年內竣工的物業項目相關，儘管可能會預售若干此等物業。所有將予開發的租賃土地都不會於一年內完工。完工待售或在建銷售物業的其他結餘預計可於一年內變賣。

As at 31 December 2018, properties under development for sale with a total carrying amount of RMB51,417,355,000 (2017: RMB22,132,157,000) were related to property projects which were not scheduled to complete within one year although pre-sales of some of these properties may occur. All the leasehold land to be developed were not scheduled to complete within one year. The other balances in properties held or under development for sale were expected to be recovered within one year.

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18 貿易及其他應收款項以及預付款項

18 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
貿易應收賬款	Trade accounts receivables	309,362	116,677
應收票據	Notes receivables	89,605	4,000
貿易應收款項總額	Total trade receivables	398,967	120,677
減：減值虧損	Less: Impairment losses	(3,094)	–
貿易應收款項－淨額	Trade receivables – net	395,873	120,677
預付款項	Prepayments		
－ 預付所得稅及土地增值稅(a)	– Prepaid income tax and land appreciate tax (a)	5,145,787	2,219,597
－ 預付增值稅及將予扣除之進項增值稅(b)	– Prepaid value-added tax and input VAT to be deducted (b)	6,197,867	2,160,103
－ 預付附加費及其他稅項(c)	– Prepaid surcharges and other taxes (c)	344,843	186,055
－ 預付建設成本	– Prepayments for construction costs	560,693	497,393
－ 其他	– Others	723,146	432,066
		12,972,336	5,495,214
應收政府款項	Receivables from government related bodies		
－ 城中村改造的誠意金	– Earnest money for reconstructing villages	2,300,000	2,000,000
－ 投標保證金	– Tender deposits	345,000	–
－ 交由政府指定機構託管的預收客戶款項	– Advanced proceeds received from customers deposited with a government designated entity	187,759	36,211
－ 政府發行之購屋者票據	– Government issued coupon for house buyers	294,478	250,382
－ 於住房公積金中心的按金	– Deposits with public housing fund centres	140,923	136,940
－ 物業維護保證金	– Deposits with property maintenance	183,340	171,607
－ 其他	– Others	1,557,689	577,459
		5,009,189	3,172,599
減：減值虧損	Less: Impairment losses	(5,009)	–
		5,004,180	3,172,599
應收關連方款項(附註40)	Due from related parties (Note 40)	24,350,112	16,019,760
減：減值虧損	Less: Impairment losses	(243,501)	–
		24,106,611	16,019,760
應收合營企業夥伴款項(d)	Receivables from joint venture partners (d)	5,636,983	3,788,658
應收子公司非控股股東款項(d)	Receivables from non-controlling shareholders of subsidiaries (d)	9,983,992	2,737,549
		15,620,975	6,526,207
減：減值虧損	Less: Impairment losses	(156,210)	–
		15,464,765	6,526,207

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18 貿易及其他應收款項以及預付款項 (續) 18 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Cont'd)

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
應收其他款項(d)	Receivables from others (d)		
— 向被投資公司借款	— Lending to an investee	390,485	339,081
— 其他按金	— Other deposits	121,901	114,077
— 收購子公司所付按金	— Deposits for acquisition of subsidiaries	—	1,055,097
— 應收銀行貸款權利	— Bank loans receivables rights	—	1,355,781
— 其他	— Others	944,819	617,757
		1,457,205	3,481,793
減：特定項目之減值虧損	Less: Impairment losses for a particular item	(16,620)	(16,620)
		1,440,585	3,465,173
減：減值虧損	Less: Impairment losses	(14,406)	—
		1,426,179	3,465,173
貿易及其他應收款項及預付款項總額	Total trade and other receivables and prepayments	59,808,784	34,816,250
減：減值虧損總額	Less: Total impairment losses	(438,840)	(16,620)
		59,369,944	34,799,630
減：非即期部分	Less: Non-current portion	(463,427)	(727,710)
即期部分	Current portion	58,906,517	34,071,920

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度 FOR THE YEAR ENDED 31 DECEMBER 2018

18 貿易及其他應收款項以及預付款項 (續)

貿易應收款項主要來自物業銷售、投資物業租賃及其他服務業務。物業銷售的所得款項一般於簽訂有關買賣協議後三個月內收取，而物業租賃的租金一般預先收取。尚處於開發階段的其他服務業務的客戶一般被給予30天至90天的信貸期。

(a) 於本集團收取客戶暫借款時土地增值稅暫按地稅局規定的稅率徵收，在確認有關收入之前按預付增值稅記賬。此外，計算應課稅收入時所收取客戶暫借款的5%至15%視作利潤加至會計收入預付所得稅按預付款項記賬。

(b) 自2016年5月1日起，本集團銷售物業須繳納增值稅（「增值稅」）。按照通用增值稅辦法，本集團須就增值金額繳納11%的增值稅（自2018年5月1日至2018年12月31日為10%）。但符合資格的舊建設項目，即於2016年4月30日或之前開工的項目可選擇簡單的增值稅辦法，按銷售額的5%計徵，而不扣除進項增值稅。本集團在收取客戶暫借款時按3%或5%預付增值稅，且確認有關收入之前，該等付款按預付增值稅記賬。進項增值稅主要來自開發成本，並可按照通用增值稅辦法與銷項增值稅抵銷。

18 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Cont'd)

Trade receivables are mainly arisen from sales of properties, leases of investment properties and other services businesses. Proceeds in respect of properties sold are normally received within three months after signing of related sales and purchase agreements, and rentals in respect of leased properties are generally received in advance. Customers of other services businesses are generally granted a credit term of 30 days to 90 days.

(a) Land appreciation tax is provisionally levied based on rates required by the local tax bureaus when the Group receives advances from customers, which are recorded as prepayments before the relevant revenue is recognised. In addition, a deemed profit of 5% to 15% of advances received from the customers is added to the accounting income when calculating taxable income and the prepaid income tax is similarly recorded as prepayments.

(b) Effective from 1 May 2016, the Group's sale of properties are subject to value-added tax ("VAT"). Under general VAT method, the Group is subject to 11% (10% from 1 May 2018 to 31 December 2018) VAT on value added amount. Qualified old construction projects, which are those with construction commenced on or before 30 April 2016, however, has an alternative to elect a simplified VAT method, which is 5% on sales with no deduction of input VAT. The Group prepays VAT at 3% or 5% when receiving advances from customers and such payment is recorded as prepaid VAT before the relevant revenue is recognised. Input VAT arises mainly from development costs and can be offset against the output VAT under general VAT method.

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18 貿易及其他應收款項以及預付款項 (續)

(c) 於2016年5月1日之前，本集團銷售物業須繳納營業稅，於本集團收取客戶暫借款時按5%徵收。在確認有關收入之前所支付的稅款連同有關附加費按預付營業稅及附加費記賬。

(d) 該等應收款項為無抵押、免息及無固定還款期限。

貿易應收款項及應收票據於2018年及2017年12月31日的賬齡如下：

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
一年內	Less than 1 year	367,084	120,677
一年至兩年	Between 1 and 2 years	31,883	—
		398,967	120,677

於2018年及2017年12月31日承受的最大信貸風險是上述各類應收款項的賬面值。本集團並無持有任何抵押品。

於2018年及2017年12月31日，貿易及其他應收款項的公允價值與其賬面值相若。

於2018年及2017年12月31日，貿易及其他應收款項及預付款項的賬面值主要以人民幣計值。

有關貿易及其他應收款項減值以及本集團面臨的信貸風險，請參閱附註3.1.2。

18 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Cont'd)

(c) Prior to 1 May 2016, the Group's sale of properties are subject to business tax, which is levied at 5% when the Group receives advances from customers. Such payment of taxes, together with the relevant surcharges are recorded as prepaid business tax and surcharges before the relevant revenue is recognised.

(d) Such receivables are unsecured, non-interest bearing and have no fixed repayment terms.

The ageing of trade receivables and notes receivable as at 31 December 2018 and 2017 are as follows:

The maximum exposure to credit risk at 31 December 2018 and 2017 is the carrying value of each class of receivables mentioned above. The Group does not hold any collateral security.

As at 31 December 2018 and 2017, the fair value of trade and other receivables approximate their carrying amounts.

As at 31 December 2018 and 2017, the carrying amounts of trade and other receivables and prepayments are primarily denominated in RMB.

Please refer to Note 3.1.2 for the impairment of trade and other receivables and the Group's exposure to credit risk.

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19 子公司

於2018年及2017年12月31日，本集團子公司及子公司就借款予以抵押的股份詳情載於附註44。

(a) 重大限制

現金及短期存款人民幣47,039,283,000元（2017年：人民幣24,284,314,000元）乃由中國內地子公司所持有，並受當地匯兌控制規例所規限。該等當地匯兌控制規例訂明對國家輸出資金（並非透過正常股息）的限制。

(b) 重大非控股權益

於2018年12月31日的非控股權益總額為人民幣26,568,692,000元（2017年：人民幣11,851,538,000元），其中人民幣26,238,133,000元（2017年：人民幣11,673,043,000元）屬於A股公司新城控股。

持有屬重大的非控股權益的子公司財務資料概要

以下載列持有對本集團屬重大的非控股權益的新城控股財務資料概要。

19 SUBSIDIARIES

Particulars of the subsidiaries of the Group as at 31 December 2018 and 2017 and shares of subsidiaries pledged for the Group's borrowings are set out in Note 44.

(a) Significant restrictions

Cash and short-term deposits of RMB47,039,283,000 (2017: RMB24,284,314,000) are held by subsidiaries in Mainland China and are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the country, other than through normal dividends.

(b) Material non-controlling interests

The total non-controlling interests as at 31 December 2018 was RMB26,568,692,000 (2017: RMB11,851,538,000), among which RMB26,238,133,000 (2017: RMB11,673,043,000) was for Seazen Holdings, the A share company.

Summarised financial information on subsidiaries with material non-controlling interests

Set out below are the summarised financial information for Seazen Holdings, which has non-controlling interests that are material to the Group.

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19 子公司 (續)

(b) 重大非控股權益 (續)

財務狀況表概要

19 SUBSIDIARIES (Cont'd)

(b) Material non-controlling interests (Cont'd)

Summarised statement of financial position

		新城控股 Seazen Holdings 2018年 2018 人民幣千元 RMB'000	新城控股 Seazen Holdings 2017年 2017 人民幣千元 RMB'000
流動	Current		
資產	Assets	264,227,114	141,653,266
負債	Liabilities	(225,495,518)	(130,476,343)
總流動資產淨值	Total current net assets	38,731,596	11,176,923
非流動	Non-current		
資產	Assets	66,091,304	41,873,395
負債	Liabilities	(53,866,026)	(27,068,544)
總非流動資產淨值	Total non-current net assets	12,225,278	14,804,851
資產淨值	Net assets	50,956,874	25,981,774
下列各方應佔資產淨值	Net assets attributable to		
— 新城控股權益持有人	— Equity holders of Seazen Holdings	30,493,299	20,673,563
— 非控股權益*	— Non-controlling interests*	20,463,575	5,358,211
		50,956,874	25,981,774

* 新城控股的非控股權益包括本集團所控制的新城控股同系子公司人民幣4,480,071,000元

* Non-controlling interest of Seazen Holdings included RMB4,480,071,000 from fellow subsidiaries of Seazen Holdings controlled by the Group.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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19 子公司 (續)

(b) 重大非控股權益 (續)

全面收益表概要

19 SUBSIDIARIES (Cont'd)

(b) Material non-controlling interests (Cont'd)

Summarised statement of comprehensive income

		新城控股 Seazen Holdings 2018年 2018 人民幣千元 RMB'000	新城控股 Seazen Holdings 2017年 2017 人民幣千元 RMB'000
收入	Revenue	54,133,311	40,525,685
除投資物業公允價值收益或 虧損和所得稅開支前的利潤	Profit before fair value gains or losses on investment properties and income tax expense	15,809,530	9,936,639
投資物業公允價值收益	Fair value gains on investment properties	3,285,089	1,331,853
所得稅開支	Income tax expense	(6,528,895)	(4,691,145)
除稅後利潤	Post-tax profit	12,565,724	6,577,347
其他全面收益	Other comprehensive income	(302,551)	20,325
全面收益總額	Total comprehensive income	12,263,173	6,597,672
分配至非控股權益的 全面收益總額	Total comprehensive income allocated to non-controlling interests	5,704,362	2,223,795
向非控股權益支付股息	Dividends paid to non-controlling interests	643,763	219,293

以上財務資料乃就與本公司相同的報告期間並採用一致的會計政策編製。

The above financial information was prepared for the same reporting period as the Company, using consistent accounting policies.

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19 子公司 (續)

(b) 重大非控股權益 (續)

現金流量表概要

19 SUBSIDIARIES (Cont'd)

(b) Material non-controlling interests (Cont'd)

Summarised cash flows

		新城控股 Seazen Holdings 2018年 2018 人民幣千元 RMB'000	新城控股 Seazen Holdings 2017年 2017 人民幣千元 RMB'000
經營活動所得／(所用) 現金淨額	Net cash generated from/(used in) operating activities	3,816,995	(10,485,164)
投資活動 (所用)／所得現金淨額	Net cash (used in)/generated from investing activities	(20,012,975)	244,289
融資活動所得現金淨額	Net cash generated from financing activities	35,890,503	18,970,106
現金及現金等價物增加淨額	Net increase in cash and cash equivalents	19,694,523	8,729,231
年初的現金及現金等價物	Cash and cash equivalents at beginning of the year	20,280,892	11,550,320
現金及現金等價物的淨匯兌收益	Net exchange gain on cash and cash equivalents	33,314	1,341
年末的現金及現金等價物	Cash and cash equivalents at end of the year	40,008,729	20,280,892

上述資料為對銷集團內公司間交易前的金額。

The information above is the amount before intra-group transactions elimination.

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20 銀行及手頭現金

20 CASH AT BANK AND ON HAND

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
銀行及手頭現金	Cash at bank and on hand		
以人民幣計值	Denominated in RMB	46,300,640	24,157,325
以美元計值	Denominated in USD	1,167,594	290,608
以港元計值	Denominated in HKD	187,556	199,807
以英鎊計值	Denominated in GBP	36	36
		47,655,826	24,647,776

於2018年12月31日，本集團銀行存款的實際利率為1.27%（2017年：1.84%）。

The effective interest rate on the Group's bank deposits as at 31 December 2018 was 1.27% (2017: 1.84%).

本集團的現金及現金等價物釐定如下：

Cash and cash equivalents of the Group were determined as follows:

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
銀行及手頭現金	Cash at bank and on hand	47,655,826	24,647,776
減：受限制現金	Less: Restricted cash	(6,441,945)	(4,105,100)
		41,213,881	20,542,676

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20 銀行和手頭現金 (續)

本集團的受限制現金包括以下各項：

20 CASH AT BANK AND ON HAND (Cont'd)

Restricted cash of the Group comprised of the following:

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
已發行票據保證金	Margin deposits for notes issued	1,446,177	418,555
作為項目建設簽發保函的保證金	Deposits for letters of guarantee issued for project construction	3,476,472	959,456
購房者按揭貸款保證金(a)	Deposits as security for property purchasers' mortgage loans (a)	409,212	218,682
作為借款抵押的存款 (附註24)	Deposits pledged for borrowings (Note 24)	1,110,084	2,438,671
其他	Others	–	69,736
		6,441,945	4,105,100

(a) 這些受限制銀行存款用於確保本集團若干購房者根據若干城市的地方法規能取得銀行貸款。這些存款將於物業所有權證由政府部門發出給這些購房者並向按揭銀行提交時予以解除。

(a) These bank deposits are restricted to secure the bank loans taken by certain property purchasers of the Group pursuant to the local regulations of certain cities. Such deposits will be released upon the issue of the properties' ownership certificate by government authorities to these purchasers and submitted to the mortgage banks.

21 股本

(a) 法定股本

21 SHARE CAPITAL

(a) Authorised shares

		法定股本數目 Number of authorised shares 港元股份 HKD share
於2017年1月1日、2017年12月31日及 2018年12月31日	As at 1 January 2017, 31 December 2017, and 31 December 2018	10,000,000,000

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21 股本 (續)

(b) 已發行股份

21 SHARE CAPITAL (Cont'd)

(b) Issued shares

		已發行股份數目 Number of issued shares 每股0.001港元 HKD0.001 each	普通股 Ordinary shares 人民幣千元 RMB'000
於2018年1月1日之年初結餘	Opening balance as at 1 January 2018	5,658,000,000	4,609
發行新股份(i)	Issue of new share (i)	267,168,000	219
購回及註銷股份(ii)	Share buy back and cancellation (ii)	(18,168,000)	(15)
於2018年12月31日的結餘	Balance as at 31 December 2018	5,907,000,000	4,813

(i) 於2018年1月18日，本公司以配售價每股5.86港元（相等於約人民幣4.81元）發行267,168,000股普通股。所得款項總額1,565,604,000港元（相等於約人民幣1,283,952,000元）扣除相關發行開支18,866,000港元（相等於約人民幣15,472,000元）後，入賬列作股本增加267,000港元（相等於約人民幣219,000元）及股份溢價增加1,546,471,000港元（相等於約人民幣1,268,261,000元）。

(ii) 於截至2018年12月31日止年度內，本公司以代價145,309,000港元（相等於約人民幣124,425,000元）購回26,168,000股股份，其中以代價103,718,000港元（相等於約人民幣89,632,000元）購回的18,168,000股股份已於2018年12月31日被註銷，以及8,000,000股股份於2018年12月31日錄入儲備，隨後於2019年1月被註銷。

(i) On 18 January 2018, the Company issued 267,168,000 ordinary shares at a placing price of HKD5.86 (equals to RMB4.81 approximately) per share. Total proceeds of HKD1,565,604,000 (equivalent to RMB1,283,952,000 approximately), deducting relevant issue expenses of HKD18,866,000 (equivalent to RMB15,472,000 approximately), were recorded as increase of share capital of HKD267,000 (equivalent to RMB219,000 approximately) and increase of share premium of HKD1,546,471,000 (equivalent to RMB1,268,261,000 approximately).

(ii) During the year ended 31 December 2018, the Company bought back 26,168,000 shares at the cost of HKD145,309,000 (equivalent to RMB124,425,000 approximately), of which 18,168,000 shares bought back at the cost of HKD103,718,000 (equivalent to RMB89,632,000 approximately) had been cancelled as of 31 December 2018 and 8,000,000 shares were recorded in reserve as of 31 December 2018 and were subsequently cancelled in January 2019.

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22 以股份為基礎的支付

(a) 首次公開發售前股份獎勵計劃

根據2011年9月12日的決議案，本公司採納首次公開發售前股份獎勵計劃（「股份獎勵計劃」）。根據股份獎勵計劃，合共159,800,000股股份和21,250,000股股份分別發行和授予選定現任僱員（包括董事）和若干第三方。第三方包括前僱員和若干第三方公司。授予第三方的股份乃為認可其過往服務。

至於授予現任僱員（包括董事）的股份，在本公司於2012年12月31日前在香港聯合交易所有限公司主板上市及僱員於各歸屬期末仍在職的情況下，授出的股份可分別於2012年、2013年、2014年和2015年12月31日分四等份歸屬。

根據日期為2012年12月31日的股東決議案，根據首次公開發售前股份獎勵計劃獲獎勵股份的歸屬期由2012年至2015年止四年修訂為由2013年至2016年止四年。

於2012年12月31日，本公司修訂以股份支付的條件，延長本公司於2012年12月31日前於香港聯合交易所有限公司主板上市這項要求至2013年12月31日前。

根據股份獎勵計劃授出的股份於2011年9月15日（授出日期）的公允價值為人民幣119,766,309元，此價值根據資產基礎法釐定，且總體業績亦通過使用市場法反復審核。根據資產基礎法釐定各項資產／負債的價值須使用多種估值法／技術，如投資物業使用剩餘法估值，而非流通股則使用可資比較公司法估值，並以期權定價模式幫助釐定非流動性折扣。

22 SHARE-BASED PAYMENTS

(a) Pre-IPO share award scheme

Pursuant to a resolution dated 12 September 2011, the Company adopted a Pre-IPO share award scheme (the "Share Award Scheme"). Under the Share Award Scheme, a total number of 159,800,000 shares and 21,250,000 shares were issued and granted to selected current employees (including directors) and certain third parties, respectively. The third parties include former employees and certain third party companies. The shares granted to third parties are for recognition of their past services.

For shares granted to current employees (including directors), subject to the meeting of the criteria of the Company being listed on the Main Board of the Stock Exchange of Hong Kong Limited before 31 December 2012 and the employee being still on service at the end of each vesting period, the granted shares can be vested in four equal tranches on 31 December 2012, 2013, 2014 and 2015, respectively.

Pursuant to the resolutions of the Shareholders dated 31 December 2012, the vesting period of the Awarded Shares awarded under the Pre-IPO share award scheme was amended from four years from 2012 to 2015 to four years from 2013 to 2016.

On 31 December 2012, the Company modified the condition for the share-based payments by extending the criteria of the Company being listed on the Main Board of the Stock Exchange of Hong Kong Limited before 31 December 2012 to 31 December 2013.

The fair value of the shares granted under the Share Award Scheme as at 15 September 2011, the grant date, was RMB119,766,309, and was determined using the asset-based approach and the overall result was also cross-checked by using the market approach. Various valuation methods/techniques were applied to determine the value of each asset/liability under the asset-based approach, for example the investment properties were valued using the residual method while the non-tradable shares were valued using the comparable company method with option pricing model to help determine the illiquidity discount.

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22 以股份為基礎的支付 (續)

(a) 首次公開發售前股份獎勵計劃 (續)

首次公開發售前股份獎勵計劃已於2016年12月31日完成。截至2018年12月31日止年度，本集團就本公司授予現任僱員（包括董事）的股份確認人民幣0元（2017年：無）的費用。

(b) 限制性股份激勵計劃

於2016年10月17日，新城控股股東大會通過有條件採納受限制股票激勵計劃（「該計劃」）。根據該計劃，共42,000,000股新城控股A股股份將予發行及授予新城控股選定僱員（包括董事）（「參與者」）。倘全部受限制股份獲發行及解鎖，本公司於新城控股的控股將由68.27%逐漸減少至67.00%。

獲授受限制股份的參與者有權於授出日購買受限制股份，並於有關受限制股份的解鎖期間待解鎖後出售受限制股份，惟須待該計劃項下有關條件獲達成。

倘參與者為新城控股的董事或高級管理層成員，彼等每年出售的A股數目不得超過彼等在任職期間持有新城控股A股總數的25%，且不得於彼等離職後六個月內出售彼等持有的新城控股A股。

於2016年，新城控股根據首批授予按每股A股股份人民幣6.9元發行38,500,000股受限制股份，及錄得自參與者獲得款項人民幣265,650,000元，入賬列入其他應付款項（附註25）。

22 SHARE-BASED PAYMENTS (Cont'd)

(a) Pre-IPO share award scheme (Cont'd)

The pre-IPO share award scheme had been completed as of 31 December 2016. For the year ended 31 December 2018, there was nil (2017: Nil) expense recognised by the Group in relation to the share award by the Company to the current employees (including directors).

(b) Restricted share incentive scheme

On 17 October 2016, the general meeting of Seazen Holdings, conditionally adopted a restricted share incentive scheme (the "Scheme"). Under the Scheme, a total number of 42,000,000 A shares of Seazen Holdings were to be issued and granted to selected current employees (including directors) of Seazen Holdings (the "Participants"). The Company's shareholding in Seazen Holdings will be reduced gradually from 68.27% to 67.00% if all restricted shares are issued and unlocked.

Participants who are granted with the restricted shares were entitled to acquire the restricted shares on the grant day and sell the restricted shares after unlocking during the unlocking period of the relevant restricted shares, subject to the fulfilment of the relevant conditions under the Scheme.

If a participant is a director or a member of the senior management of Seazen Holdings, the number of A shares to be disposed of by them each year shall not exceed 25% of the total number of A shares of Seazen Holdings held by them during their tenure, and no A shares of Seazen Holdings held by them shall be disposed of within 6 months following the end of their employment.

Under the first tranche grant, Seazen Holdings issued 38,500,000 restricted shares at a price of RMB6.9 per A share in year 2016 and the amount of RMB265,650,000 received from the Participants is recorded as other payables (Note 25).

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22 以股份為基礎的支付 (續)

(b) 限制性股份激勵計劃 (續)

首批38,500,000股股份將分三次解鎖，詳情如下：

22 SHARE-BASED PAYMENTS (Cont'd)

(b) Restricted share incentive scheme (Cont'd)

The first tranche of 38,500,000 shares will be unlocked in three batches as follows:

解鎖安排	解鎖期	受限制股份數目的 解鎖比重 Proportion for unlocking to the number of the restricted shares
Unlocking arrangement	Unlocking period	
第一次解鎖	自首個授出日起滿12個月後的自首個交易日至授出日起滿24個月的最後一個交易日止	40%
First unlocking	Commencing from the first trading day upon the expiry of 12 months from the first grant day and ending on the last trading day within 24 months from the grant day	40%
第二次解鎖	自首個授出日起滿24個月後的自首個交易日至授出日起滿36個月的最後一個交易日止	30%
Second unlocking	Commencing from the first trading day upon the expiry of 24 months from the first grant day and ending on the last trading day within 36 months from the grant day	30%
第三次解鎖	自首個授出日起滿36個月後的自首個交易日至授出日起滿48個月的最後一個交易日止	30%
Third unlocking	Commencing from the first trading day upon the expiry of 36 months from the first grant day and ending on the last trading day within 48 months from the grant day	30%

新城控股將根據該計劃進行表現評估，而達致表現評估目標將為參與者的解鎖條件。

Seazen Holdings will conduct performance appraisals under the Scheme and reaching the performance appraisal targets shall be the unlocking conditions for the Participants.

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22 以股份為基礎的支付 (續)

(b) 限制性股份激勵計劃 (續)

各年度表現評估的具體目標載列如下：

解鎖期 Unlocking period

第一次解鎖
First unlocking

第二次解鎖
Second unlocking

第三次解鎖
Third unlocking

基於首批授出於2016年10月22日(即首個授出日)計量的公允價值人民幣402,322,000元及首批授出所得款項淨額為人民幣265,650,000元，差額人民幣136,672,000元構成以股份為基礎的付款成本總額，須於授出日起至首批授出各部份不同解鎖日止期間攤銷。倘參與者非新城控股的董事或高級管理層成員，首批受限制股份的公允價值即授出日的收市價。倘參與者為新城控股的董事或高級管理層成員，彼等須承受受限制股份可解鎖但不得轉讓的限制，因此造成一定限制成本，該成本採用布萊克－休斯模型(Black-Scholes model)計算。因此，首批受限制股份的公允價值為授出日的收市價減去董事及高級管理層成員轉讓限制的單位成本。

22 SHARE-BASED PAYMENTS (Cont'd)

(b) Restricted share incentive scheme (Cont'd)

The specific targets for the performance appraisal of each year are listed as follows:

新城控股表現評估目標 Performance appraisal target of Seazen Holdings

2016年歸屬於母公司股東的淨利潤達致人民幣25億元
Net profit attributable to shareholders of the parent company reaching RMB2.5 billion in 2016
2017年歸屬於母公司股東的淨利潤達致人民幣35億元
Net profit attributable to shareholders of the parent company reaching RMB3.5 billion in 2017
2018年歸屬於母公司股東的淨利潤達致人民幣50億元
Net profit attributable to shareholders of the parent company reaching RMB5.0 billion in 2018

Based on the fair value of RMB402,322,000 of the first tranche grant measured as of 22 October 2016 (the first grant date) and the net proceeds of RMB265,650,000 received from the first tranche grant, the difference of RMB136,672,000 would constitute aggregate share-based payment costs which are required to be amortised over the period from the grant day to the various unlocking dates for different portion of the first tranche grant. For Participants who are not directors or members of the senior management of Seazen Holdings, the fair value of the restricted shares in the first tranche is its closing price on the grant date. For directors and members of the senior management of Seazen Holdings, they shall be subject to the restriction that the restricted shares may be unlocked but not transferred, resulting in certain amount of restriction cost, which is calculated based on the Black-Scholes model. Thus, the fair value of the restricted shares in the first tranche is its closing price on the grant date excluding the unit cost of transfer restriction for directors and members of the senior management.

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22 以股份為基礎的支付 (續)

(b) 限制性股份激勵計劃 (續)

於2017年11月30日，首次授予的14,760,000股股份已達所有條件而解鎖。

因此，其他應付款項減少約人民幣97.0百萬元，同時，本集團的其他儲備及非控股權益則分別增加人民幣26.0百萬元及人民幣71.0百萬元。本公司於A股公司的持股自68.27%減少至67.81%。

於2018年12月8日，第二次授予的10,740,000股股份已達所有條件而解鎖。因此，其他應付款項減少約人民幣61.9百萬元，同時，其他儲備減少人民幣34.0百萬元，而本集團的非控股權益則增加人民幣95.9百萬元。本公司於A股公司的持股自67.81%減少至67.49%。

相關應付款項餘額因派付股息及於若干僱員離職後購回660,000股股份分別進一步減少人民幣17.9百萬元及人民幣3.8百萬元。

截至2018年12月31日止年度，本集團確認與該計劃有關的開支人民幣29,489,000元(2017年：人民幣77,852,000元)(附註32)。

22 SHARE-BASED PAYMENTS (Cont'd)

(b) Restricted share incentive scheme (Cont'd)

On 30 November 2017, 14,760,000 shares of the first tranche grant were unlock with all the conditions met.

Accordingly, other payable was reduced by approximately RMB97.0 million, while at the same time, other reserves and non-controlling interest of the Group was increased by RMB26.0 million and RMB71.0 million respectively. The Company's shareholding in the A Share Company was reduced from 68.27% to 67.81%.

On 8 December 2018, 10,740,000 shares of the second tranche grant were unlock with all the conditions met. Accordingly, other payable was reduced by approximately RMB61.9 million, while at the same time, other reserves was decreased by RMB34.0 million, and non-controlling interest of the Group was increased by RMB95.9 million. The Company's shareholding in the A Share Company was reduced from 67.81% to 67.49%.

The relevant payable balance further decreased approximately RMB17.9 million as a result of payment of dividend and approximately RMB3.8 million for the repurchase of 660,000 shares upon the resignation of certain employees.

For the year ended 31 December 2018, the Group recognised an expense of RMB29,489,000 (2017: RMB77,852,000) (Note 32) in relation to the Scheme.

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23 本公司權益持有人應佔的儲備及保留盈利

23 RESERVES AND RETAINED EARNINGS ATTRIBUTE TO EQUITY HOLDERS OF THE COMPANY

		股份溢價	其他儲備	其他股權 — 庫存股 Other equity- Treasury stock	保留盈利	合計
		Share premium	Other reserves		Retained earnings	Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
		(附註(a)) (Note (a))			(附註(b)) (Note (b))	
於2018年1月1日之結餘	Balance at 1 January 2018	546,640	52,586	—	12,177,171	12,776,397
會計政策變動	Change in accounting policies	—	(20,904)	—	147,053	126,149
於2018年1月1日之重列結餘	Restated balance at 1 January 2018	546,640	31,682	—	12,324,224	12,902,546
全面收益	Comprehensive income					
年度利潤	Profit for the year	—	—	—	6,761,004	6,761,004
其他全面收益	Other comprehensive income	—	(195,305)	—	—	(195,305)
年度全面收益總額	Total comprehensive income for the year	—	(195,305)	—	6,761,004	6,565,699
與擁有人進行的交易	Transactions with owners					
發行新股份	Issue of new shares	1,268,261	—	—	—	1,268,261
股份購回(附註21)	Share buy back (Note 21)	—	(89,617)	(34,793)	—	(124,410)
分佔聯營公司股本溢價	Share of capital premium of an associate	—	(3,088)	—	—	(3,088)
子公司之股份激勵計劃(附註22(b))	Share incentive scheme of a subsidiary (Note 22(b))	—	(33,987)	—	—	(33,987)
股息(附註35)	Dividends (Note 35)	(1,326,536)	—	—	—	(1,326,536)
子公司購回股份	Share buy back of a subsidiary	—	(101,207)	—	—	(101,207)
		(58,275)	(227,899)	(34,793)	—	(320,967)
於2018年12月31日之結餘	Balance at 31 December 2018	488,365	(391,522)	(34,793)	19,085,228	19,147,278
代表：	Representing:					
建議末期股息	Proposed final dividend	488,365	—	—	1,281,335	1,769,700
其他	Others	—	(391,522)	(34,793)	17,803,893	17,377,578
		488,365	(391,522)	(34,793)	19,085,228	19,147,278

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23 本公司權益持有人應佔的儲備及保留盈利 (續)

23 RESERVES AND RETAINED EARNINGS ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY (Cont'd)

		股份溢價 Share premium 人民幣千元 RMB'000 (附註(a)) (Note (a))	其他儲備 Other reserves 人民幣千元 RMB'000	保留盈利 Retained earnings 人民幣千元 RMB'000 (附註(b)) (Note (b))	合計 Total 人民幣千元 RMB'000
於2017年1月1日之結餘	Balance at 1 January 2017	829,540	17,728	8,383,173	9,230,441
全面收益	Comprehensive income				
年度利潤	Profit for the year	–	–	3,793,998	3,793,998
其他全面收益	Other comprehensive income	–	10,089	–	10,089
年度全面收益總額	Total comprehensive income for the year	–	10,089	3,793,998	3,804,087
與擁有人進行的交易	Transactions with owners				
分佔聯營公司股本溢價	Share of capital premium of an associate	–	11,277	–	11,277
子公司之股份激勵計劃 (附註22(b))	Share incentive scheme of a subsidiary (Note 22(b))	–	25,957	–	25,957
股息 (附註35)	Dividends (Note 35)	(282,900)	–	–	(282,900)
子公司所有者權益變動而控股權不變	Changes in ownership interests in subsidiaries without change of control	–	(12,465)	–	(12,465)
		(282,900)	24,769	–	(258,131)
於2017年12月31日的結餘	Balance at 31 December 2017	546,640	52,586	12,177,171	12,776,397
代表：	Representing:				
建議末期股息	Proposed final dividend	546,640	–	413,237	959,877
其他	Others	–	52,586	11,763,934	11,816,520
		546,640	52,586	12,177,171	12,776,397

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23 本公司權益持有人應佔的儲備及保留盈利 (續)

- (a) 於2012年11月29日，本公司就上市按每股1.45港元發行1,418,000,000股每股0.001港元的港元普通股，並籌得總額約2,056,100,000港元（相等於人民幣1,668,936,000元）的款項。所得款項超過發行1,418,000,000股港元普通股面值共為人民幣1,150,992元的金額為人民幣1,667,785,008元，扣除發行新股直接相關的費用共人民幣65,165,000元後為人民幣1,602,620,008元，此金額撥入股份溢價賬。
- (b) 根據開曼群島公司法（2003年修訂版）第34條及本公司的組織章程細則，如本公司具備償還能力且本公司組織章程細則有所規定，則可以本公司的股份溢價向股東作出分派。有關建議末期股息的詳情載列於附註35。

23 RESERVES AND RETAINED EARNINGS ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY (Cont'd)

- (a) On 29 November 2012, the Company issued 1,418,000,000 HKD ordinary shares of HKD0.001 each at HKD1.45 per share in connection with the Listing, and raised gross proceeds of approximately HKD2,056,100,000 (equivalent to RMB1,668,936,000). The excess of RMB1,667,785,008 over the par value of RMB1,150,992 for the 1,418,000,000 HKD ordinary shares issued, net of the relevant incremental costs of RMB65,165,000 directly contributable to the new shares issued, was credited to "share premium" with amount of RMB1,602,620,008.
- (b) Pursuant to Section 34 of the Cayman Companies Law (2003 Revision) and the articles of association of the Company, share premium of the Company is available for distribution to shareholders subject to a solvency test on the Company and the provision of the articles of association of the Company. Details of the proposed final dividend are set out in Note 35.

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24 借款

24 BORROWINGS

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
非即期、有抵押：	Non-current, secured:		
— 銀行貸款及非銀行金融機構	— Bank loans and non-bank financial institutions	30,360,065	19,701,362
— 信託融資安排	— Trust financing arrangements	3,576,239	3,116,452
— 優先票據	— Senior notes	4,408,200	2,261,099
— 擔保優先票據	— Guaranteed senior notes	8,067,678	1,281,435
— 資產支持票據	— Asset backed notes	2,100,000	2,100,000
		48,512,182	28,460,348
非即期、無抵押：	Non-current, unsecured:		
— 中期票據	— Middle term notes	6,500,000	4,500,000
— 私募票據	— Private placement notes	4,500,000	2,000,000
— 企業債券	— Corporate bonds	11,193,345	11,543,927
		22,193,345	18,043,927
減：長期借款的即期部分	Less: Current portion of long-term borrowings	(14,190,154)	(12,396,205)
		56,515,373	34,108,070
即期、有抵押：	Current, secured:		
— 銀行貸款	— Bank loans	1,339,067	1,041,937
— 信託融資安排	— Trust financing arrangements	2,212,060	—
— 擔保優先票據	— Guaranteed senior notes	2,058,022	—
— 證券化安排下的融資	— Financing under securitisation arrangements	1,811,800	—
		7,420,949	1,041,937
即期、無抵押：	Current, unsecured:		
— 銀行貸款	— Bank loans	136,687	—
— 企業債券	— Corporate bonds	840,000	1,085,000
— 短期商業票據	— Short-term Commercial Paper	2,400,000	—
— 信託融資安排	— Trust financing arrangement	—	750,000
		3,376,687	1,835,000
長期借款的即期部分	Current portion of long-term borrowings	14,190,154	12,396,205
		24,987,790	15,273,142

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24 借款 (續)

本集團之借款由具下列賬面淨值之資產抵押：

24 BORROWINGS (Cont'd)

The Group's borrowings were secured by assets with the following net book values :

		於12月31日 As at 31 December	
		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
物業、廠房及設備	Property, plant and equipment	955,527	989,856
投資物業	Investment properties	11,851,000	6,352,248
受限制現金	Restricted cash	1,110,084	2,438,671
完工待售或在建銷售物業	Property held or under development for sale	44,599,681	26,677,474

此外，本集團於2018年12月31日之借款人民幣9,902,020,000元（2017年：人民幣2,088,000,000元）由本公司擔保及由本集團於若干子公司之股權抵押（附註44）。

In addition, the Group's borrowings as at 31 December 2018 of RMB9,902,020,000 (2017: RMB2,088,000,000) were guaranteed by the Company and secured by the Group's equity interests in certain subsidiaries (Note 44).

於2018年及2017年12月31日，非流動借款的到期情況列示如下：

The maturity of the non-current borrowings as at 31 December 2018 and 2017 are as follows:

		於12月31日 As at 31 December	
		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
一年至兩年	Between 1 and 2 years	37,106,386	15,906,472
兩至五年	Between 2 and 5 years	19,352,737	18,120,348
五年以上	Over 5 years	56,250	81,250
		56,515,373	34,108,070

於2018年12月31日，本集團借款總額的加權平均實際利率為6.09%（2017年：5.28%）。

The weighted average effective rates for the Group's total borrowings was 6.09% as at 31 December 2018 (2017: 5.28%).

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24 借款 (續)

於2018年及2017年12月31日，非流動借款的賬面值及公允價值如下：

24 BORROWINGS (Cont'd)

The carrying amounts and fair value of non-current borrowings as at 31 December 2018 and 2017 are as follows:

		賬面值 Carrying amount 於12月31日 As at 31 December		公允價值 Fair value 於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000	2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
銀行貸款及 非銀行金融機構(c)	Bank loans and non-bank financial institutions (c)	22,832,405	13,973,081	22,832,405	13,973,081
信託融資安排(c)	Trust financing arrangements (c)	2,589,400	3,016,452	2,589,400	3,016,452
優先票據(a)	Senior notes (a)	4,408,200	2,261,099	4,408,200	2,276,450
擔保優先票據(a)	Guaranteed senior notes (a)	8,067,678	1,281,435	7,902,013	1,278,207
資產支持票據(a)	Asset backed notes (a)	2,100,000	2,100,000	2,116,111	2,075,256
中期票據(a)	Middle term notes (a)	6,500,000	4,500,000	6,474,510	4,421,995
私募票據(b)	Private placement notes (b)	4,500,000	2,000,000	4,478,168	2,004,400
企業債券(a)	Corporate bonds (a)	5,517,690	4,976,003	5,618,266	4,829,664
		56,515,373	34,108,070	56,419,073	33,875,505

(a) 該等票據／債券均於上海／新加坡證券交易所或銀行間債券市場上市，其公允價值乃按報價釐定並歸類於公允價值分層的第一層。

(b) 該票據／債券為私募票據／債券，其公允價值乃按折現現金流量釐定並歸類於公允價值分層的第二層。

(c) 銀行借款、信託融資安排及非銀行金融機構貸款的公允價值乃按折現現金流量釐定並歸類於公允價值分層的第二層。

(a) These notes/bonds are listed on Shanghai/Singapore Stock Exchange or interbank bond markets and the fair value are determined based on quoted price and are categorised within Level 1 of the fair value hierarchy.

(b) This note is private placements with fair value determined based on discounted cash flows and are categorised within Level 2 of the fair value hierarchy.

(c) Fair value of bank borrowings, trust financing arrangements and loans from non-bank financial institutions are based on discounted cash flows and are categorised within Level 2 of the fair value hierarchy.

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24 借款 (續)

本集團借款的利率變動風險及合同重新定價日或到期日 (以較早者為準) 如下：

24 BORROWINGS (Cont'd)

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates or maturity whichever is the earlier date is as follows:

		六個月 或以內 6 months or less 人民幣千元 RMB'000	六至 十二個月 6-12 months 人民幣千元 RMB'000	一至五年 1-5 years 人民幣千元 RMB'000	五年以上 Over 5 years 人民幣千元 RMB'000	合計 Total 人民幣千元 RMB'000
計入非流動負債的借款	Borrowings included in non-current liabilities					
於2018年12月31日	As at 31 December 2018	4,100,500	16,300,283	36,114,590	–	56,515,373
於2017年12月31日	As at 31 December 2017	7,812,452	3,760,844	22,534,774	–	34,108,070
計入流動負債的借款	Borrowings included in current liabilities					
於2018年12月31日	As at 31 December 2018	18,012,555	6,975,235	–	–	24,987,790
於2017年12月31日	As at 31 December 2017	9,381,536	5,891,606	–	–	15,273,142

於2018年12月31日，按固定息率計息的借款本金總額為人民幣53,683,453,000元 (2017年：人民幣33,087,698,000元)。

As at 31 December 2018, the aggregate principal of borrowings amounted to RMB53,683,453,000 are at fixed interest rates (2017: RMB33,087,698,000).

本集團借款之賬面值以下列貨幣計值：

The carrying values of the Group's borrowings are denominated in the following currencies:

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
人民幣	RMB	64,644,304	43,904,367
美元	USD	15,307,302	5,453,440
港元	HKD	1,504,205	23,405
歐元	EUR	47,352	–
		81,503,163	49,381,212

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25 貿易及其他應付款項

25 TRADE AND OTHER PAYABLES

		於12月31日	
		As at 31 December	
		2018年	2017年
		2018	2017
		人民幣千元	人民幣千元
		RMB'000	RMB'000
貿易應付款項	Trade payables	26,291,978	20,573,426
應付票據	Notes payable	1,680,056	2,020,262
應付關連方款項(附註40)	Payables to related parties (Note 40)	31,415,600	24,968,538
應付收購子公司、合營企業及 聯營公司款項	Payables for acquisition of subsidiaries, joint ventures and associates	1,215,328	2,186,793
應付子公司非控股股東的暫借款(a)	Advances, from non-controlling shareholders of subsidiaries (a)	5,812,882	1,982,049
應計工資	Accrued payroll	1,360,853	1,186,074
物業項目潛在投資所得金額(b)	Amounts received for potential investments in property projects (b)	1,679,451	504,650
營業稅、增值稅和其他應付稅項	Business, value-added and other taxes payable	1,623,750	834,002
建設投標保證金及租賃押金	Deposits for construction biddings and rental deposits	1,506,274	715,677
應付利息	Interest payable	1,212,088	624,487
A股公司限制性股份激勵計劃的 參與者所繳款項(附註22(b))	Amounts received from participants of the A share company's restricted share incentive scheme (Note 22 (b))	61,862	145,460
潛在購房者支付的誠意金	Intention deposits from potential property purchasers	317,287	142,838
代收契稅	Deed tax collected on behalf	80,551	125,256
代收保養及裝修費	Maintenance & decoration fees collected on behalf	138,197	50,242
其他	Others	1,272,494	498,498
		75,668,651	56,558,252
減：非即期部分	Less: Non-current portion	(144,505)	—
即期部分	Current portion	75,524,146	56,558,252

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25 貿易及其他應付款項 (續)

- (a) 於2018年12月31日，此結餘包括就土地使用權向本集團子公司支付的非控股股東貸款。該股東貸款不計息、無抵押且沒有固定還款日期。
- (b) 該等款項將於土地競拍失敗時退還，或在土地競拍成功情況下，作為該等其他人士對本集團新成立子公司或合營企業的出資入賬。該等款項為無抵押、免息及無固定還款期限。

貿易應付款項及應付票據於2018年及2017年12月31日的賬齡分析如下：

25 TRADE AND OTHER PAYABLES (Cont'd)

- (a) As at 31 December 2018, included in the balance is non-controlling shareholders' loans to the Group's subsidiaries for payment of land use rights. The shareholders' loans are non-interest bearing, unsecured and have no fixed repayment terms.
- (b) These amounts will either be returned upon unsuccessful land biddings or be treated as the other parties' contribution to new subsidiaries or joint venture of the Group for successful land biddings. They are unsecured, non-interest bearing and have no fixed repayment terms.

The aging analysis of trade payables and notes payable as at 31 December 2018 and 2017 are as follows:

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
一年內	Less than 1 year	23,829,427	21,256,762
一年至兩年	Between 1 and 2 years	3,479,076	831,622
兩年至三年	Between 2 and 3 years	593,155	169,898
三年以上	Over 3 years	70,376	335,406
		27,972,034	22,593,688

於2018年及2017年12月31日，貿易及其他應付款項的公允價值與其賬面值相若。

As at 31 December 2018 and 2017, the fair value of trade and other payables approximate their carrying amounts.

於2018年及2017年12月31日，貿易及其他應付款項的賬面值主要以人民幣計值。

As at 31 December 2018 and 2017, the carrying amounts of trade and other payables are primarily denominated in RMB.

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26 遞延所得稅

26 DEFERRED INCOME TAX

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
將可收回的遞延稅項資產	Deferred tax assets to be recovered		
– 十二個月內	– within 12 months	859,709	696,442
– 十二個月後	– after 12 months	2,171,739	962,288
		3,031,448	1,658,730
將予結清的遞延稅項負債	Deferred tax liabilities to be settled		
– 十二個月內	– within 12 months	(80,340)	(65,631)
– 十二個月後	– after 12 months	(3,640,326)	(1,689,862)
		(3,720,666)	(1,755,493)
遞延稅項負債淨額	Deferred tax liabilities, net	(689,218)	(96,763)

遞延所得稅賬目的變動列示如下：

The gross movement on the deferred income tax account is as follows:

		截至12月31日止年度 Year ended 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
年初	At the beginning of the year	(96,763)	(306,356)
採納香港財務報告準則第9號及第15號之調整(附註2.2)	Adjustment of adoption of HKFRS 9 and 15 (Note 2.2)	(56,859)	–
年初(於採納香港財務報告準則第9號及第15號後)	At the beginning of the year, after adoption of HKFRS 9 and 15	(153,622)	(306,356)
(支銷)/貸記入合併損益表內(附註33)	(Charged)/credited to the consolidated statement of profit or loss (Note 33)	(18,420)	354,197
出售子公司	Disposal of subsidiaries	(40,516)	(124,907)
收購子公司	Acquisition of subsidiaries	(476,660)	(13,004)
貸記其他全面收益	Credited to other comprehensive income	–	(6,693)
年末	At the end of the year	(689,218)	(96,763)

於2018年12月31日，人民幣319,252,000元的遞延所得稅資產和遞延所得稅負債已相互抵銷(2017年：人民幣91,452,000元)。

As at 31 December 2018, deferred income tax assets and deferred income tax liabilities amounted to RMB319,252,000 were offset (2017: RMB91,452,000).

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26 遞延所得稅 (續)

於截至2018年及2017年12月31日止年度，遞延所得稅資產和負債的原額變動（未經考慮抵銷同一稅務司法權區內的結餘）列示如下：

遞延所得稅資產

		稅務虧損	完工待售 物業撥備 Provisions for properties held for sale	應計費用 Accruals	土地增值稅 Land appreciation tax	合計 Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
於2018年1月1日	At 1 January 2018	651,175	60,252	311,164	727,591	1,750,182
貸記入合併損益表內	Credited to the consolidated statement of profit or loss	977,169	83,661	262,356	141,971	1,465,157
採納香港財務報告準則第9號及第15號之調整（附註2.2）	Adjustment of adoption of HKFRS 9 and 15 (Note 2.2)	-	65,265	-	-	65,265
出售子公司	Disposal of subsidiaries	(40,699)	-	-	-	(40,699)
收購子公司	Acquisition of subsidiaries	8,368	-	-	102,427	110,795
於2018年12月31日	At 31 December 2018	1,596,013	209,178	573,520	971,989	3,350,700
於2017年1月1日	At 1 January 2017	446,848	73,383	126,423	247,783	894,437
貸記／（支銷）入合併利潤表	Credited/(charged) to the consolidated statement of profit or loss	274,731	(13,131)	184,741	393,127	839,468
出售子公司	Disposal of subsidiaries	(124,907)	-	-	-	(124,907)
收購子公司	Acquisition of subsidiaries	54,503	-	-	86,681	141,184
於2017年12月31日	At 31 December 2017	651,175	60,252	311,164	727,591	1,750,182

根據中國法律和法規，稅務虧損可結轉五年以抵銷未來應課稅利潤。倘若有充足應課稅利潤可供遞延稅項資產動用，則確認此等未動用稅務虧損的遞延稅項資產。

本集團並未就於2018年12月31日金額為人民幣856,432,000元（2017年：人民幣534,012,000元）的稅務虧損確認相應的遞延所得稅資產人民幣214,109,000元（2017年：人民幣133,504,000元）。所有這些稅務虧損將於五年內到期。

26 DEFERRED INCOME TAX (Cont'd)

The gross movement in deferred income tax assets and liabilities for the years ended 31 December 2018 and 2017, without taking into consideration the offsetting of balances within the same tax jurisdiction, are as follows:

Deferred income tax assets

In accordance with the PRC laws and regulations, tax losses could be carried forward for a period of five years to offset against its future taxable profits. Deferred tax assets relating to unutilised tax losses are recognised to the extent that it is probable that sufficient taxable profit will be available to allow such deferred tax assets to be utilised.

The Group did not recognise deferred income tax assets of RMB214,109,000 (2017: RMB133,504,000) in respect of tax losses amounting to RMB856,432,000 as at 31 December 2018 (2017: RMB534,012,000). All these tax losses will expire within five years.

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26 遞延所得稅 (續)

遞延所得稅負債

26 DEFERRED INCOME TAX (Cont'd)

Deferred income tax liabilities

		公允價值收益	收購子公司	對銷 公司間交易	待售物業 成本分攤差異 Unsold	合同取得 成本差額	中國子公司的 未分配利潤	投資 物業折舊	合計
		Fair value gains 人民幣千元 RMB'000	Acquisition of subsidiaries 人民幣千元 RMB'000	Elimination of inter-company transactions 人民幣千元 RMB'000	property cost allocation differences 人民幣千元 RMB'000	Difference in contract cost 人民幣千元 RMB'000	Undistributed profits of PRC subsidiaries 人民幣千元 RMB'000 (附註(a)) (note (a))	Depreciation of investment properties 人民幣千元 RMB'000	Total 人民幣千元 RMB'000
於2018年1月1日	At 1 January 2018	1,070,541	154,188	6,138	285,240	-	121,852	208,986	1,846,945
支銷/(貸記)入合併損益表	Charged/(credited) to the consolidated statement of profit or loss	814,751	(345,472)	-	775,087	-	84,071	155,140	1,483,577
採納香港財務報告準則第9號及第15號之調整(附註2.2)	Adjustment of adoption of HKFRS 9 and 15 (Note 2.2)	-	-	-	-	122,124	-	-	122,124
出售子公司	Disposal of a subsidiary	-	-	-	(183)	-	-	-	(183)
收購子公司	Acquisition of subsidiaries	-	587,455	-	-	-	-	-	587,455
於2018年12月31日	At 31 December 2018	1,885,292	396,171	6,138	1,060,144	122,124	205,923	364,126	4,039,918
於2017年1月1日	At 1 January 2017	730,545	838	6,138	292,442	-	68,157	102,673	1,200,793
支銷/(貸記)入合併損益表	Charged/(credited) to the consolidated statement of profit or loss	333,303	(838)	-	(7,202)	-	53,695	106,313	485,271
扣除其他全面收益	Charged to other comprehensive income	6,693	-	-	-	-	-	-	6,693
收購子公司	Acquisition of subsidiaries	-	154,188	-	-	-	-	-	154,188
於2017年12月31日	At 31 December 2017	1,070,541	154,188	6,138	285,240	-	121,852	208,986	1,846,945

(a) 於2018年12月31日，本集團已就中國境外投資者應佔若干中國子公司部份未匯出可供分配利潤在匯出時應支付的預扣稅確認遞延所得稅負債人民幣205,923,000元(2017年：人民幣121,852,000元)。

於2018年12月31日，本集團未就中國境外投資者應佔若干中國子公司為數人民幣11,583,058,000元(2017年：人民幣7,659,745,000元)的未匯出可分派利潤在匯出時應支付的預扣稅確認相關的遞延所得稅負債人民幣579,153,000元(2017年：人民幣382,987,000元)，這乃由於該等利潤擬作為再投資。

(a) As at 31 December 2018, deferred income tax liabilities of RMB205,923,000 (2017: RMB121,852,000) have been recognised for the withholding tax that would be payable upon remittance, in respect of a portion of the unremitted distributable profits of certain PRC subsidiaries attributable to the investors outside PRC.

As at 31 December 2018, deferred income tax liabilities of RMB579,153,000 (2017: RMB382,987,000) have not been recognised for the withholding tax that would be payable upon remittance, in respect of the unremitted distributable profits of certain PRC subsidiaries attributable to the investors outside PRC amounting to RMB11,583,058,000 (2017: RMB7,659,745,000) as such profits are intended to be reinvested.

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27 以公允價值計量且其變動計入當期損益之金融負債

於2018年2月13日，本集團發行於2019年2月10日到期的可換股債券，金額為2,346百萬港元（約相等於人民幣1,900百萬元）。該等可換股債券可於發行日期後四十一天至到期日期前七天轉換為每股10.496港元之本公司股份。該等債券之利息乃按單利計息，而票面利率為每年2.25%。

本公司發行的可換股債券包括債務、提早贖回權及換股權部分。於發行日期，本公司指定可換股債券為以公允價值計量且其變動計入損益金融負債。

本集團首先透過釐定由於市場情況而導致市場風險增加之變動，以及其後將該等變動自可換股債券之公允價值之變動總額中扣除，以釐定信貸風險所造成的公允價值變動金額。造成市場風險增加之市場情況包括利率基準之變動。附帶嵌入式衍生工具之換股權的公允價值變動計入市場風險公允價值變動評估中。

由於除基準利率之變動外，構成可換股債券公允價值因素之變動並不被視為重大，故本集團認為該方法能最忠實呈列因本集團自身信貸風險而造成之公允價值變動金額。

27 FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS

On 13 February 2018, the Group issued convertible bonds due on 10 February 2019 amounting to HKD2,346 million (equivalent to RMB1,900 million approximately). Such convertible bonds could be converted into the Company's share at HKD10.496 per share from 41 days after issue date to 7 days before maturity date. Interest of such bonds is calculated based on a simple-interest calculation and the nominal interest rates is 2.25% per annum.

Convertible bonds issued by the Company includes debt, early redemption option and conversion option components. At the date of issue, the Company designated the convertibles bonds as a financial liability at fair value through profit and loss.

The Group determines the amount of fair value changed which are attributable to credit risk, by first determining the changes due to market conditions which give rise to market risk, and then deducting those changes from the total change in fair value of the convertible debentures. Market conditions which give rise to market risk includes changes in the benchmark interest rate. Fair value movements on the conversion option embedded derivative are included in the assessment of market risk fair value changes.

The Group believes that this approach most faithfully represents the amount of change in fair value due to the Group's own credit risk, as the changes in factors contributing to the fair value of the convertible debentures other than changed in the benchmark interest rate are not deemed to be significant.

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28 收入

(a) 分拆來自客戶合約的收入。

本集團的收入來自於一段時間內或於某一時間點轉移貨品及服務，主要包括以下方面：

28 REVENUE

(a) Disaggregation of revenue from contract with customer.

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major line:

		截至12月31日止年度 Year ended 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
於一個時點確認的來自客戶合約收入	Revenue from contract with customers recognised at a point in time		
A股公司	A share Company		
– 銷售物業	– Sales of properties	50,838,235	38,790,128
– 其他服務	– Others services	258,127	210,423
非A股公司	Non-A share Company		
– 其他服務	– Others services	370,343	147,670
		51,466,705	39,148,221
隨時間確認的來自客戶合約收入	Revenue from contract with customers recognised over time		
A股公司	A share Company		
– 商業物業管理服務	– Commercial property management services	905,831	421,144
– 其他服務	– Others services	823,533	504,486
非A股公司	Non-A share Company		
– 其他服務	– Others services	342,067	172,929
		2,071,431	1,098,559
租金收入	Rental income	1,242,859	573,536
		54,780,995	40,820,316

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28 收入 (續)

(b) 與客戶合約相關的資產及負債

本集團已確認下列與客戶合約相關的資產及負債：

		2018年12月31日 31 December 2018 人民幣千元 RMB'000	2018年1月1日 1 January 2018 人民幣千元 RMB'000
合同取得成本	Contract cost	1,229,533	488,493
合約負債	Contract liabilities	118,230,992	52,111,408

(i) 合約負債的重大變動

合約負債增加人民幣66,119,584,000元。有關增加乃由於本集團業務擴展所致。

(i) Significant changes in contract liabilities

Contract liabilities increased by RMB66,119,584,000. The increase was due to the expansion of the Group's business.

(ii) 有關合約負債的已確認收入

下表列示於當前報告期確認的收入中有多少與結轉合約負債有關。

(ii) Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognized in the current reporting period relates to carried-forward contract liabilities.

		截至2018年 12月31日止年度 For the year ended 31 December 2018 人民幣千元 RMB'000
計入合約負債的已確認收入	Revenue recognized that was included in the contract liabilities	
年初的結餘	Balance at the beginning of the year	
— 銷售物業	— Sales of properties	35,247,823

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28 收入 (續)

(b) 與客戶合約相關的資產及負債 (續)

(iii) 未來將確認的合約金額

下表列示物業開發及銷售日後將確認的合約金額。

28 REVENUE (Cont'd)

(b) Assets and liabilities related to contracts with customers (Cont'd)

(iii) Contracted amounts to be recognized in future

The following table shows the contracted amounts to be recognized in future resulting from property development and sales.

2018年12月31日 31 December 2018 人民幣千元 RMB'000	
預期將於2019年及2020年間確認 Expected to be recognized between year 2019 and 2020	140,556,901

(iv) 合同取得成本

本集團已確認一項與取得合約產生的直接成本有關的資產(如印花稅及銷售佣金)。截至2018年12月31日,合同取得成本之結餘為人民幣1,229,533,000元(2017年12月31日:人民幣488,493,000元)(附註2.2)。

(iv) Contract cost

The Group has recognised an asset in relation to costs directly attributable to obtaining a contract such as stamp duty and sales commissions. As of 31 December 2018, contract cost balance is RMB1,229,533,000 (31 December 2017: RMB488,493,000) (Note 2.2).

29 其他收入／其他開支／其他收益－淨額

(a) 其他收入

29 OTHER INCOME/OTHER EXPENSES/OTHER GAINS – NET

(a) Other income

截至12月31日止年度 Year ended 31 December		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
政府補貼	Government grants	91,476	17,128
股息收入(a)	Dividend income (a)	6,453	24,664
		97,929	41,792

(a) 股息收入來自非上市投資。

(a) The dividend income is from unlisted investment.

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29 其他收入／其他開支／其他 29 OTHER INCOME/OTHER EXPENSES/OTHER
收益－淨額（續） GAINS – NET (Cont'd)

(b) 其他開支

(b) Other expenses

		截至12月31日止年度 Year ended 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
捐贈	Donations	(23,788)	(2,486)

(c) 其他收益－淨額

(c) Other gains – net

		截至12月31日止年度 Year ended 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
出售物業、廠房、設備 及無形資產產生之虧損	Losses on disposal of property, plant and equipment and intangible assets	(1,641)	(3,842)
取消物業銷售合約獲得之賠償	Compensation for cancellation of property sales contracts	48,798	16,277
出售子公司產生的 淨收益（附註42）	Net gain from disposal of subsidiaries (Note 42)	72,487	36,756
合營企業及聯營公司轉為 子公司的股權重新計量收益 （附註36）	Remeasurement gain on equity interests in joint ventures and an associate converted into subsidiaries (Note 36)	677,445	261,766
其他	Others	43,059	(9,909)
		840,148	301,048

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30 按性質分類的開支

計入銷售及服務成本、銷售和營銷費用及行政開支的開支分析如下：

30 EXPENSES BY NATURE

Expenses included in cost of sales and services, selling and marketing expenses and administrative expenses are analysed as follows:

		截至12月31日止年度 Year ended 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
土地使用權成本	Land use rights costs	11,799,749	11,064,593
建設成本	Construction costs	15,935,062	12,327,734
資本化利息	Capitalised interest	5,154,272	1,516,587
税金及附加費	Tax and surcharges	327,362	605,779
完工待售或在建銷售物業減值撥備	Provision for impairment of properties held or under development for sale	263,684	13,267
物業、廠房和設備折舊（附註6）	Depreciation of property, plant and equipment (Note 6)	397,925	325,474
無形資產及土地使用權攤銷（附註8及15）	Amortisation of intangible assets and land use rights (Note 8 and 15)	46,652	15,604
銀行手續費	Bank charges	123,228	80,778
員工成本（附註32）	Staff costs (Note 32)	3,248,609	2,963,833
招待費	Entertainment expenses	202,863	114,055
印花稅及其他稅項	Stamp duty and other taxes	334,662	186,844
專業費用	Professional fees	138,050	98,612
核數師酬金	Auditors' remuneration		
— 本集團的年度審計及中期審閱	— annual audit and interim review of the Group	2,400	2,400
— A股公司核數師對該公司的年度審計	— annual audit of the A share company charged by its auditor	4,200	3,600
— 非審計服務	— non-audit services	1,041	2,500
銷售佣金	Sales commission	287,088	263,310
廣告及宣傳費用	Advertising and publicity costs	1,027,253	744,370
租賃開支	Rental expenses	187,313	85,774
差旅費用	Travelling expenses	226,278	94,151
其他應收款項撥備	Provision for other receivables	—	16,620
其他開支	Other expenses	1,041,129	812,065
銷售及服務成本、銷售和營銷費用及行政開支總計	Total cost of sales and services, selling and marketing expenses and administrative expenses	40,748,820	31,337,950

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31 融資收入及成本

31 FINANCE INCOME AND COSTS

		截至12月31日止年度 Year ended 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
融資成本	Finance costs		
－ 借款利息	－ Interest on borrowings	(4,025,386)	(2,501,117)
－ 向客戶預售的 所得款項利息	－ Interest on proceeds from pre-sale to customers	(5,360,337)	–
－ 減：資本化利息 (附註7及附註17)	－ Less: Interest capitalised (Note 7 and Note 17)	8,850,411	1,673,192
		(535,312)	(827,925)
－ 提早贖回優先票據之虧損	－ Loss from early redemption of Senior notes	–	(191,810)
－ 匯兌(虧損)/收益淨額	－ Net foreign exchange (losses)/gains	(434,256)	175,206
融資成本總額	Total finance costs	(969,568)	(844,529)
財務收入	Finance income		
－ 銀行存款的利息收入	－ Interest income on bank deposits	229,626	176,332
融資成本淨額	Net finance costs	(739,942)	(668,197)

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32 員工成本(包含董事酬金)

32 STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS)

		截至12月31日止年度 Year ended 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
工資和薪金	Wages and salaries	4,675,051	2,736,318
退休金	Pension	285,646	261,013
其他福利開支	Other welfare benefit expenses	532,928	257,175
受限制股份激勵計劃 (附註22(b))	Restricted share incentive scheme (Note 22(b))	29,489	77,852
		5,523,114	3,332,358
自損益表扣除(附註30)	Charged to statement of profit or loss (Note 30)	3,248,609	2,963,833
撥入完工待售或在建銷售物業	Capitalised to properties held or under development for sale	2,274,505	368,525
僱員數目	Number of employees	22,903	12,887

本集團的所有中國內地僱員參加由政府機構設立及管理的定額供款僱員社會保險計劃，包括退休、醫療、住房及其他福利計劃。本集團並無其他重大職工福利承諾。

根據有關規定，本集團按僱員工資總額的一定比例且在不超過規定上限的基礎上承擔保險費及福利計劃供款，並向勞動和社會保障機構繳納。

All mainland China employees of the Group participate in defined contribution employee social security plans, including pension, medical, housing and other welfare benefits, organised and administered by the governmental authorities. The Group has no other substantial commitments to employees.

According to the relevant regulations, the premiums and welfare benefit contributions that should be borne by the Group are calculated based on percentages of the total salary of employees, subject to a certain ceiling, and are paid to the labour and social welfare authorities.

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32 員工成本（包含董事酬金）（續）

(a) 董事及主要行政人員的酬金

董事及主要行政人員的酬金列示如下：

32 STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS) (Cont'd)

(a) Directors' and chief executive's emoluments

The directors' and chief executive's emoluments are set out below:

董事姓名	Name of director	袍金 Fees 人民幣千元 RMB'000	薪金及 其他津貼 Salaries and other allowances 人民幣千元 RMB'000	績效獎金 Performance related bonus 人民幣千元 RMB'000	退休計劃供款 Retirement scheme contributions 人民幣千元 RMB'000	限制性股份 激勵計劃 Restricted share incentive scheme 人民幣千元 RMB'000	合計 Total 人民幣千元 RMB'000
截至2018年 12月31日止年度	Year ended 31 December 2018						
董事長 王先生(i)	Chairman Mr. Wang (i)	-	4,697	1,200	103	-	6,000
執行董事 劉源滿(iv)	Executive directors Liu Yuanman (iv)	-	750	-	26	-	776
呂小平(iii)	Lv Xiaoping (iii)	-	3,600	900	103	-	4,603
陸忠明(ii)	Lu Zhongming (ii)	-	3,000	1,000	103	-	4,103
陳偉健(vi)	Chan Wai Kin (vi)	-	3,251	-	16	-	3,267
非執行董事 王曉松	Non-executive directors Wang Xiaosong	-	1,497	400	103	-	2,000
章晟曼(v)	Zhang Shengman (v)	-	5,257	1,314	16	-	6,587
獨立非執行董事 朱增進	Independent non-executive directors Zhu Zengjin	300	-	-	-	-	300
鍾偉	Zhong Wei	300	-	-	-	-	300
陳華康	Chen Huakang	300	-	-	-	-	300
		900	22,052	4,814	470	-	28,236

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32 員工成本（包含董事酬金）（續）

(a) 董事及主要行政人員的酬金（續）

董事及主要行政人員的酬金列示如下：（續）

董事姓名	Name of director	袍金 Fees 人民幣千元 RMB'000	薪金及 其他津貼 Salaries and other allowances 人民幣千元 RMB'000	績效獎金 Performance related bonus 人民幣千元 RMB'000	退休計劃供款 Retirement scheme contributions 人民幣千元 RMB'000	限制性股份 激勵計劃 Restricted share incentive scheme 人民幣千元 RMB'000	合計 Total 人民幣千元 RMB'000
截至2017年 12月31日止年度		Year ended 31 December 2017					
董事長	Chairman						
王先生(i)	Mr. Wang (i)	-	4,730	1,200	70	-	6,000
執行董事	Executive directors						
劉源滿(iv)	Liu Yuanman (iv)	-	2,120	840	40	263	3,263
呂小平(iii)	Lv Xiaoping (iii)	-	3,530	900	70	-	4,500
陸忠明(ii)	Lu Zhongming (ii)	-	2,885	1,045	70	-	4,000
陳偉健	Chan Wai Kin	-	3,107	1,293	-	-	4,400
非執行董事	Non-executive director						
王曉松	Wang Xiaosong	2,400	-	-	-	-	2,400
獨立非執行董事	Independent non-executive directors						
陳華康	Chen Huakang	300	-	-	-	-	300
朱增進	Zhu Zengjin	300	-	-	-	-	300
鍾偉	Zhong Wei	300	-	-	-	-	300
		3,300	16,372	5,278	250	263	25,463

32 STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS) (Cont'd)

(a) Directors' and chief executive's emoluments (Cont'd)

The directors' and chief executive's emoluments are set out below: (Cont'd)

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32 員工成本（包含董事酬金）（續）

(a) 董事及主要行政人員的酬金（續）

- (i) 本公司的主要行政人員為王先生，其亦為本公司其中一名董事。
- (ii) 陸忠明先生於2016年1月7日獲委任為本公司執行董事。
- (iii) 呂小平先生原為非執行董事並於2016年1月7日獲委任為本公司執行董事。
- (iv) 劉源滿先生已辭任執行董事，自2018年3月21日起生效。
- (v) 章晟曼於2018年3月21日獲委任為非執行董事。
- (vi) 陳偉健已辭任執行董事，自2018年8月28日起生效。

32 STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS) (Cont'd)

(a) Directors' and chief executive's emoluments (Cont'd)

- (i) The chief executive of the Company is Mr. Wang, who is also one of the directors of the Company.
- (ii) Mr. Lu Zhongming was appointed as executive director of the Company with effect from 7 January 2016.
- (iii) Mr. Lv Xiaoping was a non-executive director and was appointed as executive director of the Company with effect from 7 January 2016.
- (iv) Mr. Liu Yuanman has resigned as an executive Director with effect from 21 March 2018.
- (v) Zhang Shengman was appointed as a non-executive Director with effect from 21 March 2018.
- (vi) Chan Wai Kin has resigned as an executive Director with effect from 28 August 2018.

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32 員工成本（包含董事酬金）（續）

(b) 五名最高薪人士

截至2018年12月31日止年度，本集團五名最高薪酬人士包括兩名（2017年：三名）董事，彼等之酬金已於上文呈列的分析中反映。截至2017年12月31日止年度，應付餘下三名（2017年：兩名）人士的酬金如下：

32 STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS) (Cont'd)

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group during the year ended 31 December 2018 include two directors (2017: Three) whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining three (2017: Two) individuals for the year ended 31 December 2017 are as follows:

		截至12月31日止年度 Year ended 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
基本薪金、住房津貼、首次 公開發售前股份獎勵計劃、 其他津貼及實物福利	Basic salaries, housing allowances, Pre-IPO share award scheme, other allowances and benefits in kind	14,400	9,600
獎金	Bonuses	2,400	2,400
		16,800	12,000

該三名人士的酬金乃介乎下列範圍：

The emoluments to the three individuals fell within the following band:

		截至12月31日止年度 Year ended 31 December	
		2018年 2018	2017年 2017
酬金範圍	Emoluments band		
7,000,001港元至7,500,000港元	HKD7,000,001 – HKD7,500,000	–	2
6,500,001港元至7,000,000港元	HKD6,500,001 – HKD7,000,000	2	–
5,000,001港元至HKD6,500,000港元	HKD5,000,001 – HKD6,500,000	1	–

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32 員工成本（包含董事酬金）（續）

- (c) 截至2018年及2017年12月31日止年度，概無董事或任何五名最高薪人士向本集團收取任何酬金作為加盟或在加盟或離開本集團時的獎勵或補償或作為離職補償。本集團年內亦無向任何第三方支付代價，以可獲得董事服務（2017年：無）。
- (d) 於年末或年內任何時間，概無訂立以股東、與股東有關聯實體所控制的法團為受益人的貸款、准貸款及其他交易（2017年：無）。

32 STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS) (Cont'd)

- (c) During the years ended 31 December 2018 and 2017, no director or any of the five highest paid individuals received any emolument from the Group as an inducement to join, upon joining the Group, leave the Group or as compensation for loss of office. Also, the Group did not pay consideration to any third parties for making available directors' services during the year (2017: Nil).
- (d) No loans, quasi-loans and other dealings were made available in favour of directors, bodies corporate controlled by and entities connected with directors subsisted at the end of the year or at any time during the year (2017: Nil).

33 所得稅開支

(a) 所得稅開支

33 INCOME TAX EXPENSE

(a) Income tax expense

		截至12月31日止年度 Year ended 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
即期所得稅	Current income tax		
– 中國土地增值稅(a)	– PRC land appreciation tax (a)	2,851,589	2,475,278
– 中國企業所得稅	– PRC corporate income tax	3,729,925	2,607,704
		6,581,514	5,082,982
遞延所得稅（附註26）	Deferred income tax (Note 26)	18,420	(354,197)
年度列支的所得稅總額	Total income tax charged for the year	6,599,934	4,728,785

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33 所得稅開支(續)

(a) 所得稅開支(續)

- (a) 截至2018年12月31日止年度的土地增值稅包括年內確認的物業銷售收入的土地增值稅金額人民幣2,901,518,000元及於本年度13個項目於有關稅局結稅後撥回的之前累計的土地增值稅人民幣49,929,000元。

本集團除所得稅前利潤的所得稅有別於使用本集團旗下各公司所在國頒佈的稅率計算的理論金額，茲載列如下：

		截至12月31日止年度 Year ended 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
除所得稅前利潤	Profit before income tax	18,647,500	10,742,410
中國土地增值稅	PRC land appreciation tax	(2,851,589)	(2,475,278)
		15,795,911	8,267,132
按25%法定稅率計算的所得稅	Income tax calculated at statutory rate of 25%	3,948,978	2,066,783
不可扣減開支(i)	Non-deductible expenses (i)	118,721	167,717
非課稅收入(ii)	Non-taxable income (ii)	(579,715)	(139,062)
動用過往未確認的稅務虧損	Utilisation of previously unrecognised tax losses	(6,932)	(5,377)
未確認為遞延稅項資產的稅務虧損	Tax losses not recognised as deferred tax assets	86,998	101,786
不同稅率導致的差額	Differences caused by different tax rates	99,475	-
過往年度稅項調整	Prior year tax adjustments	(4,154)	7,965
中國預扣稅	PRC withholding tax	84,974	53,695
中國土地增值稅	PRC land appreciation tax	2,851,589	2,475,278
所得稅開支總額	Total income tax expense	6,599,934	4,728,785

- (i) 就所得稅而言，不可扣減開支主要來自優先票據的融資開支、有關股份獎勵的開支及不可扣減招待費的開支。

- (ii) 非課稅收入主要包括應佔聯營公司及合營企業業績，合營企業或聯營公司轉為子公司之時之股權收益。

33 INCOME TAX EXPENSE

(a) Income tax expense (Cont'd)

- (a) Land appreciation tax for the year ended 31 December 2018 includes the amount of land appreciation tax of RMB2,901,518,000 on property sales revenue recognised during the year; and a reversal of the previously accrued land appreciation tax of RMB49,929,000 upon the clearance of 13 projects with relevant tax bureaus during the year.

The income tax on the Group's profit before income tax differs from the theoretical amount that would arise using the enacted tax rate of the home country of the companies within the Group as follows:

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33 所得稅開支(續)

香港利得稅

本集團按16.5%對香港利得稅作出撥備，因為本集團於本年度錄得來自香港的估計應課稅溢利(2017年：16.5%)。

中國企業所得稅

根據中國企業所得稅法(「**企業所得稅法**」)，本集團旗下於中國內地的子公司適用的企業所得稅率為25%。

企業所得稅法及其實施細則規定中國居民企業就接控股公司派發的股息須繳納10%的預扣稅，而於2008年1月1日前產生的未分派盈利則獲豁免繳納該預扣稅。根據中國與香港訂立的稅務協約安排，若直接控股公司成立於香港，可應用較低的5%預扣稅稅率。截至2018年12月31日止年度，本集團就其中國實體產生的部份盈利按5%的稅率計提中國預扣稅撥備人民幣84,974,000元(2017年：人民幣53,695,000元)。本集團能控制該等子公司的股息政策並已確定可能不會於可見未來分派大部分該等盈利。

土地增值稅

中國土地增值稅以銷售物業所得款項減去可扣減開支(包括土地使用權租賃費用及所有物業開發開支)的土地增值按介乎30%至60%的累進稅率徵收，並於合併損益表內列作所得稅開支。

33 INCOME TAX EXPENSE (Cont'd)

Hong Kong profits tax

Hong Kong profits tax has been provided at 16.5% for as the Group has assessable profits in Hong Kong during the year (2017: 16.5%).

PRC corporate income tax

Under the Corporate Income Tax Law of the PRC ("**CIT Law**"), the CIT rate applicable to the Group's subsidiaries located in mainland China is 25%.

The CIT Law and its implementation rules impose a withholding tax at 10% for dividends distributed by a PRC-resident enterprise to its immediate holding company outside PRC for earnings generated beginning 1 January 2008 and undistributed earnings generated prior to 1 January 2008 are exempted from such withholding tax. A lower 5% withholding tax rate may be applied when the immediate holding companies are established in Hong Kong according to the tax treaty arrangement between the PRC and Hong Kong. For the year ended 31 December 2018, the Group accrued for PRC withholding tax with amount of RMB84,974,000 (2017: RMB53,695,000) based on the tax rate of 5% on a portion of the earnings generated by its PRC entities. The Group controls the dividend policies of these subsidiaries and it has been determined that it is probable that a majority of these earnings will not be distributed in the foreseeable future.

Land appreciation tax

PRC land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of properties less deductible expenditures including lease charges for land use rights and all property development expenditures, and is included in the consolidated statement of profit or loss as income tax expense.

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34 每股盈利

年內每股基本盈利乃按本公司權益持有人應佔本集團利潤除以年內已發行普通股加權平均數計算。

34 EARNINGS PER SHARE

Basic earnings per share for the year is calculated by dividing the profit of the Group attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

		截至12月31日止年度 Year ended 31 December	
		2018年 2018	2017年 2017
本公司權益持有人應佔 合併利潤（人民幣千元）	Consolidated profit attributable to equity holders of the Company (RMB'000)	6,761,004	3,793,998
已發行普通股加權 平均數（千股）	Weighted average number of ordinary shares in issue ('000)	5,903,687	5,658,000
每股基本盈利（人民幣元）	Basic earnings per share (RMB)	1.15	0.67

每股攤薄盈利乃透過調整發行在外普通股的加權平均數以假設轉換所有攤薄潛在普通股計算。本公司擁有一種攤薄潛在普通股：可換股債券。已假設該等可換股債券獲轉換為普通股。

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: convertible bonds. The convertible bonds are assumed to have been converted into ordinary shares.

		截至12月31日止年度 Year ended 31 December	
		2018年 2018	2017年 2017
本公司普通權益持有人應佔 合併利潤（人民幣千元）	Consolidated profit attributable to ordinary equity holders of the Company (RMB'000)	6,761,004	3,793,998
加：可換股債券之利息調整 扣除稅項（人民幣千元）	Add: interest savings of convertible bonds (RMB'000)	58,746	—
於計算每股攤薄盈利時本公司 權益持有人應佔合併利潤 （人民幣千元）	Consolidated profit attributable to equity holders of the Company in calculating diluted earnings per share (RMB'000)	6,819,750	3,793,998
已發行普通股加權 平均數（千股）	Weighted average number of ordinary shares in issue ('000)	5,903,687	5,658,000
加：最大轉換數（千股）	Add: maximum conversion ('000)	205,933	—
於計算每股攤薄盈利時 已發行及潛在普通股 加權平均數（千股）	Weighted average number of ordinary shares in issue and potential ordinary shares used as the denominator in calculating diluted earnings per share ('000)	6,109,620	5,658,000
每股攤薄盈利（人民幣元）	Diluted earnings per share (RMB)	1.12	0.67

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35 股息

35 DIVIDENDS

		截至12月31日止年度 Year ended 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
擬派末期股息每股普通股人民幣0.3元 (2017年：人民幣0.162元)	Proposed final dividend of RMB0.3 (2017: RMB0.162) per ordinary share	1,769,700	959,877
每股普通股港幣7分(2017年：無) 的特別股息	Special dividend of HKD7 cents (2017: HKD:Nil) per ordinary share	367,894	—

年內並無宣派中期股息(2017年：無)。

No interim dividend was declared during the year (2017: Nil).

於2019年3月8日舉行的董事會會議上，董事提議使用股份溢價賬及留存收益賬派發2018年度末期股息每股普通股人民幣0.3元。擬派股息並無於此等財務報表反映為應付股息，惟待股東於本公司應屆股東週年大會批准後將反映為截至2019年12月31日止年度的儲備撥付。

At a Board meeting held on 8 March 2019, the directors proposed a final dividend for 2018 of RMB0.3 per ordinary share using the share premium account and the retained earnings account. This proposed dividend is not reflected as a dividend payable in these financial statements, but will be reflected as an appropriation of reserves for the year ending 31 December 2019 upon approval by the shareholders at the forthcoming annual general meeting of the Company.

日期為2018年3月14日的董事會會議提議使用股份溢價賬派發2017年度末期股息每股普通股人民幣0.162元，共計金額人民幣959,877,000元，隨後經2018年5月2日舉行的本公司股東週年大會批准，下調至人民幣958,642,000元，乃由於2018年4月購回7,622,000股股份。該金額於2018年已悉數支付。

The final dividend in respect of 2017 of RMB0.162 per ordinary share using the share premium account, amounting to RMB959,877,000 was proposed in Board meeting dated 14 March 2018 and the amount was subsequently adjusted downward to RMB958,642,000 as approved at the annual general meeting of the Company held on 2 May 2018 due to the buy-back of 7,622,000 shares in April 2018. The amount was fully paid in 2018.

於2018年8月，董事會已宣佈向本公司股東派發特別股息每股港幣7分，共414,228,000港元(相等於人民幣367,894,000元)。該股息已於2018年內悉數支付。

In August 2018, the Board declared the payment of a special dividend of HKD7 cents per share, totally HKD414,228,000 (equivalent to RMB367,894,000) to the shareholders of the Company. The amount was fully paid in 2018.

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36 收購子公司(業務合併及資產收購)

(a) 業務合併

於2018年7月5日，本集團於取得義烏吾悅房地產發展有限公司(「**義烏吾悅**」)其他投資者的「一致行動」函件後，獲得對義烏吾悅的控制權。

於2018年7月1日，本集團於取得青島卓越新城房地產有限公司(「**青島卓越新城**」)其他投資者的「一致行動」函件後，獲得對青島卓越新城的控制權。

於2018年9月26日，本集團以代價人民幣109,420,833元收購揚州新城悅盛房地產發展有限公司(「**揚州悅盛**」)的20%股權並獲得其控制權。

於2018年12月24日，本集團以代價人民幣704,384,110元收購台州新城萬博房地產發展有限公司(「**台州萬博**」)的60%股權並獲得其控制權。

於2018年7月5日，本集團以代價人民幣1,600,000元收購長沙君正房地產開發有限公司(「**長沙君正**」)的16%股權並獲得其控制權。

36 ACQUISITIONS OF SUBSIDIARIES (BUSINESS COMBINATION AND ASSET ACQUISITIONS)

(a) Business combination

On 5 July 2018, the Group achieved control of Yiwu Wuyue Real Estate Development Co., Ltd. (“**Yiwu Wuyue**”), upon obtaining the “acting in concert” letter from the other investors of Yiwu Wuyue.

On 1 July 2018, the Group achieved control of Qingdao Zhuoyue Futureland Real Estate Co., Ltd., (“**Qingdao Zhuoyue Futureland**”), upon obtaining the “acting in concert” letter from the other investors of Qingdao Zhuoyue Futureland.

On 26 September 2018, the Group acquired 20% equity interests and obtained the control of Yangzhou Future land Yuesheng Real Estate Development Co., Ltd. (“**Yangzhou Yuesheng**”) at a consideration of RMB109,420,833.

On 24 December 2018, the Group acquired 60% equity interests and obtained the control of Taizhou Future land Wanbo Real Estate Development Co., Ltd. (“**Taizhou Wanbo**”) at a consideration of RMB704,384,110.

On 5 July 2018, the Group acquired 16% equity interests and obtained the control of Changsha Junzheng Real Estate Development Co., Ltd. (“**Changsha Junzheng**”) at a consideration of RMB1,600,000.

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36 收購子公司（業務合併及資產收購）（續）

(a) 業務合併（續）

於2018年7月6日，本集團於取得許昌市昱恒房地產開發有限公司（「許昌昱恒」）其他投資者的「一致行動」函件後，獲得對許昌昱恒的控制權，並以代價人民幣5,000,000元收購其1%股權。

於2018年11月15日，本集團以代價人民幣223,817,744元收購南京新城創錦房地產有限公司（「南京創錦」）的29.85%股權並獲得其控制權。

於2018年7月19日，本集團以代價人民幣568,200,000元收購江蘇築森建築設計有限公司（「江蘇築森」）的100%股權並獲得其控制權。

於2018年4月30日，本集團以代價人民幣9,800,000元收購南京仙林上影影院管理有限公司（「南京仙林影院」）的70%股權並獲得其控制權。

36 ACQUISITIONS OF SUBSIDIARIES (BUSINESS COMBINATION AND ASSET ACQUISITIONS) (Cont'd)

(a) Business combination (Cont'd)

On 6 July 2018, the Group achieved control of Xuchang Yuheng Real Estate Development Co., Ltd. ("Xuchang Yuheng"), upon obtaining the "acting in concert" letter from the other investors of Xuchang Yuheng and acquired 1% equity interests at a consideration of RMB5,000,000.

On 15 November 2018, the Group acquired 29.85% equity interests and obtained the control of Nanjing Future Land Chuangjin Real Estate Co., Ltd.. ("Nanjing Chuangjin") at a consideration of RMB223,817,744.

On 19 July 2018, the Group acquired 100% equity interests and obtained the control of Jiangsu Zhusen Architectural Design Co., Ltd. ("Jiangsu Zhusen") at a consideration of RMB568,200,000.

On 30 April 2018, the Group acquired 70% equity interests and obtained the control of Nanjing Xianlin Shangying Cinema Management Co., Ltd. ("Nanjing Xianlin Cinema") at a consideration of RMB9,800,000.

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36 收購子公司（業務合併及資產收購）（續）

36 ACQUISITIONS OF SUBSIDIARIES (BUSINESS COMBINATION AND ASSET ACQUISITIONS)
(Cont'd)

(a) 業務合併（續）

(a) Business combination (Cont'd)

		義烏吾悅	青島卓越新地	揚州悅盛	台州萬博	長沙君正	許昌昱恒	南京創錦	江蘇築森	南京仙林影院	總計
	Purchase consideration	Yiwu Wuyue	Qingdao Zhuoyue Futureland	Yangzhou Yuesheng	Taizhou Wanbo	Changsha Junzheng	Xuchang Yuheng	Nanjing Chuangjin	Jiangsu Zhusen	Nanjing Xianlin Cinema	Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
收購前所持有的 股權賬面值	Carrying amount of equity interest previously held before acquisition	-	146,756	280,029	390,206	369	163,464	383,973	-	-	1,364,797
合營企業轉為子公司 之時所持有的 股權重新計量收益	Remeasurement gain of equity interest upon conversion from joint venture to subsidiary	104,613	189,110	157,654	79,384	3,131	1,536	142,017	-	-	677,445
已付現金	Cash paid	-	-	109,421	704,384	1,600	5,000	223,818	568,200	9,800	1,622,223
轉讓代價總額	Total consideration transferred	104,613	335,866	547,104	1,173,974	5,100	170,000	749,808	568,200	9,800	3,664,465

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36 收購子公司（業務合併及資產收購）（續）

(a) 業務合併（續）

該等收購所確認的資產及負債如下：

36 ACQUISITIONS OF SUBSIDIARIES (BUSINESS COMBINATION AND ASSET ACQUISITIONS)

(Cont'd)

(a) Business combination (Cont'd)

The assets and liabilities recognized as a result of these acquisitions are as follows:

		義烏吾悅 Yiwu Wuyue	青島卓越新 Qingdao Zhuoyue Futureland	揚州悅盛 Yangzhou Yuesheng	台州萬博 Taizhou Wanbo	長沙君正 Changsha Junzheng	許昌昱恒 Xuchang Yuheng	南京創錦 Nanjing Chuangjin	江蘇榮森 Jiangsu Zhuse	南京仙林影院 Nanjing Xianlin Cinema	合計 Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
現金及現金等價物	Cash and cash equivalents	188,884	549,493	564,699	139,762	65,386	5,537	86,377	80,991	312	1,681,441
以公允價值計量且其變動計入當期損益的金融資產	Financial assets at fair value through profit or loss	-	-	-	-	-	-	-	950	-	950
貿易及其他應收款項以及預付款項	Trade and other receivables and prepayments	1,796,484	2,500,523	2,460,413	1,235,793	269,344	21,383	1,904,780	191,562	2,325	10,382,607
完工待售或在建銷售物業	Properties held or under development for sale	1,965,026	2,298,647	1,544,242	2,035,229	481,145	1,282,502	3,144,622	-	43	12,751,456
物業、廠房及設備	Property, plant and equipment	457	820	682	1,358	633	-	793	98,203	9,483	112,429
無形資產	Intangible assets	-	21	-	-	-	-	-	501,421	-	501,442
投資物業	Investment properties	668,000	-	632,206	855,596	-	-	-	-	-	2,155,802
遞延所得稅資產	Deferred income tax assets	-	102,427	1,293	-	438	1,552	617	2,181	-	108,508
貿易及其他應付款項	Trade and other payables	(95,313)	(1,270,876)	(427,305)	(492,927)	(303,964)	(809,422)	(117,527)	(139,503)	(11,572)	(3,668,409)
合約負債	Contract liabilities	(3,603,082)	(2,993,236)	(2,855,826)	(2,531,971)	-	-	(4,198,696)	(30,076)	(138)	(16,213,025)
借款	Borrowings	(600,000)	(390,000)	(1,305,000)	-	(500,000)	-	-	-	-	(2,795,000)
遞延所得稅負債	Deferred income tax liabilities	(111,622)	(126,087)	(68,300)	(68,866)	(2,982)	(1,552)	(71,158)	(136,888)	-	(587,455)
按公允價值收購的可識別資產淨值	Net identifiable assets acquired at fair value	208,834	671,732	547,104	1,173,974	10,000	500,000	749,808	568,841	453	4,430,746
減：非控股權益	Less: non-controlling interests	(104,221)	(335,866)	-	-	(4,900)	(330,000)	-	(641)	(136)	(775,764)
加：商譽	Add: goodwill	-	-	-	-	-	-	-	-	9,483	9,483
按公允價值收購的總資產淨值	Total acquired net assets at fair value	104,613	335,866	547,104	1,173,974	5,100	170,000	749,808	568,200	9,800	3,664,465
收購所得現金（流出）／流入	Cash (outflow)/inflow on acquisitions	-	-	(109,421)	(704,384)	(1,600)	(5,000)	(223,818)	(568,200)	(9,800)	(1,622,223)
以現金結算之代價總額	Total considerations settled by cash	-	-	(109,421)	(704,384)	(1,600)	(5,000)	(223,818)	(568,200)	(9,800)	(1,622,223)
於已收購子公司取得的現金	Cash acquired in the subsidiaries acquired	188,884	549,493	564,699	139,762	65,386	5,537	86,377	80,991	312	1,681,441
收購所得現金流入／（流出）	Cash inflow/(outflow) on acquisitions	188,884	549,493	455,278	(564,622)	63,786	537	(137,441)	(487,209)	(9,488)	59,218

已收購業務於收購日期至2018年12月31日期間為本集團貢獻收入人民幣7,685,450,000元及產生利潤人民幣625,618,000元。

The acquired business contributed revenues of RMB7,685,450,000 and profit of RMB625,618,000 to the Group for the year from acquisition date to 31 December 2018.

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36 收購子公司（業務合併及資產收購）（續）

(a) 業務合併（續）

倘收購於2018年1月1日發生，則截至2018年12月31日止年度的合併備考收入將增加人民幣1,420,765,000元，及截至2018年12月31日止年度的除所得稅前溢利將增加人民幣29,266,000元。

(b) 資產收購

本集團於2018年收購多項物業發展公司，並作為資產收購列賬。該等已收購子公司於年內對本集團不屬重大，因此該等子公司之獨立財務資料並未於收購日期披露。

透過上述收購產生之資產及負債總額如下：

36 ACQUISITIONS OF SUBSIDIARIES (BUSINESS COMBINATION AND ASSET ACQUISITIONS)

(Cont'd)

(a) Business combination (Cont'd)

If the acquisition had occurred on 1 January 2018, consolidated pro-forma revenue for the year ended 31 December 2018 would have RMB1,420,765,000 higher and profit before income tax for the year ended 31 December 2018 would have RMB29,266,000 higher.

(b) Asset acquisitions

The Group acquired a number of property development companies in 2018, which were accounted for as asset acquisitions. None of these subsidiaries acquired during the year was significant to the Group and thus the individual financial information of these subsidiaries on acquisition date was not disclosed.

Total assets and liabilities acquired through the above acquisitions were as follows:

		人民幣千元 RMB'000
現金及現金等價物	Cash and cash equivalents	128,065
完工待售或在建銷售物業	Properties held or under development for sale	5,185,129
其他資產	Other assets	2,134,395
借款	Borrowings	(378,650)
其他負債	Other liabilities	(2,406,450)
		4,662,489
非控股權益	Non-controlling interest	(778,031)
收購淨資產	Net assets acquired	3,884,458
已收購現金及現金等價物	Cash and cash equivalents acquired	128,065
已付現金代價	Cash consideration paid	(3,691,779)
與收購有關的現金及現金等價物流出淨額	Net outflow of cash and cash equivalents on acquisitions	(3,563,714)

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37 經營活動所得現金

(a) 經營活動所得現金

37 CASH GENERATED FROM OPERATIONS

(a) Cash generated from operations

		截至12月31日止年度 Year ended 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
除所得稅前利潤	Profit before income tax	18,647,500	10,742,410
就下列各項作出調整：	Adjustments for:		
－折舊（附註30）	－ Depreciation (Note 30)	397,925	325,474
－攤銷（附註30）	－ Amortisation (Note 30)	46,652	16,048
－出售物業、廠房、設備及無形資產產生之虧損（附註29）	－ Losses on disposal of property, plant and equipment and intangible assets (Note 29)	1,641	3,842
－出售子公司所得收益（附註42）	－ Gains from disposal of subsidiaries (Note 42)	(72,487)	(36,756)
－於合營企業及聯營公司轉變為子公司時股權重新計量的收益（附註29）	－ Remeasurement gain on equity interest in joint ventures and an associate converted into subsidiaries (Note 29)	(677,445)	(261,766)
－子公司股份激勵計劃開支（附註22）	－ Share incentive scheme expenses of a subsidiary (Note 22)	29,489	77,852
－投資物業公允價值收益（附註7）	－ Fair value gains on investment properties (Note 7)	(3,285,089)	(1,331,853)
－以公允價值計量且其變動計入當期損益的金融工具公允價值虧損（附註12）	－ Fair value loss on financial instruments at fair value through profit or loss (Note 12)	235,790	(1,360)
－就完工待售（或在建銷售）物業計提撥備（附註30）	－ Accrual of provision for properties held (or under development) for sale (Note 30)	263,684	13,267
－金融資產減值虧損淨額（附註3及30）	－ Net impairment losses on financial assets (Note 3 and 30)	157,769	16,620
－完工待售（或在建銷售）物業撥備撥回（附註17）	－ Reversal of provision for properties held (or under development) for sale (Note 17)	(89,882)	(82,412)
－應佔聯營公司業績（附註9）	－ Share of results of associates (Note 9)	(990,068)	(266,631)
－應佔合營企業業績（附註10）	－ Share of results of joint ventures (Note 10)	(559,380)	10,597
－股息收入（附註29）	－ Dividend income (Note 29)	(6,453)	(24,664)
－融資成本（附註31）	－ Finance costs (Note 31)	535,312	1,019,735
－匯兌淨額（附註31）	－ Net foreign exchange (Note 31)	434,256	(175,206)
－利息收入（附註31）	－ Interest income (Note 31)	(229,626)	(176,332)
－成本調整	－ Cost adjustment	53,648	5,003
營運資金變動	Changes in working capital		
－與經營活動相關的受限制現金（附註20）	－ Restricted cash relating to operating activities (Note 20)	(3,665,432)	184,656
－租賃土地預付款項	－ Prepayments for leasehold land	(3,801,954)	(2,458,139)
－完工待售或在建銷售物業（不包括資本化利息）	－ Properties held or under development for sale (excluding capitalised interest)	(65,430,700)	(32,953,630)
－貿易及其他應收款項以及預付款項	－ Trade and other receivables and prepayments	(3,928,551)	(2,735,464)
－合同取得成本	－ Contract cost	(741,041)	–
－合約負債及其他客戶暫借款	－ Contract liabilities and other advances from customers	51,792,625	13,521,948
－貿易及其他應付款項	－ Trade and other payables	20,260,593	5,958,536
經營活動所得現金	Cash generated from operations	9,378,776	(8,608,225)

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37 經營活動所得現金(續)

(c) 債務淨額對賬

37 CASH GENERATED FROM OPERATIONS (Cont'd)

(c) Net debt reconciliation

債務淨額	Net debt	2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
現金及現金等價物	Cash and cash equivalents	41,213,881	20,542,676
借款－於一年內償還 (包括透支及可換股債券)	Borrowings – repayable within one year (including overdraft and convertible bonds)	(27,057,366)	(15,273,142)
借款－於一年後償還	Borrowings – repayable after one year	(56,515,373)	(34,108,070)
債務淨額	Net debt	(42,358,858)	(28,838,536)
現金及流動資金投資	Cash and liquid investments	41,213,881	20,542,676
債務總額－固定利率	Gross debt – fixed interest rates	(55,753,029)	(33,087,698)
債務總額－浮動利率	Gross debt – variable interest rates	(27,819,710)	(16,293,514)
債務淨額	Net debt	(42,358,858)	(28,838,536)

		其他資產 Other assets	融資活動產生之負債 Liabilities from financing activities		合計 Total
		現金／銀行透支 Cash/bank overdraft 人民幣千元 RMB'000	一年內 到期之借款 Borrow. due within 1 year 人民幣千元 RMB'000	一年後 到期之借款 Borrow. due after 1 year 人民幣千元 RMB'000	
於2017年12月31日 之債務淨額	Net debt as at 31 December 2017	20,542,676	(15,273,142)	(34,108,070)	(28,838,536)
現金流量	Cash flows	20,521,571	(1,077,211)	(34,490,148)	(15,045,788)
匯兌收益／(虧損)	Foreign exchange gain/(loss)	149,634	(171,119)	(412,771)	(434,256)
匯兌差額	Currency translation difference	–	(57,895)	(253,914)	(311,809)
由一年後重新分類至一年內	Reclassification from after 1 year to within 1 year	–	(11,135,911)	11,135,911	–
收購子公司	Acquisition of subsidiaries	–	(105,000)	(2,690,000)	(2,795,000)
出售子公司	Disposal of subsidiaries	–	1,000,000	4,361,500	5,361,500
公允價值變動(附註3.2)	Fair value change (Note 3.2)	–	(214,086)	–	(214,086)
折讓及溢價攤銷	Amortisation of discount and premium	–	(23,002)	(57,881)	(80,883)
於2018年12月31日之 債務淨額	Net debt as at 31 December 2018	41,213,881	(27,057,366)	(56,515,373)	(42,358,858)

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37 經營活動所得現金(續)

(c) 債務淨額對賬(續)

於合併現金流量表內，出售物業、廠房和設備的所得款項包括：

37 CASH GENERATED FROM OPERATIONS (Cont'd)

(c) Net debt reconciliation (Cont'd)

In the consolidated statement of cash flows, proceeds from disposal of property, plant and equipment comprise:

		截至12月31日止年度 Year ended 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
賬面淨值(附註6)	Net book value (Note 6)	64,819	75,593
出售物業、廠房、設備及無形資產產生的虧損(附註29)	Losses on disposal of property, plant and equipment and intangible assets (Note 29)	(1,641)	(3,842)
出售物業、廠房及設備及無形資產所得款項	Proceeds from disposal of property, plant and equipment and intangible assets	63,178	71,751

38 承擔

(a) 物業開發支出承擔

於2018年及2017年12月31日，尚未發生但已作出承擔的物業開發支出如下：

38 COMMITMENTS

(a) Property development expenditure commitments

As at 31 December 2018 and 2017, property development expenditure committed but not yet incurred are as follows:

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
已訂約但未撥備	Contracted but not provided for	38,008,186	33,294,079

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38 承擔(續)

(b) 裝備收購承擔

於2018年及2017年12月31日，已承擔但未發生的資本承擔如下：

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
設備購買承擔	Committed acquisition of equipment	180,663	100,013

(c) 經營租賃開支承擔

於2018年及2017年12月31日，以不可撤銷經營租賃持有的未來最低租金支出總額需於以下期間支付：

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
一年內	Within 1 year	188,987	52,272
一至五年	1 to 5 years	201,514	125,915
五年後	After 5 years	19,130	49,337
		409,631	227,524

38 COMMITMENTS (Cont'd)

(b) Equipment acquisition commitments

As at 31 December 2018 and 2017, capital committed but not yet incurred are as follows:

(c) Operating lease expense commitments

As at 31 December 2018 and 2017, the future aggregate minimum rental expenses held under non-cancellable operating leases are payable in the following periods:

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38 承擔(續)

(d) 投資承擔

於2018年及2017年12月31日，投資承擔如下：

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
聯營公司投資承擔	Committed investments in associates	678,272	600,000
合營企業投資承擔	Committed investments in joint ventures	181,419	64,799
		859,691	664,799

(e) 經營租賃應收租金

於2018年及2017年12月31日，就土地及建築物以不可撤銷經營租賃租出而產生的未來最低租金收款總額將於以下期間收取：

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
一年內	Within 1 year	3,061,578	1,385,296
一至五年	1 to 5 years	7,280,000	3,527,676
五年後	After 5 years	3,346,619	1,474,702
		13,688,197	6,387,674

38 COMMITMENTS (Cont'd)

(d) Investment commitments

As at 31 December 2018 and 2017, committed investments are as follows:

(e) Operating lease rentals receivable

As at 31 December 2018 and 2017, the future aggregate minimum rental receipts under non-cancellable operating leases in respect of land and buildings are receivable in the following periods:

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39 財務擔保及或然負債

除本合併財務報表披露外，於2018年及2017年12月31日，本集團就財務擔保產生的或然負債如下。

(a) 按揭融資的擔保

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
就本集團物業的若干買家的按揭融資作出的擔保	Guarantees in respect of mortgage facilities for certain purchasers of the Group's properties	41,015,531	18,825,358

本集團已為本集團物業若干買家安排銀行融資，並就買家的還款責任提供擔保。該等擔保將按下列較早者終止：(i)房地產所有權證由政府部門發出給買家，此證一般在擔保登記完成後平均兩至三年內發出，並向按揭銀行提交時；或(ii)物業買家清償按揭貸款時。

根據擔保條款，在該等買家拖欠按揭還款時，本集團須負責向銀行償還買家拖欠的按揭本金連同應計利息及罰金，而本集團有權接收相關物業的法定業權及所有權。本集團的擔保期由授出按揭日期起開始。董事認為買家拖欠付款的可能性極小，因此，按公允價值計量的財務擔保並非重大。

39 FINANCIAL GUARANTEES AND CONTINGENT LIABILITIES

Save as disclosed in this consolidated financial statements, the Group had the following contingent liabilities in respect of financial guarantees as at 31 December 2018 and 2017.

(a) Guarantees on mortgage facilities

The Group has arranged bank financing for certain purchasers of the Group's properties and provided guarantees to secure obligations of such purchaser for repayments. Such guarantees will terminate upon the earlier of (i) the issue of the real estate ownership certificate by government authorities to the purchaser which will generally occur within an average period of two to three years from the completion of the guarantee registration and submitted to the mortgage bank; or (ii) the satisfaction of mortgage loans by the purchasers of the properties.

Pursuant to the terms of the guarantees, upon default of mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principal together with accrued interest and penalties owed by the defaulting purchasers to the banks and the Group is entitled to take over the legal title and possession of the related properties. The Group's guarantee period starts from the date of grant of mortgage. The directors consider that the likelihood of default of payments by the purchasers is minimal and therefore the financial guarantee measured at fair value is immaterial.

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39 財務擔保及或然負債(續)

(b) 公司擔保

於2018年及2017年12月31日，本集團的子公司就借款(附註24)相互提供若干企業擔保。董事認為各子公司有足夠財務資源償付其債務。

於2018年12月31日，本集團向其合營企業及聯營公司提供擔保金額人民幣25,218百萬元(於2017年12月31日：人民幣24,557百萬元)。

(c) 未決訴訟

於2018年12月31日，本集團涉及若干未決的法律爭議。其中，一名第三方人士向本集團的子公司 Suzhou Future Land Chuangjia Real Estate Co. Ltd. (以下簡稱「Future Land Suzhou」) 就一項約人民幣1,015.71百萬元的股份轉讓爭議提起訴訟，其聲稱Seazen Suzhou與其他五名第三方人士及一家第三方公司之間的股權轉讓協議均屬無效。本集團已評估包括以上股份轉讓爭議的該等宣稱，並認為該法律爭議的最終結果將不會對本集團之財務狀況造成重大不利影響。不會就該法律爭議作出任何撥備。

40 關連方交易

(a) 最終控股股東及子公司

本公司由王振華先生(「最終控股股東」)最終控制。

於子公司之權益載於附註19

39 FINANCIAL GUARANTEES AND CONTINGENT LIABILITIES (Cont'd)

(b) Corporate guarantees

There are certain corporate guarantees provided by the Group's subsidiaries for each other in respect of borrowings (Note 24) as at 31 December 2018 and 2017. The directors consider that the subsidiaries are able to sufficiently financially resourced to settle their obligations.

As at 31 December 2018, the Group provided guarantee with the amount of RMB25,218 million (as at 31 December 2017: RMB24,557 million) to its joint ventures and associates.

(c) Pending litigation

The Group were involved in certain outstanding legal disputes as at 31 December 2018. Among these, a share transfer dispute of approximately RMB1,015.71 million was filed against one of the Group's subsidiary, Suzhou Future Land Chuangjia Real Estate Co. Ltd. (hereafter "Future Land Suzhou") of the Group by one third-party individual, who claims that the share transfer agreements between Future Land Suzhou with other five third party individuals and a third party company are both invalid. The Group have assessed the claims including the above share transfer dispute and considered that the ultimate outcome of the legal disputes will not have a material adverse effect on the Group's financial position. No provision was made against the legal disputes.

40 RELATED PARTY TRANSACTION

(a) Ultimate controlling shareholder and subsidiaries

The Company is ultimately controlled by Mr. Wang Zhenhua (the "Ultimate Controlling Shareholder").

Interests in subsidiaries are set at in Note 19.

合併財務報表附註

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40 關連方交易(續)

(b) 與關連方之交易

於截至2018年12月31日止年度，本集團進行了以下關連方交易：

40 RELATED PARTY TRANSACTION (Cont'd)

(b) Transaction with related parties

During the year ended 31 December 2018, the Group has the following related party transactions:

		截至12月31日止年度 Year ended 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
向關連方撥款	Fundings to related parties		
— 合營企業	— Joint ventures	83,837,840	38,795,240
— 聯營公司	— Associates	12,610,813	5,054,735
		96,448,653	43,849,975
來自關連方的撥款	Fundings from related parties		
— 合營企業	— Joint ventures	80,956,842	50,764,974
— 聯營公司	— Associates	20,502,410	8,690,851
— 一間由王先生控制之實體	— An entity controlled by Mr. Wang	33,208	26,631
		101,492,460	59,482,456
為關連方代墊款	Payment made on behalf of related parties		
— 合營企業	— Joint ventures	2,903,439	3,300,787
— 聯營公司	— Associates	3,990,450	2,752,319
— 一間由王先生控制之實體	— An entity controlled by Mr. Wang	33,208	26,631
		6,927,097	6,079,737
物業管理服務來自	Property management services from		
— 一間由王先生控制之實體	— An entities controlled by Mr. Wang	271,714	179,292
接受建設服務產生之開支	Expenses incurred for accepting construction services from		
— 一間聯營公司	— An associate	121,052	103,731
項目管理服務收入來自	Project management service income from		
— 合營企業	— Joint ventures	283,226	280,780
— 聯營公司	— Associates	90,438	117,653
		373,664	398,433
向以下支付之租金開支	Rental expenses to		
— 一間合營企業	— A joint venture	49,774	—
為以下提供諮詢服務	Consulting service income from		
— 合營企業	— Joint ventures	27,496	5,817
— 聯營公司	— Associates	33,030	2,420
		60,526	8,237
為以下提供租賃服務	Rental income from		
— 一間由王先生控制之實體	— An entity controlled by Mr. Wang	1,549	1,636

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40 關連方交易(續)

(c) 主要管理層報酬

		截至12月31日止年度 Year ended 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
薪金及其他短期僱員福利	Salaries and other short-term employee benefits	45,036	45,063

40 RELATED PARTY TRANSACTION (Cont'd)

(c) Key management compensation

(d) 為關連方提供擔保

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
為合營企業擔保	Guarantee to joint ventures	16,566,906	23,100,864
為聯營公司擔保	Guarantee to associates	8,651,530	1,456,400
		25,218,436	24,557,264

(d) Guarantees provided to related parties

(e) 為關連方借款提供投資抵押

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
為合營企業提供股份抵押	Shares pledged for joint ventures	5,959,574	2,938,715
為聯營公司提供股份抵押	Shares pledged for associates	1,383,251	—
		7,342,825	2,938,715

(e) Investment pledged for their borrowings of related parties

合併財務報表附註

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40 關連方交易(續)

(f) 合營企業資產為本集團借款提供抵押

		於12月31日	
		As at 31 December	
		2018年	2017年
		2018	2017
		人民幣千元	人民幣千元
		RMB'000	RMB'000
合營企業資產為本集團借款提供抵押	Asset in a joint venture pledged for the Group's borrowing	–	2,000,000

(g) 關連方結餘

40 RELATED PARTY TRANSACTION (Cont'd)

(f) Asset in a joint venture pledged for the Group's borrowing

(g) Related-party balances

		於12月31日	
		As at 31 December	
		2018年	2017年
		2018	2017
		人民幣千元	人民幣千元
		RMB'000	RMB'000
應收關連方款項(附註18)	Amounts due from related parties (Note 18)		
– 合營企業	– Joint ventures	19,972,102	13,424,176
– 聯營公司	– Associates	4,378,010	2,595,584
		24,350,112	16,019,760
應付關連方款項(附註25)	Amounts due to related parties (Note 25)		
– 合營企業	– Joint ventures	21,690,595	20,927,106
– 聯營公司	– Associates	9,725,005	4,041,432
		31,415,600	24,968,538

於2018年12月31日及2017年12月31日，所有應收及應付關連方款項均為無抵押、免息及須按要求償還。

As at 31 December 2018 and 31 December 2017, all due from and due to related parties are unsecured, non-interest bearing and repayable on demand.

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41 與非控股權益交易

於截至2018年12月31日止年度，本集團附屬公司新城控股已按人民幣149,959,000元的價格回購本身股份共5,529,000股。由於股份回購，其他儲備及非控股權益分別減少人民幣101,207,000元及人民幣48,752,000元。

41 TRANSACTIONS WITH NON-CONTROLLING INTERESTS

During the year ended 31 December 2018, Seazen Holdings, a subsidiary of the Group, has bought back a total number of 5,529,000 its own share at a price of RMB149,959,000. Other reserves and non-controlling interests decrease by RMB101,207,000 and RMB48,752,000 respectively due to the share buy-back.

42 出售子公司及業務

年內本集團若干附屬公司獲得第三方投資者的注資，以攤薄本集團於該等實體內的權益，而該等實體於其後入賬為合營企業或聯營公司。有關出售詳情如下：

42 DISPOSAL OF SUBSIDIARIES AND BUSINESS

During the year, certain subsidiaries of the Group received capital contribution from third party investors, diluting the Group's interest in these entities and such entities were accounted for as joint venture or associates afterwards. Details of the disposals are as follows:

		人民幣千元 RMB'000
出售代價	Disposal consideration	
－出售若干子公司後對合營企業及聯營公司投資的公允價值	－Fair value of investments in joint ventures and associates held after disposal of certain subsidiaries	1,132,308
出售子公司之資產淨額總額	Total net assets of subsidiaries disposed of	1,166,821
出售非控股權益	Non-controlling interest disposed of	(107,000)
		1,059,821
出售收益	Gains on disposal	72,487
來自出售之現金所得款項（扣除所出售現金）	Cash proceeds from disposal, net of cash disposed of	—
－減：所出售子公司之現金及現金等價物	－Less: cash and cash equivalents in the subsidiaries disposed of	(487,046)
出售現金流出淨額	Net cash outflow on disposal	(487,046)

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43 本公司財務狀況表及儲備變動

43 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENTS OF THE COMPANY

		於12月31日 As at 31 December	
		2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
資產	ASSETS		
非流動資產	Non-current assets		
物業、廠房及設備	Property, plant and equipment	761	915
投資物業	Investments in subsidiaries	479,817	479,817
		480,578	480,732
流動資產	Current assets		
貿易及其他應收款項	Trade and other receivables	9,621,659	4,378,772
現金及現金等價物	Cash and cash equivalents	170,946	40,758
		9,792,605	4,419,530
資產總額	Total assets	10,273,183	4,900,262
擁有人權益	OWNERS' EQUITY		
本公司權益持有人應佔	Capital and reserves attributable to equity holders of the Company		
股本及儲備			
股本：面值	Share capital: nominal value	4,813	4,609
儲備(a)	Reserves (a)	1,935,958	1,122,592
權益總額	Total equity	1,940,771	1,127,201
非流動負債	Non-current liabilities		
借款	Borrowings	5,015,593	3,403,930
流動負債	Current liabilities		
貿易及其他應付款項	Trade and other payables	427,120	369,131
借款	Borrowings	2,889,699	—
負債總額	Total liabilities	8,332,412	3,773,061
權益及負債總額	Total equity and liabilities	10,273,183	4,900,262

本公司資產負債表已於2019年3月8日獲董事會批准，並由下列董事代表董事會簽署：

Wang Zhenhua
王振華
Director
董事

The balance sheet of the Company was approved by the Board of Directors on 8 March 2019 and was signed on its behalf by:

Lu Zhongming
陸忠明
Director
董事

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43 本公司財務狀況表及儲備變動 (續)

43 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENTS OF THE COMPANY
(Cont'd)

(a) 本公司儲備變動

(a) Reserve movement of the Company

		股份溢價 Share premium 人民幣千元 RMB'000	其他儲備 Other reserves 人民幣千元 RMB'000	其他權益 庫存股 Other equity- Treasury stock 人民幣千元 RMB'000	(累計虧損)/ 保留盈利 (Accumulated losses)/ Retained earnings 人民幣千元 RMB'000	合計 Total 人民幣千元 RMB'000
於2018年1月1日之結餘	Balance at 1 January 2018	546,640	110,871	-	465,081	1,122,592
全面收益	Comprehensive income					
年度利潤	Profit for the year	-	-	-	996,051	996,051
其他全面收益	Other comprehensive income	-	-	-	-	-
年度全面收益總額	Total comprehensive income for the year	-	-	-	996,051	996,051
與擁有人進行的交易	Transactions with owners					
發行新股份	Issue of new shares	1,268,261	-	-	-	1,268,261
購回股份	Share buy back	-	(89,617)	(34,793)	-	(124,410)
股息	Dividends	(1,326,536)	-	-	-	(1,326,536)
擁有人投入及分配總額	Total contributions by and distributions to owners	(58,275)	(89,617)	(34,793)	-	(182,685)
於2018年12月31日的結餘	Balance at 31 December 2018	488,365	21,254	(34,793)	1,461,132	1,935,958
代表：	Representing:					
建議末期股息	Proposed final dividend	488,365	-	-	1,281,335	1,769,700
其他	Others	-	21,254	(34,793)	179,797	166,258
		488,365	21,254	(34,793)	1,461,132	1,935,958
於2017年1月1日之結餘	Balance at 1 January 2017	829,540	110,871	-	(462,596)	477,815
全面收益	Comprehensive income					
年度利潤	Profit for the year	-	-	-	927,677	927,677
其他全面收益	Other comprehensive income	-	-	-	-	-
年度全面收益總額	Total comprehensive income for the year	-	-	-	927,677	927,677
與擁有人進行的交易	Transactions with owners					
股息	Dividends	(282,900)	-	-	-	(282,900)
擁有人投入及分配總額	Total contributions by and distributions to owners	(282,900)	-	-	-	(282,900)
於2017年12月31日的結餘	Balance at 31 December 2017	546,640	110,871	-	465,081	1,122,592
代表：	Representing:					
建議末期股息	Proposed final dividend	546,640	-	-	413,237	959,877
其他	Others	-	110,871	-	51,844	162,715
		546,640	110,871	-	465,081	1,122,592

合併財務報表附註

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44 子公司詳情

本集團子公司於2018年及2017年12月31日的詳情載列如下：

44 PARTICULARS OF SUBSIDIARIES

Particulars of the subsidiaries of the Group as at 31 December 2018 and 2017 are as follows:

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
新城控股集團股份有限公司 Seazen Holdings Co., Ltd.	1996年6月14日 14 June 1996	2,256,724	2,256,724	67.49%	67.81%	物業開發及銷售 Development and sale of properties
常州新城房產開發有限公司 Changzhou Future Land Real Estate Development Co., Ltd.	1998年4月26日 26 April 1998	1,100,500	1,100,500	64.63%	64.94%	物業開發及銷售 Development and sale of properties
南京新城創置房地產有限公司 Nanjing Future Land Chuangzhi Real Estate Co., Ltd.	2002年9月9日 09 September 2002	120,000	120,000	64.91%	65.23%	物業開發及銷售 Development and sale of properties
上海新城創置房地產有限公司 Shanghai Future Land Chuangzhi Real Estate Co., Ltd.	2003年1月29日 29 January 2003	10,000	10,000	64.76%	65.07%	物業開發及銷售 Development and sale of properties
上海新城萬嘉房地產有限公司 Shanghai Future Land Wanjia Real Estate Co., Ltd.	2003年3月19日 19 March 2003	411,000	411,000	64.76%	65.07%	物業開發及銷售 Development and sale of properties
常州新龍創置房地產開發有限公司 Changzhou Xinlong Chuangzhi Real Estate Development Co., Ltd.	2004年9月16日 16 September 2004	500,000	500,000	66.92%	67.24%	物業開發及銷售 Development and sale of properties
蘇州新城萬嘉房地產有限公司 Suzhou Future Land Wanjia Real Estate Co., Ltd.	2004年9月17日 17 September 2004	20,000	20,000	64.91%	65.23%	物業開發及銷售 Development and sale of properties

合併財務報表附註

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
常州新城萬嘉建築設計有限公司 Changzhou Future Land Wan Jia Construction Design Co., Ltd.	2005年5月20日 20 May 2005	3,000	3,000	65.77%	66.09%	建築設計及諮詢 Construction design and consulting
常州鼎佳房地產開發有限公司 Changzhou Dingjia Property Real Estate Development Co., Ltd.	2005年5月27日 27 May 2005	10,000	10,000	64.99%	65.31%	物業開發及銷售 Development and sale of properties
常州新城東郡房地產開發有限公司 Changzhou Future Land Dongjun Real Estate Development Co., Ltd.	2005年12月27日 27 December 2005	10,000	10,000	67.26%	67.58%	物業開發及銷售 Development and sale of properties
昆山新城創置發展有限公司 Kunshan Future Land Chuangzhi Development Co., Ltd.	2006年4月7日 07 April 2006	20,000	20,000	64.69%	65.00%	物業開發及銷售 Development and sale of properties
常州新城資產經營管理有限公司 Changzhou Future Land Assets Operation and Management Co., Ltd.	2006年10月24日 24 October 2006	1,000	1,000	64.91%	67.53%	資產運營及管理 Asset operation and management
常州新城置地房地產開發有限公司 Changzhou Future Land Zhidi Real Estate Development Co., Ltd.	2006年12月13日 13 December 2006	10,000	10,000	64.63%	64.94%	物業開發及銷售 Development and sale of properties
常州嘉馳汽車配件有限公司 Changzhou Jia Chi Auto Parts Co., Ltd.	2007年1月16日 16 January 2007	15,000	15,000	64.63%	64.94%	物業市場調研 Marketing research of properties
常州萬方新城房地產開發有限公司 Changzhou Wanfang Future Land Real Estate Development Co., Ltd.	2007年2月6日 06 February 2007	20,000	20,000	64.70%	65.01%	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
常州福隆房地產開發有限公司 Changzhou Fu Long Real Estate Development Co., Ltd.	2007年2月6日 06 February 2007	10,000	10,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
常州新城萬博置業有限公司 Changzhou Future Land Wanbo Property Co., Ltd.	2007年5月16日 16 May 2007	10,000	10,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
上海東郡房地產開發有限公司 Shanghai DongJun Real Estate Development Co., Ltd.	2007年5月31日 31 May 2007	10,000	10,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
無錫新城萬嘉置業有限公司 Wuxi Future Land Wanjia Property Co., Ltd.	2007年8月14日 14 August 2007	420,500	420,500	67.41%	67.73%	物業開發及銷售 Development and sale of properties
蘇州新城創佳置業有限公司(a) Suzhou Future Land Chuangjia Property Co., Ltd.(a)	2007年10月11日 11 October 2007	20,200	20,200	66.82%	67.14%	物業開發及銷售 Development and sale of properties
常州萬嘉置業諮詢有限公司 Changzhou Wanjia Property Consultancy Co., Ltd.	2008年1月18日 18 January 2008	1,000	1,000	67.49%	67.81%	諮詢服務 Consulting
新城萬博置業有限公司 Future Land Wanbo Property Co., Ltd.	2008年1月24日 24 January 2008	800,000	800,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
上海新城創佳置業有限公司 Shanghai Future Land Chuangjia Property Co., Ltd.	2008年3月20日 20 March 2008	20,000	20,000	64.76%	65.07%	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
常州新城東昇房地產開發有限公司 Changzhou Future Land Dongsheng Real Estate Co., Ltd.	2009年6月4日 04 June 2009	10,000	10,000	67.26%	67.58%	物業開發及銷售 Development and sale of properties
南京新城創嘉房地產有限公司 Nanjing Future Land Chuangjia Real Estate Co., Ltd.	2009年7月2日 02 July 2009	18,000	18,000	64.91%	65.23%	物業開發及銷售 Development and sale of properties
常州新城金郡房地產有限公司 Changzhou Future Land JinJun Real Estate Co., Ltd.	2009年9月11日 11 September 2009	47,780	47,780	64.91%	65.23%	物業開發及銷售 Development and sale of properties
常州市恒福置業有限公司 Changzhou Hengfu Property Co., Ltd.	2009年11月26日 26 November 2009	20,000	20,000	64.63%	64.94%	物業開發及銷售 Development and sale of properties
常州新城萬佳房地產有限公司 Changzhou Future Land Wanjia Real Estate Co., Ltd.	2009年12月10日 10 December 2009	50,000	50,000	64.63%	64.94%	物業開發及銷售 Development and sale of properties
南京新城萬嘉房地產有限公司 Nanjing Future Land Wanjia Real Estate Co., Ltd.	2010年1月13日 13 January 2010	311,000	311,000	64.71%	65.02%	物業開發及銷售 Development and sale of properties
上海新城創宏房地產有限公司 Shanghai Future Land Chuanghong Real Estate Co., Ltd.	2010年1月26日 26 January 2010	10,000	10,000	64.76%	65.07%	物業開發及銷售 Development and sale of properties
常州新城科建投資諮詢有限公司 Changzhou Future Land Keda Investment Consultancy Co., Ltd.	2010年2月4日 04 February 2010	500	500	67.49%	67.81%	諮詢服務 Consulting

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
常州新城經典建築設計有限公司 Changzhou Future Land Jingdian Architectural Design Co., Ltd.	2010年2月4日 04 February 2010	500	500	67.49%	67.81%	物業開發及銷售 Development and sale of properties
上海新城金郡房地產有限公司 Shanghai Future Land JinJun Real Estate Co., Ltd.	2010年3月26日 26 March 2010	20,000	20,000	64.76%	65.07%	物業開發及銷售 Development and sale of properties
無錫新城創置房地產有限公司 Wuxi Future Land Chuangzhi Real Estate Co., Ltd.	2010年5月6日 06 May 2010	500,000	500,000	67.41%	67.73%	物業開發及銷售 Development and sale of properties
常州新城萬盛房地產有限公司 Changzhou Future Land Wansheng Real Estate Co., Ltd.	2010年6月12日 12 June 2010	10,000	10,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
常州新城吾悅商業管理有限公司 Changzhou Future Land Wuyue Commercial Management Co., Ltd.	2010年11月8日 08 November 2010	10,000	10,000	67.49%	67.81%	百貨商店管理 Department store management
南京新城允升房地產有限公司 Nanjing Future Land Yunsheng Real Estate Co., Ltd.	2010年11月19日 19 November 2010	860,000	860,000	64.71%	65.02%	物業開發及銷售 Development and sale of properties
無錫新城萬博置業有限公司 Wuxi Future Land Wanbo Property Co., Ltd.	2011年1月6日 06 January 2011	10,000	10,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
金壇市新城萬郡置業有限公司 Jintan Future Land WanJun Property Co., Ltd.	2011年3月22日 22 March 2011	10,000	10,000	66.06%	66.38%	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
長沙新城萬博置業有限公司 Changsha Future Land Wanbo Property Co., Ltd.	2011年3月28日 28 March 2011	420,000	420,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
上海新城創域房地產有限公司 Shanghai Future Land Chuangyu Real Estate Co., Ltd.	2011年5月10日 10 May 2011	20,000	20,000	64.76%	65.07%	物業開發及銷售 Development and sale of properties
昆山新城創域房地產有限公司 Kunshan Future Land Chuanghong Real Estate Co., Ltd.	2011年6月20日 20 June 2011	160,000	160,000	66.82%	67.14%	物業開發及銷售 Development and sale of properties
昆山新城創域房地產有限公司 Kunshan Future Land Chuangyu Real Estate Co., Ltd.	2011年6月23日 23 June 2011	100,000	100,000	67.16%	67.48%	物業開發及銷售 Development and sale of properties
常州新城瑞壹國際酒店有限公司 Changzhou Future Land Rui Yi International Co., Ltd.	2011年9月7日 07 September 2011	1,000	1,000	64.63%	64.94%	物業、酒店和會議管理以及公寓 租賃服務 Property, hotel and conference management; apartment leasing services
常州嘉楓市場調查有限公司 Changzhou Jiafeng Market Research Co., Ltd.	2011年9月15日 15 September 2011	5,000	5,000	64.63%	64.94%	物業市場調研 Marketing research of properties
常州吾悅國際廣場商業管理有限公司 Changzhou Wuyue International Plaza Commercial Management Co., Ltd.	2012年4月5日 05 April 2012	5,000	5,000	67.49%	67.81%	百貨商店管理 Department store management

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
武漢新城宏盛置業有限公司(c) Wuhan Future Land Hongsheng Property Co., Ltd.(c)	2012年5月9日 09 May 2012	10,000	10,000	47.24%	67.81%	物業開發及銷售 Development and sale of properties
上海富銘房地產開發有限公司 Shanghai Fuming Real Estate Development Co., Ltd.	2009年9月7日 07 September 2009	20,000	20,000	64.63%	65.07%	物業開發及銷售 Development and sale of properties
蘇州新城創恒房地產有限公司 Suzhou Future Land Chuangheng Real Estate Co., Ltd.	2012年8月13日 13 August 2012	20,000	20,000	66.82%	67.14%	物業開發及銷售 Development and sale of properties
上海青浦吾悅商業管理有限公司 Shanghai Qingpu Wuyue Commercial Management Co., Ltd.	2013年1月8日 08 January 2013	5,000	5,000	67.49%	67.81%	百貨商店管理 Department store management
上海新城寶郡置業有限公司 Shanghai Future Land BaoJun Property Co., Ltd.	2013年1月16日 16 January 2013	20,000	20,000	64.63%	65.07%	物業開發及銷售 Development and sale of properties
常州萬盛商業管理有限公司 Changzhou Wansheng Property Management Co., Ltd.	2013年1月22日 22 January 2013	450,000	450,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
南京新城創隆房地產有限公司 Nanjing Future Land Chuanglong Real Estate Co., Ltd.	2013年3月14日 14 March 2013	20,000	20,000	64.71%	65.02%	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
常州匯盛房地產發展有限公司 Changzhou Future Land Huisheng Development Co., Ltd.	2013年5月15日 15 May 2013	452,000	452,000	67.65%	67.97%	物業開發及銷售 Development and sale of properties
常州悅盛房地產發展有限公司 Changzhou Future Land Yuesheng Development Co., Ltd.	2013年5月15日 15 May 2013	612,000	612,000	67.49%	67.97%	物業開發及銷售 Development and sale of properties
常州卓盛房地產發展有限公司 Changzhou Future Land Zhuosheng Development Co., Ltd.	2013年5月15日 15 May 2013	756,000	756,000	67.65%	67.97%	物業開發及銷售 Development and sale of properties
豪泰環球有限公司(b) Heroic Time Global Limited(b)	2013年5月28日 28 May 2013	–	–	67.82%	68.14%	投資公司 Investment company
鎮江凱盛房地產發展有限公司 Zhenjiang Kaisheng Development Co., Ltd.	2013年6月7日 07 June 2013	20,000	20,000	67.82%	68.14%	物業開發及銷售 Development and sale of properties
蘇州凱拓房地產發展有限公司 Suzhou Kaituo Development Co., Ltd.	2013年6月20日 20 June 2013	128,938	128,938	67.82%	68.14%	物業開發及銷售 Development and sale of properties
蘇州博盛房地產發展有限公司 Suzhou Bosheng Development Co., Ltd.	2013年6月20日 20 June 2013	460,015	460,015	75.62%	75.86%	物業開發及銷售 Development and sale of properties
昇創有限公司(b) Exalt Creation Limited(b)	2013年4月30日 30 April 2013	–	–	67.82%	68.14%	投資公司 Investment company

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
蘇州新城創盛置業有限公司 Suzhou Future Land Chuangsheng Property Co., Ltd.	2013年7月1日 01 July 2013	21,000	21,000	66.82%	67.14%	物業開發及銷售 Development and sale of properties
香港鼎盛發展有限公司(b) Hong Kong Flourishing Development Limited(b)	2013年7月16日 16 July 2013	–	–	67.82%	68.14%	投資公司 Investment company
香港恒宇發展有限公司(b) Hong Kong Perpetual Development Limited(b)	2013年7月16日 16 July 2013	–	–	67.82%	68.14%	投資公司 Investment company
蘇州吾悅商業管理有限公司 Suzhou Wuyue Commercial Management Co., Ltd.	2013年7月19日 19 July 2013	5,000	5,000	67.49%	67.81%	百貨商店管理 Department store management
茂源控股有限公司(b) Flourish Source Holdings Limited(b)	2013年9月27日 27 September 2013	–	–	67.82%	68.14%	投資公司 Investment company
杭州新城創宏房地產開發有限公司 Hangzhou Future Land Chuanghong Real Estate Development Co., Ltd.	2013年9月27日 27 September 2013	30,000	30,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
杭州新城鼎宏房地產開發有限公司 Hangzhou Future Land Dinghong Real Estate Development Co., Ltd.	2013年10月8日 08 October 2013	356,500	356,500	67.40%	67.72%	物業開發及銷售 Development and sale of properties

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
張家港鼎盛房地產有限公司 Zhangjiagang Dingsheng Real Estate Co., Ltd.	2013年10月25日 25 October 2013	11,424	11,424	67.82%	68.14%	物業開發及銷售 Development and sale of properties
優力有限公司(b) Aceled Limited(b)	2013年11月1日 01 November 2013	—	—	67.82%	68.14%	投資公司 Investment company
丹陽新城宏盛房地產發展有限公司 Danyang Future Land Hongsheng Real Estate Development Co., Ltd.	2013年11月5日 05 November 2013	20,000	20,000	67.82%	68.14%	物業開發及銷售 Development and sale of properties
杭州新城創盛房地產開發有限公司 Hangzhou Future Land Chuangsheng Real Estate Development Co., Ltd.	2013年11月6日 06 November 2013	100,000	100,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
昆山新城萬龍房地產發展有限公司 Kunshan Future Land Wanlong Real Estate Development Co., Ltd.	2013年12月31日 31 December 2013	10,000	10,000	64.69%	65.00%	物業開發及銷售 Development and sale of properties
上海嘉定華銳置業有限公司 Shanghai Jiading Huarui Real Estate Co., Ltd.	2014年1月9日 09 January 2014	20,000	20,000	64.76%	65.07%	物業開發及銷售 Development and sale of properties
香港卓盛發展有限公司(b) Hong Kong Excellent Development Limited(b)	2014年1月10日 10 January 2014	—	—	67.82%	68.14%	投資公司 Investment company
香港益盛發展有限公司(b) Hong Kong Grand Development Limited(b)	2014年1月10日 10 January 2014	—	—	67.82%	68.14%	投資公司 Investment company

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
南通新城創置房地產有限公司 Nantong Future Land Chuangzhi Real Estate Co., Ltd.	2014年1月26日 26 January 2014	850,000	850,000	51.81%	52.06%	物業開發及銷售 Development and sale of properties
上海新城松郡房地產有限公司 Shanghai Future Land SongJun Real Estate Development Co., Ltd.	2014年3月13日 13 March 2014	20,000	20,000	64.76%	65.07%	物業開發及銷售 Development and sale of properties
青島新城創置房地產有限公司 Qingdao Future Land Chuangzhi Real Estate Co., Ltd.	2014年5月15日 15 May 2014	600,500	600,500	67.44%	67.14%	物業開發及銷售 Development and sale of properties
香港匯盛發展有限公司(b) Hong Kong Glorious Development Limited(b)	2014年8月22日 22 August 2014	7,951	7,951	67.49%	67.81%	投資公司 Investment company
上海吾悅投資管理有限公司 Shanghai Injoy Investment Management Co., Ltd.	2014年8月22日 22 August 2014	10,000	10,000	67.49%	67.81%	投資公司 Investment company
南昌新城悅盛房地產發展有限公司(a) Nanchang Future Land Yuesheng Real Estate Development Co., Ltd.(a)	2014年8月29日 29 August 2014	9,285	9,285	67.82%	68.14%	物業開發及銷售 Development and sale of properties
武漢新城創置置業有限公司(a) Wuhan Future Land Chuangzhi Property Co., Ltd.(a)	2014年9月11日 11 September 2014	10,500	10,500	67.49%	64.59%	物業開發及銷售 Development and sale of properties
香港吾悅發展有限公司(b) Hong Kong Injoy Development Limited(b)	2014年9月12日 12 September 2014	7,931	7,931	67.49%	67.81%	投資公司 Investment company

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
香港恒軒發展有限公司(b) Hong Kong Hengxuan Development Limited(b)	2014年9月24日 24 September 2014	1,036,711	1,036,711	75.62%	75.86%	投資公司 Investment company
長春新城悅盛房地產發展有限公司 Changchun Future Land Yuesheng Real Estate Development Co., Ltd.	2014年9月29日 29 September 2014	20,271	20,271	67.82%	68.14%	物業開發及銷售 Development and sale of properties
香港創隆發展有限公司(b) Hong Kong Chuanglong Development Limited(b)	2014年10月28日 28 October 2014	–	–	67.82%	68.14%	投資公司 Investment company
丹陽新城吾悅商業管理有限公司 Danyang Future Land Wuyue Commercial Management Co., Ltd.	2014年11月14日 14 November 2014	5,000	5,000	67.49%	67.81%	百貨商店管理 Department store management
張家港新城吾悅商業管理有限公司 Zhangjiagang Future Land Wuyue Commercial Management Co., Ltd.	2014年11月20日 20 November 2014	5,000	5,000	67.49%	67.81%	百貨商店管理 Department store management
安慶新城悅盛房地產發展有限公司 Anqing Future Land Yuesheng Development Co., Ltd.	2014年12月1日 01 December 2014	100,000	100,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
新城商業管理集團有限公司 Future Land Commercial Management Co., Ltd.	2014年12月2日 02 December 2014	50,000	50,000	67.49%	67.81%	資產運營及管理 Asset operation and management

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
常州新城宏興商業管理有限公司(c) Changzhou Future Land Honghao Commercial Management Co., Ltd.(c)	2014年12月5日 05 December 2014	20,000	20,000	34.41%	67.81%	資產運營及管理 Asset operation and management
海口新城萬博房地產發展有限公司 Haikou Future Land Wanbo Real Estate Development Co., Ltd.	2015年1月5日 05 January 2015	90,000	90,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
南京新城萬順房地產有限公司 Nanjing Future Land Wanshun Real Estate Co., Ltd.	2015年1月16日 16 January 2015	30,000	30,000	64.71%	65.02%	物業開發及銷售 Development and sale of properties
上海松睿房地產開發有限公司 Shanghai Songrui Real Estate Development Co., Ltd.	2015年2月10日 10 February 2015	10,000	10,000	64.76%	65.07%	物業開發及銷售 Development and sale of properties
南昌新城吾悅商業管理有限公司 Nanchang Future Land Wuyue Business Management Co., Ltd.	2015年3月25日 25 March 2015	5,000	5,000	67.49%	67.81%	百貨商店管理 Department store management
上海新城創賢房地產有限公司 Shanghai Future Land Chuangxian Real Estate Co., Ltd.	2015年4月1日 01 April 2015	20,000	20,000	64.76%	65.07%	物業開發及銷售 Development and sale of properties
金壇新城萬博房地產發展有限公司 Jintan Future Land Wanbo Real Estate Development Co., Ltd.	2015年4月10日 10 April 2015	325,000	325,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
常州新城嘉寶置業有限公司 Changzhou Future Land Jiarui Property Co., Ltd.	2015年4月16日 16 April 2015	20,000	20,000	64.63%	64.94%	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
安慶新城吾悅商業管理有限公司 Anqing Future Land Wuyue Business Management Co., Ltd.	2015年4月16日 16 April 2015	5,000	5,000	67.49%	67.81%	百貨商店管理 Department store management
長春新城吾悅商業管理有限公司 Changchun Future Land Wuyue Business Management Co., Ltd.	2015年5月27日 27 May 2015	10,000	10,000	67.49%	67.81%	百貨商店管理 Department store management
永勝創投有限公司(b) Ever Victory Ventures Limited(b)	2015年5月28日 28 May 2015	–	–	67.49%	67.81%	投資公司 Investment company
尊鋒投資有限公司(b) Premier Point Investments Limited(b)	2015年5月29日 29 May 2015	–	–	67.49%	67.81%	投資公司 Investment company
杭州松銘房地產諮詢有限公司 Hangzhou Songming Real Estate Consultancy Co., Ltd.	2015年6月3日 03 June 2015	5,000	5,000	67.40%	67.72%	諮詢服務 Consulting
杭州創隆房地產諮詢有限公司 Hangzhou Chuanglong Real Estate Consultancy Co., Ltd.	2015年6月3日 03 June 2015	5,000	5,000	67.40%	67.72%	諮詢服務 Consulting
永康企業有限公司(b) Ever Health Enterprises Limited(b)	2015年6月12日 12 June 2015	–	–	67.49%	67.81%	投資公司 Investment company
金壇新城吾悅商業管理有限公司 Jintan Future Land Wuyue Business Management Co., Ltd.	2015年6月19日 19 June 2015	10,000	10,000	67.49%	67.81%	百貨商店管理 Department store management
香港禧盛發展有限公司(b) Hong Kong Xisheng Development Limited(b)	2015年6月19日 19 June 2015	–	–	67.49%	67.81%	投資公司 Investment company

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
香港瑞盛發展有限公司(b) Hong Kong Ruisheng Development Limited(b)	2015年6月19日 19 June 2015	–	–	67.49%	67.81%	投資公司 Investment company
香港澤盛發展有限公司(b) Hong Kong Zesheng Development Limited(b)	2015年6月19日 19 June 2015	–	–	67.49%	67.81%	投資公司 Investment company
上海嘉牧投資管理有限公司 Shanghai Jiamu Investment Management Co., Ltd.	2015年6月23日 23 June 2015	586,000	586,000	67.49%	67.81%	諮詢服務 Consulting
杭州新城鼎佳房地產開發有限公司(c) Hangzhou Future Land Dingjia Real Estate Development Co., Ltd. (c)	2015年6月23日 23 June 2015	36,750	36,750	40.44%	40.63%	物業開發及銷售 Development and sale of properties
杭州松睿實業有限公司 Hangzhou Songrui Industry Co., Ltd.	2015年6月24日 24 June 2015	380,000	380,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
衢州萬博房地產發展有限公司 Quzhou Future Land Wanbo Real Estate Development Co., Ltd.	2015年8月6日 06 August 2015	40,000	40,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
寧波新城萬博房地產發展有限公司 Ningbo Future Land Wanbo Real Estate Development Co., Ltd.	2015年8月3日 03 August 2015	280,000	280,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
台州市黃岩新城吾悅商業管理有限公司 Taizhou Huangyan Future Land Wuyue Real Estate Development Co., Ltd.	2015年6月26日 26 June 2015	10,000	10,000	67.49%	67.81%	百貨商店管理 Department store management
成都新城吾悅商業管理有限公司 Chengdu Future Land Wuyue Business Management Co., Ltd.	2015年8月7日 07 August 2015	10,000	10,000	67.49%	67.81%	百貨商店管理 Department store management

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
海口新城吾悅商業管理有限公司 Haikou Future Land Wuyue Business Management Co., Ltd.	2015年8月5日 05 August 2015	10,000	10,000	67.49%	67.81%	百貨商店管理 Department store management
桐鄉新城吾悅商業管理有限公司 Tongxiang Future Land Wuyue Business Management Co., Ltd.	2015年9月6日 06 September 2015	10,000	10,000	67.49%	67.81%	百貨商店管理 Department store management
寧波新城吾悅商業管理有限公司 Ningbo Future Land Wuyue Business Management Co., Ltd.	2015年8月19日 19 August 2015	10,000	10,000	67.49%	67.81%	百貨商店管理 Department store management
嵊州新城禧盛房地產發展有限公司 Shengzhou Future Land Xisheng Real Estate Development Co., Ltd.	2015年8月29日 29 August 2015	780,000	780,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
鎮江悅盛房地產發展有限公司 Zhenjiang Yuesheng Real Estate Development Co., Ltd.	2015年9月11日 11 September 2015	9,956	9,956	67.49%	67.81%	物業開發及銷售 Development and sale of properties
寧波凱拓房地產發展有限公司 Ningbo Kaituo Real Estate Development Co., Ltd.	2015年9月22日 22 September 2015	280,000	280,000	67.82%	68.14%	物業開發及銷售 Development and sale of properties
桐鄉卓盛房地產發展有限公司 Tongxiang Zhuosheng Real Estate Development Co., Ltd.	2015年7月8日 08 July 2015	404,932	404,932	67.82%	68.14%	物業開發及銷售 Development and sale of properties
南京新城創匯房地產有限公司 Nanjing Future Land Chuanghui Real Estate Co., Ltd.	2015年12月23日 23 December 2015	30,000	30,000	64.71%	65.02%	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
武漢鑫瑞隆祥置業有限公司 Wuhan Xinruilongxiang Property Co., Ltd.	2009年7月17日 17 July 2009	50,000	50,000	67.49%	64.59%	物業開發及銷售 Development and sale of properties
上海創澤房地產開發有限公司 Shanghai Chuangze Real Estate Development Co., Ltd.	2015年8月26日 26 August 2015	10,000	10,000	64.76%	65.07%	物業開發及銷售 Development and sale of properties
上海複域商業經營管理有限公司 Shanghai Fuyu Commercial Operation Management Co., Ltd.	2015年9月24日 24 September 2015	10,000	10,000	64.76%	65.07%	百貨商店管理 Department store management
上海龍卿房地產開發有限公司 Shanghai Longqing Real Estate Development Co., Ltd.	2015年11月2日 02 November 2015	10,000	10,000	64.76%	65.07%	物業開發及銷售 Development and sale of properties
上海哈枚房地產開發有限公司 Shanghai Hanmei Real Estate Development Co., Ltd.	2015年11月2日 02 November 2015	10,000	10,000	64.76%	65.07%	物業開發及銷售 Development and sale of properties
上海拓裕房地產開發有限公司 Shanghai Tuoyu Real Estate Development Co., Ltd.	2015年12月3日 03 December 2015	10,000	10,000	64.76%	65.07%	物業開發及銷售 Development and sale of properties
常熟新城創宏房地產有限公司 Changshu Future Land Chuanghong Real Estate Co., Ltd.	2015年7月31日 31 July 2015	200,000	200,000	66.82%	67.14%	物業開發及銷售 Development and sale of properties
無錫新恒置業有限公司 Wuxi Xinheng Property Co., Ltd.	2011年10月13日 13 October 2011	20,000	20,000	67.41%	67.73%	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
杭州新城創佳房地產開發有限公司 Hangzhou Future Land Chuangjia Real Estate Development Co., Ltd.	2015年10月22日 22 October 2015	50,000	50,000	67.40%	67.72%	物業開發及銷售 Development and sale of properties
濟南天鴻永天房地產開發有限公司 Jinan Tianhong Yongtian Real Estate Development Co., Ltd.	2015年1月6日 06 January 2015	100,000	100,000	67.44%	67.14%	物業開發及銷售 Development and sale of properties
常州金東方護理院有限公司(c) Changzhou Jindongfang Huiyuan Co., Ltd. (c)	2015年11月30日 30 November 2015	30,000	30,000	45.24%	45.46%	護理服務 Care Service
江蘇金東方頤養園置業有限公司(c) Jiangsu Jindongfang Yiyangyuan Property Co., Ltd.(c)	2011年3月13日 13 March 2011	500,000	500,000	45.24%	45.46%	物業開發及銷售 Development and sale of properties
常州金東方醫院有限公司(c) Changzhou Jindongfang Hospital Co., Ltd. (c)	2015年11月30日 30 November 2015	30,000	30,000	45.24%	45.46%	護理服務 Care Service
常州金東方品質生活服務有限公司(c) Changzhou Jindongfang Quality Life Services Co., Ltd.(c)	2013年7月30日 30 July 2013	1,500	1,500	30.16%	30.31%	護理服務 Care Service
蘇州貝嘉房地產諮詢有限公司 Suzhou Beijia Real Estate Consultancy Co., Ltd.	2015年8月12日 12 August 2015	10,000	10,000	66.82%	67.14%	物業諮詢服務 Properties consulting
杭州鼎睿房地產諮詢有限公司 Hangzhou Dingrui Real Estate Consultancy Co., Ltd.	2015年11月3日 03 November 2015	5,000	5,000	67.40%	67.72%	物業諮詢服務 Properties consulting
杭州創域房地產諮詢有限公司 Hangzhou Chuangyu Real Estate Consultancy Co., Ltd.	2015年11月3日 03 November 2015	5,000	5,000	67.40%	67.72%	物業諮詢服務 Properties consulting

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
濟南天鴻永業房地產開發有限公司 Jinan Tianhongyongye Real Estate Development Co., Ltd.	2013年12月12日 12 December 2013	520,000	520,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
衢州新城吾悅商業管理有限公司 Quzhou Future Land Wuyue Commercial Management Co., Ltd.	2015年12月2日 02 December 2015	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
常州華誠造價諮詢有限公司 Changzhou Huacheng Cost Consulting Co., Ltd.	2016年1月12日 12 January 2016	1,000	1,000	67.49%	67.81%	成本諮詢服務 Cost Consulting
深圳市新城創佳房地產開發有限公司 Shenzhen New Domain Chuangjia Real Estate Development Co., Ltd.	2016年7月29日 29 July 2016	75,000	75,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
上海翼動創業孵化器有限公司 Shanghai Yidong Business Incubator Limited	2016年5月5日 05 May 2016	10,000	10,000	67.49%	67.81%	辦公空間租賃 Office space rental
義烏新城吾悅商業管理有限公司 Yiwu Future Land Wuyue Commercial Management Co., Ltd.	2016年3月31日 31 March 2016	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
鎮江新城吾悅商業管理有限公司 Zhenjiang Future Land Wuyue Commercial Management Co., Ltd.	2016年1月18日 18 January 2016	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
南京新城吾悅商業管理有限公司 Nanjing Future Land Wuyue Commercial Management Co., Ltd.	2016年4月18日 18 April 2016	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
張家港萬博經營管理有限公司 Zhangjiagang Wanbo Management Co., Ltd.	2016年11月16日 16 November 2016	10,000	10,000	67.82%	68.14%	物業開發及銷售 Development and sale of properties

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公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
蘇州隆盛吾悅房產經營管理有限公司 Suzhou Longsheng Injoy Real Estate Development Co., Ltd.	2016年11月2日 02 November 2016	10,000	10,000	67.82%	68.14%	物業開發及銷售 Development and sale of properties
晉江新城吾悅發展有限公司 Jinjiang Future Land Wuyue Development Co., Ltd.	2016年1月4日 04 January 2016	100,000	100,000	67.49%	67.81%	百貨商店管理 Department store management
如皋吾悅房地產發展有限公司 Rugao Real Estate Development Co., Ltd.	2016年4月25日 25 April 2016	20,000	20,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
瑞安市吾悅房地產開發有限公司 Ruian Wuyue Real Estate Development Co., Ltd.	2016年8月5日 05 August 2016	20,000	20,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
昆明新城吾悅房地產發展有限公司 Kunming Future Land Wuyue Real Estate Development Co., Ltd.	2016年10月17日 17 October 2016	20,000	20,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
臨沂新城吾悅置業有限公司 Linyi Future Land Injoy Property Co., Ltd.	2016年12月12日 12 December 2016	20,000	20,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
平湖新城萬博商業開發有限公司 Pinghu Future Land Injoy Business Development Co., Ltd.	2016年12月26日 26 December 2016	100,000	100,000	67.49%	67.81%	百貨商店管理 Department store management
新城控股集團房地產開發有限公司 Future Land Holdings Real Estate Development Co., Ltd.	2016年8月19日 19 August 2016	50,000	50,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
怡堡有限公司(b) Harmonic Castle Limited(b)	2016年6月8日 08 June 2016	–	–	67.49%	67.81%	投資公司 Investment company
卓曜有限公司(b) Excel Ray Limited(b)	2016年6月10日 10 June 2016	–	–	67.49%	67.81%	投資公司 Investment company
怡高有限公司(b) Harmonic Goal Limited(b)	2016年6月10日 10 June 2016	–	–	67.49%	67.81%	投資公司 Investment company
香港創熾發展有限公司(b) HONG KONG CHUANGRONG DEVELOPMENT LIMITED(b)	2016年7月22日 22 July 2016	–	–	67.49%	67.81%	投資公司 Investment company
香港鼎泓發展有限公司(b) HONG KONG DING HONG DEVELOPMENT LIMITED(b)	2016年7月22日 22 July 2016	–	–	67.49%	67.81%	投資公司 Investment company
香港恒茂發展有限公司(b) HONG KONG HENG PENG DEVELOPMENT LIMITED(b)	2016年7月22日 22 July 2016	–	–	67.49%	67.81%	投資公司 Investment company
上海意霖房地產開發有限公司 Shanghai Yilin Real Estate Development Co., Ltd.	2016年5月13日 13 May 2016	10,000	10,000	64.76%	65.07%	物業開發及銷售 Development and sale of properties
南京匯凱房地產有限公司 Nanjing Huikai Real Estate Co., Ltd.	2015年12月14日 14 December 2015	10,000	10,000	64.71%	65.02%	物業開發及銷售 Development and sale of properties
杭州新城德佳房地產開發有限公司 Hangzhou Future Land Dejia Real Estate Development Co., Ltd.	2016年2月2日 02 February 2016	10,200	10,200	67.40%	67.72%	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
濟南天鴻永益房地產開發有限公司 Jinan Tianhong Yongyi Real Estate Development Co., Ltd.	2016年6月25日 25 June 2016	10,000	10,000	67.44%	67.14%	物業開發及銷售 Development and sale of properties
濟南新城創置房地產開發有限公司 Jinan Future Land Chuangzhi Real Estate Development Co., Ltd.	2016年4月5日 05 April 2016	50,500	50,500	66.82%	67.14%	物業開發及銷售 Development and sale of properties
南京新城萬隆房地產有限公司 Nanjing Future Land Wanlong Real Estate Co., Ltd.	2014年4月24日 24 April 2014	700,000	700,000	64.71%	65.02%	物業開發及銷售 Development and sale of properties
江蘇蘭華投資開發有限公司 Jiangsu Lanhua Investment and Development Co., Ltd.	2009年5月27日 27 May 2009	30,000	30,000	64.71%	65.02%	物業開發及銷售 Development and sale of properties
青島市麗洲置業有限公司(a) Qingdao Lizhou Property Co., Ltd. (a)	2010年9月27日 27 September 2010	50,000	50,000	67.44%	67.14%	物業開發及銷售 Development and sale of properties
武漢江南印象置業有限公司(a) Wuhan Jiangnan impression Property Co., Ltd.(a)	2016年5月9日 09 May 2016	20,000	20,000	67.49%	64.59%	物業開發及銷售 Development and sale of properties
北京新城創置房地產開發有限公司 Beijing Future Land Chuangzhi Real Estate Development Co., Ltd.	2016年6月23日 23 June 2016	20,500	20,500	65.84%	66.16%	物業開發及銷售 Development and sale of properties
廣州鼎佳房地產有限公司 Guangzhou Dingjia Real Estate Co., Ltd.	2016年10月11日 11 October 2016	10,500	10,500	64.28%	64.59%	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
新城控股集團住宅開發有限公司 Future Land Holding Residential Development Co., Ltd.	2016年3月30日 30 March 2016	50,000	50,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
合肥新城創宏房地產有限公司 Hefei Future Land Chuanghong Real Estate Co., Ltd.	2016年11月11日 11 November 2016	50,000	50,000	64.71%	65.02%	物業開發及銷售 Development and sale of properties
杭州金郡房地產諮詢有限公司 Hangzhou JinJun Real Estate Consultancy Co., Ltd.	2016年9月27日 27 September 2016	5,000	5,000	67.40%	67.72%	諮詢服務 Consulting
杭州南郡房地產諮詢有限公司 Hangzhou NanJun Real Estate Consultancy Co., Ltd.	2016年9月27日 27 September 2016	5,000	5,000	67.40%	67.72%	諮詢服務 Consulting
嘉興新城創盛房地產開發有限公司 Jiaxing Future Land Chuangsheng Real Estate Development Co., Ltd.	2016年10月21日 21 October 2016	100,000	100,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
北京新城創宏房地產開發有限公司 Beijing Future Land Chuanghong Real Estate Development Co., Ltd.	2016年10月12日 12 October 2016	10,000	10,000	65.84%	66.16%	物業開發及銷售 Development and sale of properties
河北金郡房地產開發有限公司 Hebei JinJun Real Estate Development Co., Ltd.	2016年11月24日 24 November 2016	10,000	10,000	65.84%	66.16%	物業開發及銷售 Development and sale of properties
天津新城萬嘉房地產開發有限公司 Tianjin Future Land WanJia Real Estate Development Co., Ltd.	2016年10月17日 17 October 2016	50,500	50,500	66.82%	67.14%	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
杭州濱匯企業管理有限公司 Hangzhou Binhui Business Management Co., Ltd.	2015年12月29日 29 December 2015	20	20	67.40%	67.72%	諮詢服務 Consulting
如皋新城吾悅商業管理有限公司 Rugao Future Land Wuyue Commercial Management Co., Ltd.	2016年8月18日 18 August 2016	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
嵊州新城吾悅商業管理有限公司 Shengzhou Future Land Wuyue Commercial Management Co., Ltd.	2015年12月3日 03 December 2015	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
瑞安市吾悅商業管理有限公司 Ruian Wuyue Commercial Management Co., Ltd.	2016年11月14日 14 November 2016	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
諸暨新城吾悅商業管理有限公司 Zhuji Future Land Wuyue Commercial Management Co., Ltd.	2016年10月17日 17 October 2016	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
晉江吾悅商業管理有限公司 Jinjiang Wuyue Commercial Management Co., Ltd.	2016年7月20日 20 July 2016	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
青島新城吾悅商業管理有限公司 Qingdao Future Land Wuyue Commercial Management Co., Ltd.	2016年12月8日 08 December 2016	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
丹陽萬博房地產經營管理有限公司 Danyang Wanbo Real Estate Development Co., Ltd.	2016年12月13日 13 December 2016	10,000	10,000	67.82%	68.14%	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
合肥新城萬弘房地產有限公司 Hefei Future Land Wanhong Real Estate Co., Ltd.	2016年12月27日 27 December 2016	50,000	50,000	67.41%	67.73%	物業開發及銷售 Development and sale of properties
武漢龍域房地產諮詢有限公司 Wuhan Longyu Real Estate Consultancy Co., Ltd.	2016年1月28日 28 January 2016	10,000	10,000	67.49%	64.59%	物業開發及銷售 Development and sale of properties
龍旺發展有限公司(b) Dragon Boom Developments Limited(b)	2014年7月29日 29 July 2014	300	300	67.49%	67.81%	投資公司 Investment company
香港景盛發展有限公司(b) Hong Kong Jingsheng Development Limited(b)	2014年9月12日 12 September 2014	–	–	67.49%	67.81%	投資公司 Investment company
中愛集團有限公司(b) ATL Group Limited(b)	2006年3月21日 21 March 2006	103	103	67.49%	67.81%	投資公司 Investment company
常州景旭諮詢管理有限公司 Changzhou Jingxu Consultancy Co., Ltd.	2014年11月6日 06 November 2014	2,000	2,000	67.49%	67.81%	諮詢服務 Consulting
上海藍恒企業管理有限公司 Shanghai Lanheng Management Ltd.	2017年1月22日 22 January 2017	1,000	1,000	67.49%	67.81%	資產運營及管理 Asset operation and management
上海泉恒企業管理有限公司 Shanghai Quanheng Enterprise Management Ltd.	2017年1月22日 22 January 2017	10,000	10,000	67.49%	67.81%	資產運營及管理 Asset operation and management
泰興市新城吾悅商業管理有限公司 Taixing Future Land Wuyue Commercial Management Co., Ltd.	2017年4月28日 28 April 2017	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
平湖新城吾悅商業管理有限公司 Pinghu Future Land Wuyue Commercial Management Co., Ltd.	2017年4月6日 06 April 2017	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
成都武侯吾悅商業管理有限公司 Chengdu Wuhou Wuyue Commercial Management Co., Ltd.	2017年3月9日 09 March 2017	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
成都龍泉新城吾悅商業管理有限公司 Chengdu Longquan Future Land Wuyue Commercial Management Co., Ltd.	2017年4月18日 18 April 2017	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
上海瀚拓房地產開發有限公司 Shanghai Hantuo Real Estate Development Co., Ltd.	2016年10月28日 28 October 2016	10,000	10,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
南昌吾悅房地產開發有限公司 Nanchang Wuyue Real Estate Development Co., Ltd.	2017年2月24日 24 February 2017	415,940	415,940	67.49%	67.81%	物業開發及銷售 Development and sale of properties
慈溪新城吾悅房地產開發有限公司 Cixi Future Land Wuyue Real Estate Development Co., Ltd.	2017年5月16日 16 May 2017	280,000	280,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
淮南新城吾悅房地產開發有限公司 Huainan Future Land Wuyue Real Estate Development Co., Ltd.	2017年2月27日 27 February 2017	100,000	100,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
泰興新城萬博房地產開發有限公司 Taixing Future Land Wanbo Real Estate Development Co., Ltd.	2017年1月4日 04 January 2017	500,000	500,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
南寧吾悅房地產開發有限公司 Nanning Wuyue Real Estate Development Co., Ltd.	2017年3月6日 06 March 2017	10,000	10,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
玉環新城吾悅房地產開發有限公司 Yuhuan Future Land Wuyue Real Estate Development Co., Ltd.	2017年2月17日 17 February 2017	200,000	200,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
上饒市新城吾悅房地產開發有限公司 Shangrao Future Land Wuyue Real Estate Development Co., Ltd.	2017年6月26日 26 June 2017	50,000	50,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
長沙吾悅房地產開發有限公司 Shangsha Wuyue Real Estate Development Co., Ltd.	2017年3月13日 13 March 2017	50,000	50,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
長沙凱拓房地產開發有限公司 Changsha Kaituo Real Estate Development Co., Ltd.	2017年6月26日 26 June 2017	710,000	710,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
鄭州隆城吾悅房地產開發有限公司(c) Zhengzhou Longcheng Wuyue Real Estate Development Co., Ltd.(c)	2016年12月19日 19 December 2016	150,000	150,000	34.42%	34.58%	物業開發及銷售 Development and sale of properties
西安新城吾悅房地產開發有限公司 Xi'an Future Land Wuyue Real Estate Development Co., Ltd.	2017年4月25日 25 April 2017	100,000	100,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
新城環球有限公司(b) NEW METRO GLOBAL LIMITED(b)	2017年3月10日 10 March 2017	—	—	67.49%	67.81%	投資公司 Investment company
香港譽盛發展有限公司(b) Hong Kong Yusheng Development Co., Ltd.(b)	2017年2月8日 08 February 2017	—	—	67.49%	67.81%	投資公司 Investment company

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
立盈環球有限公司(b) Liyong Global Limited(b)	2017年2月1日 01 February 2017	–	–	67.49%	67.81%	投資公司 Investment company
匯商國際有限公司(b) Huishang International Co., Ltd.(b)	2017年2月1日 01 February 2017	–	–	67.49%	67.81%	投資公司 Investment company
香港恒啟發展有限公司(b) Hong Kong Hengqi Development Co., Ltd.(b)	2017年2月8日 08 February 2017	–	–	67.49%	67.81%	投資公司 Investment company
旭昇發展有限公司(b) Xusheng Development Co., Ltd.(b)	2017年2月10日 10 February 2017	–	–	67.49%	67.81%	投資公司 Investment company
希添國際有限公司(b) Xitian International Co., Ltd.(b)	2017年2月10日 10 February 2017	–	–	67.49%	67.81%	投資公司 Investment company
香港創錦發展有限公司(b) Hong Kong Chuangjin Development Co., Ltd.(b)	2017年2月20日 20 February 2017	–	–	67.49%	67.81%	投資公司 Investment company
鑫溢創投有限公司(b) Xinyi Investments Limited(b)	2017年2月10日 10 February 2017	–	–	67.49%	67.81%	投資公司 Investment company
香港創賢發展有限公司(b) Hong Kong Chuangxin Development Co., Ltd.(b)	2017年2月20日 20 February 2017	–	–	67.49%	67.81%	投資公司 Investment company
伯華投資有限公司(b) BOHUA INVESTMENTS LIMITED(b)	2017年2月10日 10 February 2017	–	–	67.49%	67.81%	投資公司 Investment company
香港創坤發展有限公司(b) Hong Kong Chuangkun Development Co., Ltd.(b)	2017年2月20日 20 February 2017	–	–	67.49%	67.81%	投資公司 Investment company
啟東市新城萬博房地產開發有限公司 Qidong Future Land Wanbo Real Estate Development Co., Ltd.	2017年1月6日 06 January 2017	1,000,000	1,000,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
啟東市鼎泓供應鏈管理有限公司 Qidong Dinghong Supply Chain Management Ltd.	2017年5月10日 10 May 2017	27,300	27,300	67.49%	67.81%	資產運營及管理 Asset operation and management
吳江恒力地產有限公司(c) Wujiang Hengli Real Estate Co., Ltd.(c)	2012年5月16日 16 May 2012	20,000	20,000	34.42%	67.81%	物業開發及銷售 Development and sale of properties
江蘇美露投資有限公司(a) Jiangsu Meilu Investment Co., Ltd.(a)	2006年6月1日 01 June 2006	141,060	141,060	66.82%	67.14%	投資公司 Investment company
濟南榮建置業有限公司 Jinan Rongjian Properties Co., Ltd.	2014年12月5日 05 December 2014	20,000	20,000	66.82%	67.14%	物業開發及銷售 Development and sale of properties
余姚新城藍達置業有限公司 Yuyao Future Land Landa Property Co., Ltd.	2017年5月26日 26 May 2017	10,000	10,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
青島新城鼎佳房地產開發有限公司 Qingdao Future Land Dingjia Real Estate Development Co., Ltd.	2016年12月14日 14 December 2016	1,000	1,000	67.44%	67.14%	物業開發及銷售 Development and sale of properties
北京新城萬隆房地產開發有限公司 Beijing Future Land Wanlong Real Estate Development Co., Ltd.	2017年1月22日 22 January 2017	10,000	10,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
合肥新城創置房地產有限公司 Hefei Future Land Chuangzhi Real Estate Co., Ltd.	2017年3月29日 29 March 2017	20,500	20,500	65.84%	66.16%	物業開發及銷售 Development and sale of properties
西安新城萬嘉房地產開發有限公司 Xi'an Future Land Wanjia Real Estate Development Co., Ltd.	2017年6月8日 08 June 2017	10,500	10,500	64.28%	64.59%	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
成都市常鑫房地產開發有限公司 Chengdu Changxin Real Estate Development Co., Ltd.	2017年4月20日 20 April 2017	10,000	10,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
天津新城創佳房地產開發有限公司 Tianjin Future Land Chuangjia Real Estate Development Co., Ltd.	2016年12月28日 28 December 2016	400,000	400,000	66.82%	67.14%	物業開發及銷售 Development and sale of properties
天津新城創置房地產開發有限公司 Tianjin Future Land Chuangzhi Real Estate Development Co., Ltd.	2016年12月26日 26 December 2016	50,000	50,000	66.82%	67.14%	物業開發及銷售 Development and sale of properties
天津新城創宏房地產開發有限公司 Tianjin Future Land Chuanghong Real Estate Development Co., Ltd.	2017年3月24日 24 March 2017	50,000	50,000	66.82%	67.14%	物業開發及銷售 Development and sale of properties
天津新城創恒房地產開發有限公司 Tianjin Future Land Chuangheng Real Estate Development Co., Ltd.	2017年4月26日 26 April 2017	50,000	50,000	66.82%	67.14%	物業開發及銷售 Development and sale of properties
天津新城創盛房地產開發有限公司 Tianjin Future Land Chuangsheng Real Estate Development Co., Ltd.	2017年4月26日 26 April 2017	50,000	50,000	66.82%	67.14%	物業開發及銷售 Development and sale of properties
天津新城金郡房地產開發有限公司 Tianjin Future Land JinJun Real Estate Development Co., Ltd.	2017年4月26日 26 April 2017	50,000	50,000	66.82%	67.14%	物業開發及銷售 Development and sale of properties
長沙悅安廣廈置業有限公司 Changsha Yuean Guangsha Property Co., Ltd.	2017年1月19日 19 January 2017	10,000	10,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
上海松瓊房地產開發有限公司 Shanghai Songpu Real Estate Development Co., Ltd.	2017年2月20日 20 February 2017	10,000	10,000	64.76%	65.07%	物業開發及銷售 Development and sale of properties
宿遷力達置業有限公司 Suqian Lida Property Co., Ltd.	2009年5月27日 27 May 2009	50,000	50,000	64.71%	65.02%	物業開發及銷售 Development and sale of properties
宿遷新城恒力房地產有限公司 Suqian Future Land Hengli Real Estate Co., Ltd.	2017年6月2日 02 June 2017	50,000	50,000	64.71%	65.02%	物業開發及銷售 Development and sale of properties
南京匯京房地產有限公司 Nanjing Huijing Real Estate Co., Ltd.	2016年8月25日 25 August 2016	10,000	10,000	64.71%	65.02%	物業開發及銷售 Development and sale of properties
鎮江領尚房地產有限公司 Zhenjiang Lingshang Real Estate Co., Ltd.	2012年4月18日 18 April 2012	10,000	10,000	64.71%	65.02%	物業開發及銷售 Development and sale of properties
蘇州新城萬瑞房地產有限公司 Suzhou Future Land Wanrui Real Estate Co., Ltd.	2014年8月14日 14 August 2014	296,875	296,875	66.82%	67.14%	物業開發及銷售 Development and sale of properties
泰州開泰汽車城發展有限公司 Taizhou Motor City Development Co., Ltd.	2014年3月11日 11 March 2014	122,000	122,000	66.82%	67.14%	物業開發及銷售 Development and sale of properties
孝感環悅房地產開發有限公司 Xiaogan Jingyue Real Estate Development Co., Ltd.	2017年7月6日 06 July 2017	10,000	10,000	67.49%	64.59%	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
湖北省粵華房地產開發有限公司 Hubei Yuehua Real Estate Development Co., Ltd.	2014年4月17日 17 April 2014	10,000	10,000	67.49%	64.59%	物業開發及銷售 Development and sale of properties
平湖創錦房地產有限公司 Pinghu Real Estate Co., Ltd.	2017年8月16日 16 August 2017	20,000	20,000	64.76%	65.07%	物業開發及銷售 Development and sale of properties
湖州新城鼎佳房地產開發有限公司 Huzhou Future Land Dingjia Real Estate Development Co., Ltd.	2017年7月20日 20 July 2017	50,000	50,000	67.40%	67.72%	物業開發及銷售 Development and sale of properties
鄂州新城創盛置業有限公司(a) Ezhou Future Land Chuangsheng Property Co., Ltd.(a)	2017年8月15日 15 August 2017	10,000	10,000	67.49%	64.59%	物業開發及銷售 Development and sale of properties
齊河縣新城創置房地產開發有限公司 Xihe Future Land Chuangzhi Real Estate Development Co., Ltd.	2017年7月28日 28 July 2017	20,000	20,000	66.82%	67.14%	物業開發及銷售 Development and sale of properties
佛山鼎圖房地產有限公司(c) Foshan Dingtuo Real Estate Co., Ltd.(c)	2017年4月25日 25 April 2017	1,100,000	1,100,000	32.14%	32.29%	物業開發及銷售 Development and sale of properties
中山市國和房地產開發有限公司 Zhongshan Guohe Real Estate Development Co., Ltd.	2017年3月31日 31 March 2017	25,000	25,000	51.42%	51.67%	物業開發及銷售 Development and sale of properties
重慶新城萬嘉企業管理有限公司 Chongqing Wanjia Enterprise Management Co., Ltd.	2017年7月31日 31 July 2017	10,500	10,500	64.28%	64.59%	資產運營及管理 Asset operation and management

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
重慶龍卿企業管理有限公司 Chongqing Longqin Enterprise Management Co., Ltd.	2017年8月23日 23 August 2017	10,000	10,000	64.28%	64.59%	資產運營及管理 Asset operation and management
西安創樾房地產開發有限公司 Xi'an Chuangyue Real Estate Development Co., Ltd.	2017年7月20日 20 July 2017	10,000	10,000	64.28%	64.59%	物業開發及銷售 Development and sale of properties
鄭州新城創恒房地產開發有限公司 Zhengzhou Future Land Chuangheng Real Estate Development Co., Ltd.	2017年7月28日 28 July 2017	10,500	10,500	64.28%	64.59%	物業開發及銷售 Development and sale of properties
句容萬博房地產開發有限公司 Jurong Wanbo Real Estate Development Co., Ltd.	2017年2月28日 28 February 2017	500,000	500,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
仙居悅盛房地產開發有限公司 Xianju Yuesheng Real Estate Development Co., Ltd.	2017年7月11日 11 July 2017	500,000	500,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
欽州新城萬博房地產開發有限公司(a) Qinzhou Future Land Wanbo Real Estate Development Co., Ltd.(a)	2017年8月17日 17 August 2017	500,000	500,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
西安新城萬博房地產開發有限公司(a) Xi'an Future Land Wanbo Real Estate Development Co., Ltd.(a)	2017年6月19日 19 June 2017	100,000	100,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
連雲港新城萬博房地產開發有限公司 Lianyungang Future Land Wanbo Real Estate Development Co., Ltd.	2017年8月16日 16 August 2017	500,000	500,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
寶隆新城萬博房地產開發有限公司 Baoji Future Land Wanbo Real Estate Development Co., Ltd.	2017年8月18日 18 August 2017	100,000	100,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
衢州萬博房產經營管理有限公司 Quzhou Wanbo Real Estate Management Ltd.	2017年9月20日 20 September 2017	10,000	10,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
海口新城萬博房產經營管理有限公司 Haikou Future Land Wanbo Real Estate Management Ltd.	2017年9月20日 20 September 2017	10,000	10,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
青島萬博吾悅商業管理有限公司 Qingdao Wanbo Wuyue Commercial Management Co., Ltd.	2017年11月17日 17 November 2017	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
啟東市新城吾悅商業管理有限公司 Qidong Future Land Wuyue Commercial Management Co., Ltd.	2017年5月9日 09 May 2017	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
揚州新城吾悅商業管理有限公司 Yangzhou Future Land Wuyue Commercial Management Co., Ltd.	2017年2月9日 09 February 2017	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
句容吾悅商業管理有限公司 Jurong Wuyue Commercial Management Co., Ltd.	2017年9月25日 25 September 2017	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
昆山新城吾悅商業管理有限公司 Kunshan Future Land Wuyue Commercial Management Co., Ltd.	2017年10月10日 10 October 2017	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
臨沂新城吾悅商業管理有限公司 Linyi Future Land Wuyue Commercial Management Co., Ltd.	2017年6月19日 19 June 2017	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
天津津南吾悅商業管理有限公司 Tianjin Jinnan Wuyue Commercial Management Co., Ltd.	2017年5月2日 02 May 2017	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
渭南新城吾悅商業管理有限公司 Weinan Future Land Wuyue Commercial Management Co., Ltd.	2017年6月23日 23 June 2017	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
常州新城創賢房地產開發有限公司 Changzhou Future Land Chuangxian Real Estate Development Co., Ltd.	2017年9月6日 06 September 2017	20,000	20,000	64.63%	64.94%	物業開發及銷售 Development and sale of properties
常州新城創宏房地產開發有限公司 Changzhou Future Land Chuanghong Real Estate Development Co., Ltd.	2017年9月7日 07 September 2017	20,000	20,000	64.63%	64.94%	物業開發及銷售 Development and sale of properties
淮安融橋置業有限公司 Huai'an Rongqiao Property Co., Ltd.	2010年7月2日 02 July 2010	20,000	20,000	64.71%	65.02%	物業開發及銷售 Development and sale of properties
齊河坤新置業有限公司 Qihe Kunxin Property Co., Ltd.	2017年9月4日 04 September 2017	450,000	450,000	66.82%	63.79%	物業開發及銷售 Development and sale of properties
濟南創佳房地產開發有限公司 Jinan Chuangjia Real Estate Development Co., Ltd.	2017年9月19日 19 September 2017	50,000	50,000	66.82%	67.14%	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
武漢金冠置業有限公司(c) Wuhan Jinguang Property Co., Ltd.(c)	2011年6月7日 07 June 2011	3,000	3,000	34.42%	32.94%	物業開發及銷售 Development and sale of properties
廣州鼎悅房地產有限公司 Guangzhou Dingyue Real Estate Co., Ltd.	2017年8月30日 30 August 2017	10,000	10,000	64.28%	64.59%	物業開發及銷售 Development and sale of properties
重慶錦卿企業管理有限公司 Chongqing Jinqing Enterprise Management Co., Ltd.	2017年9月26日 26 September 2017	10,000	10,000	64.28%	64.59%	資產運營及管理 Asset operation and management
重慶爾諾企業管理有限公司 Chongqing Erkai Enterprise Management Co., Ltd.	2017年9月27日 27 September 2017	10,000	10,000	64.28%	64.59%	資產運營及管理 Asset operation and management
重慶隆爵企業管理有限公司 Chongqing Longjue Enterprise Management Co., Ltd.	2017年9月29日 29 September 2017	10,000	10,000	64.28%	64.59%	資產運營及管理 Asset operation and management
重慶幻諾企業管理有限公司 Chongqing Enterprise Management Co., Ltd.	2017年10月10日 10 October 2017	10,000	10,000	64.28%	64.59%	資產運營及管理 Asset operation and management
成都新始於城房地產開發有限公司 Chengdu Xinshiyucheng Real Estate Development Co., Ltd.	2017年9月21日 21 September 2017	10,000	10,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
成都新火燦原房地產開發有限公司 Chengdu Xinhualiaoyuan Real Estate Development Co., Ltd.	2017年9月26日 26 September 2017	10,000	10,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
蘇州韋智房地產諮詢有限公司 Suzhou Yuzhi Real Estate Consultancy Co., Ltd.	2017年7月7日 07 July 2017	200,000	200,000	66.82%	67.14%	諮詢服務 Consulting
蘇州升博房地產諮詢有限公司 Suzhou Shengbo Real Estate Consultancy Co., Ltd.	2017年7月7日 07 July 2017	150,000	150,000	66.82%	67.14%	諮詢服務 Consulting
杭州新城美佳房地產開發有限公司 Hangzhou Future Land Meijia Real Estate Development Co., Ltd.	2017年9月26日 26 September 2017	100,000	100,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
湘潭和宇置業有限公司 Xiangtan Heyu Property Co., Ltd.	2009年12月2日 02 December 2009	50,000	50,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
南寧新城吾悅商業管理有限公司 Nanning Future Land Wuyue Commercial Management Co., Ltd.	2017年7月3日 03 July 2017	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
西安灃東新城吾悅商業管理有限公司 Xi'an Fengdong Future Land Wuyue Commercial Management Co., Ltd.	2017年6月28日 28 June 2017	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
昆明吾悅商業管理有限公司 Kuming Wuyue Commercial Management Co., Ltd.	2017年5月8日 08 May 2017	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
南京河西吾悅商業管理有限公司 Nanjing Hexi Wuyue Commercial Management Co., Ltd.	2017年7月7日 07 July 2017	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
台州玉環新城吾悅商業管理有限公司 Taizhou Yuhuan Future Land Wuyue Commercial Management Co., Ltd.	2017年7月5日 05 July 2017	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
淮南新城吾悅商業管理有限公司 Huainan Future Land Wuyue Commercial Management Co., Ltd.	2017年7月7日 07 July 2017	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
南昌吾悅商業管理有限公司 Nanchang Wuyue Commercial Management Co., Ltd.	2017年7月20日 20 July 2017	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
上饒市新城吾悅商業管理有限公司 Shangrao Future Land Wuyue Commercial Management Co., Ltd.	2017年8月30日 30 August 2017	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
仙居新城吾悅商業管理有限公司 Xianju Future Land Wuyue Commercial Management Co., Ltd.	2017年10月19日 19 October 2017	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
慈溪新城吾悅商業管理有限公司 Cixi Future Land Wuyue Commercial Management Co., Ltd.	2017年8月7日 07 August 2017	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
淮安新城紅悅房地產有限公司 Huainan Future Land Hongyue Real Estate Development Co., Ltd.	2017年11月1日 01 November 2017	300,000	300,000	64.71%	65.02%	物業開發及銷售 Development and sale of properties
蘇州城弘房地產開發有限公司(c) Suzhou Chenghong Real Estate Development Co., Ltd.(c)	2015年11月26日 26 November 2015	40,000	40,000	33.41%	33.57%	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
蘇州創瑞房地產諮詢有限公司 Suzhou Chuangrui Real Estate Consultancy Co., Ltd.	2017年7月7日 07 July 2017	61,200	61,200	66.82%	67.14%	物業開發及銷售 Development and sale of properties
蘇州升益房地產信息諮詢有限公司 Suzhou Shengyi Real Estate Information Consultancy Co., Ltd.	2017年8月15日 15 August 2017	10,000	10,000	66.82%	67.14%	諮詢服務 Consulting
湖南中坤置業有限公司 Hunan Zhongkun Property Co., Ltd.	2003年6月3日 03 June 2003	30,000	30,000	60.74%	61.03%	物業開發及銷售 Development and sale of properties
東莞市星城際投資有限公司(c) Dongguan Xingchengji Investment Co., Ltd.(c)	2014年7月23日 23 July 2014	10,000	10,000	48.21%	48.44%	投資公司 Investment company
綠地集團成都申新置業有限公司(c) Greenland Group Chengdu Shengxin Property Co., Ltd.(c)	2017年11月28日 28 November 2017	280,000	280,000	33.75%	33.91%	物業開發及銷售 Development and sale of properties
上海青卓房地產開發有限公司 Shanghai qinzhuo Real Estate Development Co., Ltd.	2016年12月20日 20 December 2016	1,000	1,000	64.76%	65.07%	物業開發及銷售 Development and sale of properties
啟東碧和房地產開發有限公司(c) Qidong Bihe Real Estate Development Co., Ltd.(c)	2017年10月27日 27 October 2017	1,500,000	1,500,000	22.84%	22.95%	物業開發及銷售 Development and sale of properties
金華新城創域房地產開發有限公司 Jinhua Future Land Chuangyu Real Estate Development Co., Ltd.	2017年12月1日 01 December 2017	125,000	125,000	53.92%	54.17%	物業開發及銷售 Development and sale of properties
青島創盛房地產開發有限公司 Qingdao Chuangshen Real Estate Development Co., Ltd.	2017年5月23日 23 May 2017	1,000	1,000	67.44%	67.14%	物業開發及銷售 Development and sale of properties

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
青島富銘房地產開發有限公司 Qingdao fumin Real Estate Development Co., Ltd.	2017年5月23日 23 May 2017	1,000	1,000	67.44%	67.14%	物業開發及銷售 Development and sale of properties
濟南和怡昌置業有限公司(c) Jinan Heyichang Property Co., Ltd.(c)	2016年12月19日 19 December 2016	400,000	400,000	33.41%	33.57%	物業開發及銷售 Development and sale of properties
博羅信德實業有限公司(a) Boluo Xinde Industry Co., Ltd.(a)	2011年2月23日 23 February 2011	1,500	1,500	51.42%	51.67%	物業開發及銷售 Development and sale of properties
成都市津地房地產開發有限公司(a) Chengdu Jindi Real Estate Development Co., Ltd.(a)	2017年10月19日 19 October 2017	167,827	167,827	53.99%	54.25%	物業開發及銷售 Development and sale of properties
成都市津城房地產開發有限公司(a) Chengdu Jincheng Real Estate Development Co., Ltd.(a)	2017年10月19日 19 October 2017	153,131	153,131	53.99%	54.25%	物業開發及銷售 Development and sale of properties
西安新拓房地產開發有限公司 Xian Xintuo Real Estate Development Co., Ltd.	2017年10月29日 29 October 2017	10,000	10,000	64.28%	64.59%	物業開發及銷售 Development and sale of properties
西安新錦樞房地產開發有限公司(c) Xian Xinjinyue Real Estate Development Co., Ltd.(c)	2017年12月12日 12 December 2017	10,000	10,000	32.78%	32.94%	物業開發及銷售 Development and sale of properties
成都萬新置業有限公司(c) Chengdu Wanxin Property Co., Ltd.(c)	2017年11月22日 22 November 2017	500,000	500,000	33.75%	33.91%	物業開發及銷售 Development and sale of properties

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
滄州浩銘創置房地產開發有限公司(c) Cangzhou Haomin Chuangzhi Real Estate Development Co., Ltd.(c)	2017年8月17日 17 August 2017	20,000	20,000	46.78%	47.00%	物業開發及銷售 Development and sale of properties
重慶吾悅房地產開發有限公司 Chongqing Wuyue Real Estate Development Co., Ltd.	2017年10月26日 26 October 2017	50,000	50,000	64.76%	65.07%	物業開發及銷售 Development and sale of properties
常州金壇萬博房產經營管理有限公司 Changzhou Jintan Wanbo Real Estate Management Ltd.	2017年10月13日 13 October 2017	10,000	10,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
溧陽吾悅創盛房地產開發有限公司 Liyang Wuyue Chuangsheng Real Estate Development Co., Ltd.	2017年12月4日 04 December 2017	327,060	327,060	67.49%	67.81%	物業開發及銷售 Development and sale of properties
仙居景盛供應鏈管理有限公司 Xianju Qingsheng Supply Chain Management Ltd.	2017年11月29日 29 November 2017	66,195	66,195	67.49%	67.81%	資產運營及管理 Asset operation and management
天津市新城萬博房地產開發有限公司 Tianjin Future Land Wanbo Real Estate Development Co., Ltd.	2017年5月11日 11 May 2017	20,000	20,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
漢中新城萬博房地產開發有限公司 Hangzhong Future Land Wanbo Real Estate Development Co., Ltd.	2017年10月12日 12 October 2017	100,000	100,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties
太原新城盛華房地產開發有限公司 Taiyuan Future Land Shenghua Real Estate Development Co., Ltd.	2017年8月2日 02 August 2017	10,000	10,000	64.12%	64.42%	物業開發及銷售 Development and sale of properties

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
香港創澤發展有限公司(b) HONG KONG CHUANGZE DEVELOPMENT LIMITED(b)	2017年2月20日 20 February 2017	–	–	67.49%	67.81%	投資公司 Investment company
寶隆裕和貿易有限公司 Baoji Luhe Trading Co., Ltd.	2017年12月12日 12 December 2017	65,412	65,412	67.49%	67.81%	貿易公司 Trading company
長春新城萬博房地產開發有限公司(a) Changchun Future Land Wanbo Real Estate Development Co., Ltd.(a)	2017年12月25日 25 December 2017	50,000	50,000	67.82%	68.14%	物業開發及銷售 Development and sale of properties
常州澤盛供應鏈管理有限公司 Changzhou Zesheng Supply Chain Management Ltd.	2017年11月27日 27 November 2017	99,170	99,170	67.49%	67.81%	資產運營及管理 Asset operation and management
杭州萬照置業有限公司(c) Hangzhou Wanzhao Property Co., Ltd.(c)	2015年11月18日 18 November 2015	100,000	100,000	21.97%	23.02%	物業開發及銷售 Development and sale of properties
杭州嘉浩房地產開發有限公司(c) Hangzhou Jiahao Real Estate Development Co., Ltd.(c)	2011年10月28日 28 October 2011	300,000	300,000	43.81%	44.02%	物業開發及銷售 Development and sale of properties
南京匯隆房地產有限公司(c) Nanjing Huilong Real Estate Co., Ltd.(c)	2016年8月29日 29 August 2016	1,500,000	1,500,000	22.00%	22.11%	物業開發及銷售 Development and sale of properties
成都新城萬博房地產開發有限公司 Chengdu Future Land Wanbo Property Development Co., Ltd.	2015年4月8日 08 April 2015	100,000	100,000	67.49%	67.81%	物業開發及銷售 Development and sale of properties

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
常州德潤諮詢管理有限公司 Changzhou Derun Consultancy Co., Ltd.	2013年8月28日 28 August 2013	2,000	2,000	100.00%	100.00%	諮詢服務 Consulting
常州新城萬德投資有限公司 Changzhou Future Land Wande Investment Co., Ltd.	2013年9月9日 09 September 2013	200,000	200,000	100.00%	100.00%	投資公司 Investment company
新城發展投資有限公司(b) Future Land Development Investment Co., Ltd.(b)	2015年3月16日 16 March 2015	50,000	50,000	100.00%	100.00%	投資公司 Investment company
常州創域諮詢管理有限公司 Changzhou Chuangyu Consultancy Management Co., Ltd.	2014年9月25日 25 September 2014	2,000	2,000	100.00%	100.00%	諮詢服務 Consulting
常州新城萬嘉投資有限公司 Changzhou Future Land Boyuan Property Co., Ltd.	2014年12月12日 12 December 2014	10,000	10,000	100.00%	100.00%	物業開發及銷售 Development and sale of properties
常州恒軒諮詢管理有限公司 Changzhou Hengxuan Consultancy Management Co., Ltd.	2014年12月11日 11 December 2014	1,000	1,000	100.00%	100.00%	諮詢服務 Consulting
常州悅盛諮詢管理有限公司 Changzhou Yuesheng Consultancy Management Co., Ltd.	2015年5月25日 25 May 2015	1,000	1,000	100.00%	100.00%	諮詢服務 Consulting
上海新城萬聖企業管理有限公司 Shanghai Future Land Wansheng Property Co., Ltd.	2010年11月10日 10 November 2010	10,000	10,000	100.00%	100.00%	物業開發及銷售 Development and sale of properties

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
富域發展集團有限公司 Changzhou Wealthzone Development Co., Ltd.	2002年4月27日 27 April 2002	301,800	301,800	100.00%	100.00%	物業開發及銷售 Development and sale of properties
上海錦名投資管理有限公司 Shanghai Jinming Investment Management Co., Ltd.	2015年12月30日 30 December 2015	10,000	10,000	100.00%	100.00%	諮詢服務 Consulting
上海策悅企業管理有限公司 Shanghai Ceyue Enterprise Management Co., Ltd.	2016年11月22日 22 November 2016	20,000	20,000	76.00%	76.00%	投資公司 Investment company
上海橙貝信息技術有限公司 Shanghai Chengbei Information Technology Co., Ltd.	2014年11月26日 26 November 2014	10,000	10,000	100.00%	100.00%	資訊科技 Information technology
上海橙居信息技術有限公司 Shanghai Chengju Information Technology Co., Ltd.	2015年6月8日 08 June 2015	5,000	5,000	100.00%	100.00%	資訊科技 Information technology
香港創匯發展有限公司(b) Hong Kong Chuanghui Development Limited(b)	2014年8月22日 22 August 2014	–	–	100.00%	100.00%	投資公司 Investment company
香港恒逸發展有限公司(b) Hong Kong Hengyi Development Limited(b)	2014年10月16日 16 October 2014	–	–	100.00%	100.00%	投資公司 Investment company
新城發展資本(香港)有限公司(b) FUTURE LAND DEVELOPMENT CAPITAL (HONG KONG) LIMITED(b)	2016年6月1日 01 June 2016	350	350	100.00%	100.00%	投資公司 Investment company
香港恒康發展有限公司(b) Hong Kong Hengkang Development Limited(b)	2014年10月16日 16 October 2014	–	–	100.00%	100.00%	投資公司 Investment company

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
香港悅盛發展有限公司(b) Hong Kong Exaltation Development Limited(b)	2014年1月10日 10 January 2014	8	8	100.00%	100.00%	投資公司 Investment company
香港凱盛發展有限公司(b) Hong Kong Kaisheng Development Limited(b)	2014年9月12日 12 September 2014	–	–	100.00%	100.00%	投資公司 Investment company
碧海控股有限公司(b) Emerald Sea holdings Limited(b)	2013年11月12日 12 November 2013	300	300	100.00%	100.00%	投資公司 Investment company
錦名有限公司(b) Acme Name Limited(b)	2014年9月12日 12 September 2014	300	300	100.00%	100.00%	投資公司 Investment company
適遠有限公司(b) Afar Connect Limited(b)	2014年9月3日 03 September 2014	300	300	100.00%	100.00%	投資公司 Investment company
盛洲有限公司(b) Alpha Oasis Limited(b)	2014年9月19日 19 September 2014	300	300	100.00%	100.00%	投資公司 Investment company
捷帆有限公司(b) Brisk Sail Limited(b)	2014年8月12日 12 August 2014	300	300	100.00%	100.00%	投資公司 Investment company
旭堡有限公司(b) Dawn Castle Limited(b)	2014年5月12日 12 May 2014	300	300	100.00%	100.00%	投資公司 Investment company
旭濤控股有限公司(b) Dawnwave Holdings Limited(b)	2014年7月10日 10 July 2014	300	300	100.00%	100.00%	投資公司 Investment company
龍邦投資有限公司(b) Dragon State Investments Limited(b)	2014年8月12日 12 August 2014	300	300	100.00%	100.00%	投資公司 Investment company
越城環球有限公司(b) SUPER CITY GLOBAL LIMITED(b)	2016年4月1日 01 April 2016	8,900	8,900	100.00%	100.00%	投資公司 Investment company

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
香港創拓發展有限公司(b) Hongkong Chuangtuo Development Limited(b)	2010年8月30日 30 August 2010	3,035	3,035	100.00%	100.00%	投資公司 Investment company
香港宏盛發展有限公司(b) Hong Kong Prosperity Development Ltd.(b)	2010年8月30日 30 August 2010	10	10	100.00%	100.00%	投資公司 Investment company
香港創智發展有限公司(b) Hong Kong Chuangzhi Development Limited(b)	2014年10月16日 16 October 2014	–	–	100.00%	100.00%	投資公司 Investment company
香港創域發展有限公司(b) Hong Kong Chuangyu Development Limited(b)	2014年8月22日 22 August 2014	–	–	100.00%	100.00%	投資公司 Investment company
香港恒昌發展有限公司(b) Hong Kong Hengchang Development Limited(b)	2014年10月16日 16 October 2014	–	–	100.00%	100.00%	投資公司 Investment company
江蘇雲繼網絡技術有限公司 Jiangsu Yungui Internet Technology Co., Ltd	2014年3月13日 13 March 2014	100,000	100,000	100.00%	100.00%	資訊科技 Information technology
聊城市雲繼網絡技術有限公司 Liaocheng Yungui Internet Technology Co., Ltd	2016年9月21日 21 September 2016	1,000	1,000	100.00%	100.00%	資訊科技 Information technology
泰安雲繼網絡技術有限公司 Taian Yungui Internet Technology Co., Ltd	2016年11月21日 21 November 2016	500	500	100.00%	100.00%	資訊科技 Information technology
威海雲繼網絡技術有限公司 Weihai Yungui Internet Technology Co., Ltd	2017年6月12日 12 June 2017	500	500	100.00%	100.00%	資訊科技 Information technology
濱州雲繼網絡技術有限公司 Binzhou Yungui Internet Technology Co., Ltd	2017年6月16日 16 June 2017	500	500	100.00%	100.00%	資訊科技 Information technology

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公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
東營雲繼網絡技術有限公司 Dongying Yungui Internet Technology Co., Ltd	2017年6月19日 19 June 2017	500	500	100.00%	100.00%	資訊科技 Information technology
德州雲繼網絡技術有限公司 Dezhou Yungui Internet Technology Co., Ltd	2017年6月21日 21 June 2017	1,000	1,000	100.00%	100.00%	資訊科技 Information technology
日照雲繼網絡技術有限公司 Rizhao Yungui Internet Technology Co., Ltd	2017年6月16日 16 June 2017	500	500	100.00%	100.00%	資訊科技 Information technology
池州雲繼網絡技術有限公司 Chizhou Yungui Internet Technology Co., Ltd	2017年7月3日 03 July 2017	2,000	2,000	100.00%	100.00%	資訊科技 Information technology
麗水雲繼網絡技術有限公司 Lishui Yungui Internet Technology Co., Ltd	2017年8月17日 17 August 2017	500	500	100.00%	100.00%	資訊科技 Information technology
江山雲繼網絡技術有限公司 Jiangshan Yungui Internet Technology Co., Ltd	2017年8月29日 29 August 2017	500	500	100.00%	100.00%	資訊科技 Information technology
大連雲繼網絡技術有限公司 Dalian Yungui Internet Technology Co., Ltd	2017年9月27日 27 September 2017	6,000	6,000	100.00%	100.00%	資訊科技 Information technology
菏澤雲繼網絡技術有限公司 Heze Yungui Internet Technology Co., Ltd	2017年9月27日 27 September 2017	2,000	2,000	100.00%	100.00%	資訊科技 Information technology
宣城雲繼網絡技術有限公司 Xuancheng Yungui Internet Technology Co., Ltd	2017年11月14日 14 November 2017	2,000	2,000	100.00%	100.00%	資訊科技 Information technology
棗莊權友信息技術有限公司 Zaozhuang Yungui Internet Technology Co., Ltd	2017年6月15日 15 June 2017	500	500	100.00%	100.00%	資訊科技 Information technology

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
洛陽懋格網絡科技有限公司 Luoyang Yungui Internet Technology Co., Ltd	2017年8月16日 16 August 2017	10,000	10,000	100.00%	100.00%	資訊科技 Information technology
上海寶郡新城多奇妙企業管理諮詢有限公司 Shanghai BaoJun Future Land Duoqimiao Business Management Consultancy Co., Ltd.	2015年9月8日 08 September 2015	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
上海松繁新城多奇妙企業管理諮詢有限公司 Shanghai Songfan Future Land Duoqimiao Business Management Consultancy Co., Ltd.	2015年10月23日 23 October 2015	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
上海奉寧新城多奇妙企業管理諮詢有限公司 Shanghai Fengning Future Land Duoqimiao Business Management Consultancy Co., Ltd.	2015年12月1日 01 December 2015	7,000	7,000	88.00%	88.00%	兒童娛樂 Children entertainment
揚州新城多奇妙企業管理諮詢有限公司 Yangzhou Future Land Duoqimiao Business Management Consultancy Co., Ltd.	2015年8月20日 20 August 2015	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
徐州寧郡多奇妙企業管理諮詢有限公司 Xuzhou NingJun Duoqimiao Business Management Consultancy Co., Ltd.	2016年12月8日 08 December 2016	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
武漢新城多奇妙企業管理諮詢有限公司 Wuhan Future Land Duoqimiao Business Management Consultancy Co., Ltd.	2016年1月29日 29 January 2016	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
天津德郡多奇妙遊樂服務有限公司 Tianjin Delun Duoqimiao Entertainment Service Co., Ltd.	2016年7月25日 25 July 2016	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
鞍山寧郡多奇妙遊樂服務有限公司 Anshan NingJun Duoqimiao Entertainment Service Co., Ltd.	2016年7月13日 13 July 2016	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
海寧泰郡多奇妙遊樂服務有限公司 Haining TaiJun Duoqimiao Entertainment Service Co., Ltd.	2016年8月11日 11 August 2016	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
嘉善聯拓多奇妙遊樂服務有限公司 Jiashan Liantuo Duoqimiao Entertainment Service Co., Ltd.	2016年10月18日 18 October 2016	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
蚌埠寧郡多奇妙遊樂服務有限公司 Bangbu Duoqimiao Entertainment Service Co., Ltd.	2016年9月1日 01 September 2016	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
滁州寧宏多奇妙遊樂服務有限公司 Chuzhou Ninghong Duoqimiao Entertainment Service Co., Ltd.	2017年5月8日 08 May 2017	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
日照寧郡多奇妙遊樂服務有限公司 Rizhao NingJun Duoqimiao Entertainment Service Co., Ltd.	2016年8月29日 29 August 2016	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
包頭市寧郡新城多奇妙企業管理諮詢有限公司 Baotou NingJun Future Land Duoqimiao Business Management Consultancy Co., Ltd.	2016年10月12日 12 October 2016	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
成都寧郡新城多奇妙遊樂服務有限公司 Chengdu NingJun Future Land Duoqimiao Entertainment Service Co., Ltd.	2016年8月15日 15 August 2016	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
西安益創新城多奇妙遊樂服務有限公司 Xi'an Yichuang Future Land Duoqimiao Entertainment Service Co., Ltd.	2017年3月29日 29 March 2017	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
上海新城多奇妙企業管理諮詢有限公司 Shanghai Future Land Duoqimiao Business Management Consultancy Co., Ltd.	2014年12月8日 08 December 2014	100,000	100,000	88.00%	88.00%	兒童娛樂 Children entertainment
常州新城多奇妙企業管理諮詢有限公司 Changzhou Future Land Duoqimiao Business Management Consultancy Co., Ltd.	2015年7月31日 31 July 2015	10,000	10,000	88.00%	88.00%	兒童娛樂 Children entertainment
江蘇新城多奇妙企業管理諮詢有限公司 Jiangsu Future Land Duoqimiao Business Management Consultancy Co., Ltd.	2016年12月14日 14 December 2016	10,000	10,000	88.00%	88.00%	兒童娛樂 Children entertainment
南通永旭新城多奇妙遊樂服務有限公司 Nantong Yongxu Future Land Duoqimiao Entertainment Service Co., Ltd.	2017年9月1日 01 September 2017	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
紹興夢郡多奇妙遊樂服務有限公司 Shaoxing MengJun Duoqimiao Entertainment Service Co., Ltd.	2016年8月24日 24 August 2016	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
鹽城寶郡遊樂服務有限公司 Yancheng BaoJun Entertainment Service Co., Ltd.	2016年6月28日 28 June 2016	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
南京貝思達影院管理有限公司 Nanjing Beisida Cinema Management Co., Ltd.	2017年8月11日 11 August 2017	2,000	2,000	88.00%	88.00%	影院管理 Cinema Management
上海星軼影院管理有限公司 Shanghai Xingyi Cinema Management Co., Ltd.	2015年1月16日 16 January 2015	500,000	500,000	88.00%	88.00%	影院管理 Cinema Management

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
江蘇星軼影院管理有限公司 Jiangsu Xingyi Cinema Management Co., Ltd	2016年5月5日 05 May 2016	10,000	10,000	88.00%	88.00%	影院管理 Cinema Management
蘇州星軼影院管理有限公司 Suzhou Xingyi Cinema Management Co., Ltd	2016年12月14日 14 December 2016	20,000	20,000	88.00%	88.00%	影院管理 Cinema Management
海口星軼影視文化有限公司 Haikou Xingyi Cinema Culture Co., Ltd	2015年7月1日 01 July 2015	10,000	10,000	88.00%	88.00%	影院管理 Cinema Management
上海星軼影視文化有限公司 Shanghai Xingyi Cinema Culture Co., Ltd	2016年9月30日 30 September 2016	2,000	2,000	88.00%	88.00%	影院管理 Cinema Management
嵊州市星軼影視文化有限公司 Shengzhoushi Cinema Culture Co., Ltd	2017年8月10日 10 August 2017	2,000	2,000	88.00%	88.00%	影院管理 Cinema Management
連雲港市星軼影視文化有限公司 Lianyungang Xingyi Cinema Culture Co., Ltd	2017年6月12日 12 June 2017	2,000	2,000	88.00%	88.00%	影院管理 Cinema Management
阜寧星軼影城有限公司 Funing Xingyi Cinema Co., Ltd	2016年4月18日 18 April 2016	2,000	2,000	88.00%	88.00%	影院管理 Cinema Management
新城晉峰金融集團有限公司 Future Land Resources Capital Group Limited	2015年3月24日 24 March 2015	817	817	60.00%	60.00%	投資控股 Investment holding
新城晉峰資本投資管理有限公司(b) Future Land Resources Capital Investment Management Limited(b)	2012年8月30日 30 August 2012	34,272	34,272	60.00%	60.00%	投資控股及管理服務 Investment holding and management service
新城晉峰證券有限公司(b) Future Land Resources Securities Limited(b)	2015年3月6日 06 March 2015	20,480	20,480	60.00%	60.00%	提供證券經紀、牽頭經辦人及配 售經辦人服務 Provision of securities brokerage, book runner and placing manager service

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
新城晉峰期貨有限公司(b) Future Land Resources Futures Limited(b)	2013年3月12日 12 March 2013	15,882	15,882	60.00%	60.00%	提供期貨經紀服務 Provision of future brokerage service
新城晉峰資產管理有限公司(b) Future Land Resources Asset Management Limited(b)	2014年5月15日 15 May 2014	16,718	16,718	60.00%	60.00%	買賣及就證券提供意見及提供資 產管理服務 Dealing and advising on securities and provision of asset management service
新城晉峰財務有限公司(b) Future Land Resources Finance Limited(b)	2012年10月24日 24 October 2012	836	836	60.00%	60.00%	放債業務 Money lending
新城晉峰投資有限公司(b) Future Land Resources Investment Limited(b)	2017年6月15日 15 June 2017	16,718	16,718	60.00%	60.00%	投資控股 Investment holding
Future Brilliant Limited(b)(d)	2017年8月1日 01 August 2017	35,540	35,540	17.60%	17.60%	投資控股 Investment holding
Future Elite Limited(b)	2017年8月1日 01 August 2017	–	–	60.00%	60.00%	投資控股 Investment holding
Heritage Star Holdings Limited(b)(d)	2017年3月16日 16 March 2017	327	327	15.00%	15.00%	投資控股 Investment holding
Future Yield Holdings Limited(b)	2017年10月24日 24 October 2017	327	327	60.00%	60.00%	投資控股 Investment holding
Future Flame Limited(d)	2017年3月31日 31 March 2017	–	–	17.60%	17.60%	投資控股 Investment holding
Future Fruitful Limited(d)	2017年6月12日 12 June 2017	–	–	15.00%	15.00%	投資控股 Investment holding

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
Future Yield Limited(b)	2017年7月26日 26 July 2017	–	–	60.00%	60.00%	暫無業務 Inactive
Seazen Capital(b)	2016年9月13日 13 September 2016	–	–	100.00%	100.00%	投資控股 Investment holding
濰博權格網絡技術有限公司 Zibo Yunge Internet Technology Co., Ltd	2018年7月30日 30 July 2018	500	500	100.00%	–	資訊科技 Information technology
濰坊權友網絡技術有限公司 Weifang Yunyou Internet Technology Co., Ltd	2018年7月26日 26 July 2018	500	500	100.00%	–	資訊科技 Information technology
江蘇新城多奇妙兒童娛樂有限公司 Jiangsu Future Land Duoqimiao Childhood Entertainment Co., Ltd.	2016年12月14日 14 December 2016	10,000	10,000	88.00%	88.00%	兒童娛樂 Children entertainment
南通永旭新城多奇妙遊樂有限公司 Nantong Yongxu Future Land Duoqimiao Entertainment Co., Ltd.	2017年9月1日 01 September 2017	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
Nantong Yongjun Future Land Duoqimiao Business Management Co., Ltd.	2017年12月6日 06 December 2017	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
成都寧郡多奇妙遊樂服務有限公司 Chengdu Ningjun Duoqimiao Entertainment Service Co., Ltd.	2017年8月15日 15 August 2017	1,000	1,000	88.00%	88.00%	兒童娛樂 Children entertainment
南寧多奇妙企業管理諮詢有限公司 Nanning Duoqimiao Business Management Consultancy Co., Ltd.	2018年10月17日 17 October 2018	1,000	1,000	88.00%	–	諮詢服務 Consulting

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
連雲港市星狀影視文化有限公司 Lianyungang Xingyi Film Culture Co., Ltd	2017年6月12日 12 June 2017	2,000	2,000	88.00%	88.00%	影院管理 Cinema Management
南京仙林上影影院管理有限公司 Nanjing Xianlin Shangying Cinema Management Co., Ltd.	2017年2月15日 15 February 2017	1,800	1,800	61.60%	88.00%	影院管理 Cinema Management
嵊州市星狀影視文化有限公司 Shengzhou Xingyi Cinema Culture Co., Ltd	2017年8月10日 10 August 2017	2,000	2,000	88.00%	88.00%	影院管理 Cinema Management
南京貝思達影院管理有限公司 Nanning Beisida Cinema Culture Co., Ltd	2018年9月10日 10 September 2018	2,000	2,000	88.00%	—	影院管理 Cinema Management
上海禮崧公寓管理有限公司 Shanghai Chengsong Apartment Management Co., Ltd.	2018年6月20日 20 June 2018	10,000	10,000	67.49%	—	公寓管理 Apartment Management
南京新城創錦房地產有限公司 Nanjing Future Land Chuangjin Real Estate Co., Ltd.	2015年11月25日 25 November 2015	670,000	670,000	64.71%	65.02%	物業開發及銷售 Development and sale of properties
徐州新城創域房地產有限公司 Xuzhou Future Land Chuangyu Real Estate Co., Ltd.	2017年12月19日 19 December 2017	30,000	—	64.71%	65.02%	物業開發及銷售 Development and sale of properties
鎮江新城億樺房地產開發有限公司(c) Xuzhou Future Land Yiye Real Estate Development Co., Ltd.(c)	2018年2月6日 06 February 2018	20,000	—	33.00%	—	物業開發及銷售 Development and sale of properties
南京萬拓房地產有限公司 Nanjing Wantuo Real Estate Co., Ltd.	2017年1月24日 24 January 2017	10,000	—	64.71%	65.02%	物業開發及銷售 Development and sale of properties

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
淮安新城億祿房地產開發有限公司 Huain Future land Yixiang Real Estate Development Co., Ltd.	2018年5月9日 09 May 2018	263,552	263,552	72.25%	—	物業開發及銷售 Development and sale of properties
淮安新城億祿房地產有限公司 Huain Future land Yilu Real Co., Ltd.	2018年8月13日 13 August 2018	140,041	140,041	66.06%	—	物業開發及銷售 Development and sale of properties
鎮江新城億宏房地產開發有限公司 Zhenjiang Future land Yihong Real Estate Development Co., Ltd.	2018年8月24日 24 August 2018	1,000,000	1,000,000	51.77%	—	物業開發及銷售 Development and sale of properties
張家港市創宏房地產開發有限公司 Zhangjiagang Chuanghong Real Estate Development Co., Ltd.	2017年12月7日 07 December 2017	37,200	37,200	66.82%	67.14%	物業開發及銷售 Development and sale of properties
張家港志成房地產開發有限公司(c) Zhangjiagang Zhicheng Real Estate Development Co., Ltd. (c)	2017年7月18日 18 July 2017	648,970	648,970	20.95%	20.95%	物業開發及銷售 Development and sale of properties
鹽城新城億盛房地產開發有限公司 Yancheng Future land Yisheng Real Estate Development Co., Ltd.	2018年2月5日 05 February 2018	250,000	250,000	66.82%	—	物業開發及銷售 Development and sale of properties
江蘇通佳置業有限公司(c) Jiangsu Tongjia Property Co., Ltd. (c)	2018年2月2日 02 February 2018	400,000	400,000	34.08%	—	物業開發及銷售 Development and sale of properties
鹽城新城億佳房地產開發有限公司(a) Yancheng Future land Yijia Real Estate Development Co., Ltd. (a)	2018年4月18日 18 April 2018	388,000	388,000	71.35%	—	物業開發及銷售 Development and sale of properties

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
蘇州翼客孵化器管理有限公司 Suzhou Yike Incubator Management Co., Ltd.	2017年9月22日 22 September 2017	3,000	3,000	67.49%	67.81%	諮詢服務 Consulting
如皋市億晟房地產有限公司(d) Rugao Yisheng Real Estate Co., Ltd.(d)	2018年5月14日 14 May 2018	408,170	408,170	19.39%	–	物業開發及銷售 Development and sale of properties
蘇州億盛偉聖房地產開發有限公司(c) Suzhou Yisong Weisheng Real Estate Development Co., Ltd. (c)	2018年6月11日 11 June 2018	670,000	670,000	46.78%	–	物業開發及銷售 Development and sale of properties
常熟市津城房地產開發有限公司(c) Changshu Jincheng Real Estate Development Co., Ltd.(c)	2018年7月12日 12 July 2018	803,300	803,300	34.08%	–	物業開發及銷售 Development and sale of properties
常州新城億欣房地產開發有限公司 Changzhou Future land Yixin Real Estate Development Co., Ltd.	2018年3月12日 12 March 2018	370,370	370,370	71.58%	–	物業開發及銷售 Development and sale of properties
常州興都房地產開發有限公司 Changzhou Xingdu Real Estate Development Co., Ltd.	2007年10月30日 30 October 2007	20,000	20,000	56.87%	–	物業開發及銷售 Development and sale of properties
麗水新城億宸房地產開發有限公司 Lishui Future land Yicheng Real Estate Development Co., Ltd.	2018年7月25日 25 July 2018	5,000	–	61.36%	–	物業開發及銷售 Development and sale of properties
常州君德投資有限公司(c) Changzhou Junede Investment Co., Ltd. (c)	2009年10月26日 26 October 2009	400,000	400,000	48.47%	–	投資公司 Investment company
常州新城億昊企業管理有限公司 Changzhou Future land Qihao Management Co., Ltd.	2018年7月26日 26 July 2018	20,000	–	64.63%	–	百貨商店管理 Department store management

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
常州新城億凱企業管理有限公司 Changzhou Future land Yikai Management Co., Ltd.	2018年7月27日 27 July 2018	20,000	–	64.63%	–	百貨商店管理 Department store management
常州新城億捷房地產開發有限公司(c) Changzhou Future land Yijie Real Estate Development Co., Ltd. (c)	2018年11月28日 28 November 2018	1,092,629	1,092,629	34.13%	–	物業開發及銷售 Development and sale of properties
沅陽碧新房地產開發有限公司(c) Shuyang Bixin Real Estate Development Co., Ltd. (c)	2018年1月2日 02 January 2018	240,000	240,000	32.35%	–	物業開發及銷售 Development and sale of properties
宿遷新城億盛房地產有限公司(c) Suqian Future land Yisheng Real Estate Co., Ltd. (c)	2018年7月30日 30 July 2018	600,000	600,000	38.82%	–	物業開發及銷售 Development and sale of properties
宿遷新城億輝房地產有限公司 Suqian Future land Yihui Real Estate Co., Ltd.	2018年8月6日 06 August 2018	143,660	143,660	71.41%	–	物業開發及銷售 Development and sale of properties
徐州新城億輝房地產開發有限公司(c) Xuzhou Future land Yihui Real Estate Development Co., Ltd.	2018年11月6日 06 November 2018	20,000	20,000	64.71%	–	物業開發及銷售 Development and sale of properties
徐州新城億恒房地產開發有限公司(c) Xuzhou Future land Yiheng Real Estate Development Co., Ltd. (c)	2018年11月29日 29 November 2018	1,205,000	1,205,000	38.82%	–	物業開發及銷售 Development and sale of properties
平湖創域房地產有限公司 Pinghu Chuangyu Real Estate Co., Ltd.	2017年12月6日 06 December 2017	20,000	20,000	64.76%	65.07%	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
上海欽波置業有限公司 Shanghai Qinbo Property Co., Ltd.	2017年12月20日 20 December 2017	20,000	20,000	64.76%	65.07%	物業開發及銷售 Development and sale of properties
上海麥鵬置業有限公司 Shanghai Maipeng Property Co., Ltd.	2017年12月19日 19 December 2017	20,000	20,000	64.76%	65.07%	物業開發及銷售 Development and sale of properties
杭州億盛房地產諮詢有限公司 Hangzhou Yisheng Property Consultancy Co., Ltd.	2018年7月20日 20 July 2018	5,000	5,000	67.40%	–	諮詢服務 Consulting
平湖億潤房地產開發有限公司 Pinghu Yirui Real Estate Development Co., Ltd.	2018年5月23日 23 May 2018	97,710	97,710	71.45%	–	物業開發及銷售 Development and sale of properties
台州新城億仁房地產開發有限公司 Taizhou Future land Yiren Real Estate Development Co., Ltd.	2018年7月24日 24 July 2018	5,000	–	61.36%	–	物業開發及銷售 Development and sale of properties
台州新城億旭房地產開發有限公司(c) Taizhou Future land Yixu Real Estate Development Co., Ltd.(c)	2018年8月15日 15 August 2018	400,000	400,000	42.95%	–	物業開發及銷售 Development and sale of properties
湖州新城億瑞房地產開發有限公司(a) Huzhou Yirui Real Estate Development Co., Ltd.(a)	2018年4月26日 26 April 2018	100,000	100,000	67.49%	–	物業開發及銷售 Development and sale of properties
湖州碧旭房地產開發有限公司(c) Huzhou Bixu Real Estate Development Co., Ltd.(c)	2018年6月8日 08 June 2018	20,000	–	33.70%	–	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
湖州新城德拓房地產開發有限公司(c) Huzhou Future land Yituo Real Estate Development Co., Ltd.(c)	2018年7月16日 16 July 2018	1,300,000	1,300,000	34.42%	–	物業開發及銷售 Development and sale of properties
湖州新城德捷房地產開發有限公司 Huzhou Future land Yijie Real Estate Development Co., Ltd.	2018年4月26日 26 April 2018	186,906	186,906	67.49%	–	物業開發及銷售 Development and sale of properties
金華新城德宏房地產開發有限公司(c) Jinhua Future land Yihong Real Estate Development Co., Ltd.(c)	2018年6月4日 04 June 2018	530,000	–	34.42%	–	物業開發及銷售 Development and sale of properties
紹興德豐房地產信息諮詢有限公司 Shaoxing Yiyu Property Information Consultancy Co., Ltd.	2018年8月10日 10 August 2018	2,000	–	67.49%	–	諮詢服務 Consulting
溫州新城德瑞房地產開發有限公司 Wenzhou Future land Yirui Real Estate Development Co., Ltd.	2018年1月29日 29 January 2018	5,500	–	61.36%	–	物業開發及銷售 Development and sale of properties
浙江德盛房地產開發有限公司(c) Zhejiang Aosheng Real Estate Development Co., Ltd. (c)	2018年6月5日 05 June 2018	340,000	–	31.29%	–	物業開發及銷售 Development and sale of properties
溫州德輝房地產諮詢有限公司 Wenzhou Yihui Property Consultancy Co., Ltd.	2018年7月2日 02 July 2018	5,000	–	61.36%	–	諮詢服務 Consulting
寧波新城德盛房地產開發有限公司 Ningbo Future land Yisheng Real Estate Development Co., Ltd.	2018年3月16日 16 March 2018	500	500	65.84%	–	物業開發及銷售 Development and sale of properties
寧波德興企業管理有限責任公司 Ningbo Yixing Enterprise Management Co., Ltd.	2018年8月22日 22 August 2018	1,000	–	65.84%	–	百貨商店管理 Department store management

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
衢州億佳企業管理有限公司 Quzhou Yijia Enterprise Management Co., Ltd.	2018年8月13日 13 August 2018	10,000	–	67.40%	–	百貨商店管理 Department store management
武漢磊越置業發展有限公司 Wuhan Leiyue Property Development Co., Ltd.	2007年11月6日 06 November 2007	260,000	260,000	53.99%	–	物業開發及銷售 Development and sale of properties
武漢億盛房地產開發有限公司 Wuhan Yisheng Real Estate Development Co., Ltd.	2018年7月30日 30 July 2018	10,000	10,000	67.49%	–	物業開發及銷售 Development and sale of properties
黃石市瑞景居然億盛地產開發有限公司(c) Huangshi Ruijing Yisheng Real Estate Development Co., Ltd.(c)	2018年8月10日 10 August 2018	10,000	10,000	33.07%	–	物業開發及銷售 Development and sale of properties
南漳縣新城億盛房地產開發有限公司 Nanzhang Future land Yisheng Real Estate Development Co., Ltd.	2018年7月19日 19 July 2018	125,678	125,678	86.49%	–	物業開發及銷售 Development and sale of properties
青島新城東郡房地產開發有限公司(c) Qingdao Future land Dongjun Real Estate Development Co., Ltd.(c)	2015年1月20日 20 January 2015	50,000	50,000	33.72%	–	物業開發及銷售 Development and sale of properties
青島新城億鑫房地產開發有限公司 Qingdao Future land Yixin Real Estate Development Co., Ltd.	2018年2月1日 01 February 2018	10,000	10,000	67.44%	–	物業開發及銷售 Development and sale of properties
青島新城億澤房地產開發有限公司 Qingdao Future land Yize Real Estate Development Co., Ltd.	2018年2月1日 01 February 2018	10,000	10,000	67.44%	–	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
青島新城億宸房地產開發有限公司 Qingdao Future land Yicheng Real Estate Development Co., Ltd.	2018年5月4日 04 May 2018	50,000	50,000	67.44%	–	物業開發及銷售 Development and sale of properties
青島萬基陽光置業有限公司 Qingdao Wanji Sunshine Real Estate Co., Ltd.	2011年12月7日 07 December 2011	50,000	50,000	53.95%	–	物業開發及銷售 Development and sale of properties
青島卓越新城置業有限公司(c) Qingdao Zhuoyue Future land Real Estate Co., Ltd.(c)	2014年12月1日 01 December 2014	10,000	10,000	33.72%	–	物業開發及銷售 Development and sale of properties
青島億越房地產開發有限公司 Qingdao Yiyue Real Estate Development Co., Ltd.	2018年11月21日 21 November 2018	10,000	–	67.44%	–	物業開發及銷售 Development and sale of properties
青島卓越東郡房地產開發有限公司(c) Qingdao Zhuoyue Dongjune Real Estate Co., Ltd.(c)	2015年1月21日 21 January 2015	50,000	50,000	33.72%	–	物業開發及銷售 Development and sale of properties
山東寶泰置業有限公司(c) Shandong Baotai Real Estate Co., Ltd.(c)	2013年12月11日 11 December 2013	10,000	10,000	34.08%	–	物業開發及銷售 Development and sale of properties
濟南新城億輝企業管理有限公司 Jinan Future land Yihui Enterprise Management Ltd.	2018年8月6日 06 August 2018	10,000	–	66.82%	–	百貨商店管理 Department store management
濟南新城億盛房地產開發有限公司 Jinan Future land Yisheng Real Estate Development Co., Ltd.	2018年8月6日 06 August 2018	750,000	–	66.82%	–	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
威海德卓房地產開發有限公司 Weihai Yizhuo Real Estate Development Co., Ltd.	2018年3月1日 01 March 2018	10,000	10,000	67.44%	—	物業開發及銷售 Development and sale of properties
威海天置房地產開發有限公司(c) Weihai Tianzhi Real Estate Development Co., Ltd.(c)	2018年7月26日 26 July 2018	100,000	100,000	47.21%	—	物業開發及銷售 Development and sale of properties
濰坊怡昌房地產開發有限公司 Weifang Yichang Real Estate Development Co., Ltd.	2018年4月4日 04 April 2018	312,000	312,000	73.62%	—	物業開發及銷售 Development and sale of properties
濰坊億晟房地產開發有限公司 Weifang Yisheng Real Estate Development Co., Ltd.	2018年6月7日 07 June 2018	210,000	—	67.44%	—	物業開發及銷售 Development and sale of properties
濰坊億拓房地產開發有限公司 Weifang Yituo Real Estate Development Co., Ltd.	2018年6月7日 07 June 2018	560,000	—	67.44%	—	物業開發及銷售 Development and sale of properties
濰坊億欣房地產開發有限公司(c) Weifang Yixin Real Estate Development Co., Ltd.(c)	2018年6月20日 20 June 2018	500,000	500,000	47.21%	—	物業開發及銷售 Development and sale of properties
煙臺億鼎房地產開發有限公司 Yantai Yisheng Real Estate Development Co., Ltd.	2018年3月22日 22 March 2018	50,000	50,000	67.44%	—	物業開發及銷售 Development and sale of properties
煙臺億榮房地產開發有限公司(c) Yantai Yirong Real Estate Development Co., Ltd.(c)	2018年6月29日 29 June 2018	50,000	50,000	47.21%	—	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
煙臺德騰房地產開發有限公司(c) Yantai Yiteng Real Estate Development Co., Ltd.(c)	2018年9月12日 12 September 2018	10,000	10,000	47.21%	—	物業開發及銷售 Development and sale of properties
淄博新城華雲房地產開發有限公司(c) Zibo Future land Huayun Real Estate Development Co., Ltd.(c)	2018年4月28日 28 April 2018	10,000	10,000	46.78%	—	物業開發及銷售 Development and sale of properties
日照億鼎房地產開發有限公司 Rizhao Yiding Real Estate Development Co., Ltd.	2018年5月15日 15 May 2018	50,000	50,000	67.44%	—	物業開發及銷售 Development and sale of properties
齊河縣坤城置業有限公司 Qihe Kuncheng Property Co., Ltd.	2018年1月18日 18 January 2018	10,000	10,000	66.82%	—	物業開發及銷售 Development and sale of properties
高唐新城創置房地產開發有限公司 Gaotang Future Land Chuangzhi Real Estate Development Co., Ltd	2018年6月8日 08 June 2018	183,295	183,295	54.13%	—	物業開發及銷售 Development and sale of properties
陽穀裕昌置業有限公司 Yanggu Yuchang Property Co., Ltd.	2018年3月14日 14 March 2018	10,000	10,000	66.82%	—	物業開發及銷售 Development and sale of properties
長沙君正房地產開發有限公司(a)(c) Changsha Junzheng Real Estate Development Co., Ltd.(a)(c)	2017年1月6日 06 January 2017	10,000	10,000	34.42%	34.58%	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
長沙樹隆置業有限公司(c) Changsha Yuelong Property Co., Ltd.(c)	2018年12月5日 05 December 2018	10,000	10,000	47.24%	–	物業開發及銷售 Development and sale of properties
株洲欣盛萬博置業有限公司(a) Zhuzhou Xinsheng Wanbo Property Co., Ltd. (a)	2018年5月30日 30 May 2018	500,000	500,000	67.49%	–	物業開發及銷售 Development and sale of properties
北京新城金郡房地產開發有限公司 Beijing Future land JinJun Real Estate Development Co., Ltd.	2018年1月16日 16 January 2018	10,000	10,000	67.49%	–	物業開發及銷售 Development and sale of properties
天津國能濱海置業有限公司(c) Tianjin Guoneng Haibin Property Co., Ltd.(c)	2006年9月28日 28 September 2006	120,000	120,000	33.41%	33.57%	物業開發及銷售 Development and sale of properties
天津國能濱海投資有限公司(c) Tianjin Guoneng Haibin Investment Co., Ltd. (c)	2006年7月3日 03 July 2006	200,000	200,000	33.41%	33.57%	投資公司 Investment company
天津東郡房地產經紀有限公司 Tianjin DongJune Real Estate Agent Co., Ltd.	2018年6月13日 13 June 2018	10,000	10,000	66.82%	–	房地產代理 Real Estate Agency
天津市萬隆裝飾裝修有限公司 Tianjin Wanlong Decemderoration Co., Ltd.	2018年6月13日 13 June 2018	10,000	10,000	60.14%	–	裝修 Decemderoration
天津新城億佳房地產開發有限公司 Tianjin Future land Yijia Real Estate Development Co., Ltd.	2018年11月8日 08 November 2018	50,000	50,000	66.82%	–	物業開發及銷售 Development and sale of properties

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
天津新城德宏房地產開發有限公司 Tianjin Future land Yihong Real Estate Development Co., Ltd.	2018年11月13日 13 November 2018	50,000	50,000	66.82%	—	物業開發及銷售 Development and sale of properties
佛山鼎昌房地產有限公司 Foshan Dingchang Real Estate Co., Ltd.	2018年1月29日 29 January 2018	10,000	10,000	64.28%	—	物業開發及銷售 Development and sale of properties
中山市億拓房地產開發有限公司 Zhongshan Yituo Real Estate Development Co., Ltd.	2018年2月14日 14 February 2018	1,000	1,000	64.28%	—	物業開發及銷售 Development and sale of properties
中山市億柏房地產開發有限公司 Zhongshan Yibo Real Estate Development Co., Ltd.	2018年3月21日 21 March 2018	1,000	1,000	64.28%	—	物業開發及銷售 Development and sale of properties
中山市嵐彩房地產開發有限公司(c) Zhongshan Lancai Real Estate Development Co., Ltd. (c)	2014年8月5日 05 August 2014	110,250	110,250	29.50%	—	物業開發及銷售 Development and sale of properties
中山市慶隆房地產開發有限公司(c) Zhongshan Qinglong Real Estate Development Co., Ltd. (c)	2016年8月15日 15 August 2016	20,000	20,000	29.50%	—	物業開發及銷售 Development and sale of properties
中山市十二嶺投資置業有限公司 Zhongshan Shierling Investment Property Co., Ltd.	2016年10月8日 08 October 2016	10,000	10,000	57.85%	—	投資公司 Investment company
東莞德泰房地產開發有限公司 Dongguan Yitai Real Estate Development Co., Ltd.	2018年12月14日 14 December 2018	20,000	20,000	67.49%	—	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
肇慶市鼎泰房地產有限公司 Zhaoqing Dingtai Real Estate Co., Ltd.	2017年12月14日 14 December 2017	10,000	10,000	64.28%	64.59%	物業開發及銷售 Development and sale of properties
肇慶億超房地產有限公司 Zhaoqing Yichao Real Estate Co., Ltd.	2018年5月9日 09 May 2018	203,360	203,360	71.06%	–	物業開發及銷售 Development and sale of properties
珠海市鼎郡房地產開發有限公司 Zhuhai DingJune Real Estate Development Co., Ltd.	2018年1月19日 19 January 2018	10,000	10,000	64.28%	–	物業開發及銷售 Development and sale of properties
海豐縣振業房地產開發有限公司 Haifeng Zhenye Real Estate Development Co., Ltd.	2015年2月11日 11 February 2015	10,000	10,000	67.49%	–	物業開發及銷售 Development and sale of properties
湛江億熙房地產開發有限公司 Zhanjiang Yixi Real Estate Development Co., Ltd.	2018年8月10日 10 August 2018	10,000	10,000	64.28%	–	物業開發及銷售 Development and sale of properties
恩平市億恒房地產開發有限公司 Enping Yiheng Real Estate Development Co., Ltd.	2018年8月9日 09 August 2018	151,040	151,040	71.06%	–	物業開發及銷售 Development and sale of properties
江門億瀚房地產有限公司 Jiangmen Yihan Real Estate Co., Ltd.	2018年8月17日 17 August 2018	10,000	10,000	64.28%	–	物業開發及銷售 Development and sale of properties

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
合肥新城億拓房地產有限公司 Hefei Future land Yituo Real Estate Co., Ltd.	2018年5月4日 04 May 2018	408,270	408,270	71.41%	–	物業開發及銷售 Development and sale of properties
合肥新城億瑞房地產有限公司 Hefei Future land Yirui Real Estate Co., Ltd.	2018年5月8日 08 May 2018	508,850	508,850	71.41%	–	物業開發及銷售 Development and sale of properties
合肥新城億榮房地產有限公司 Hefei Future land Yirong Real Estate Co., Ltd.	2018年5月23日 23 May 2018	1,000,000	1,000,000	64.63%	–	物業開發及銷售 Development and sale of properties
合肥新城億盛房地產有限公司 Hefei Future land Yisheng Real Estate Co., Ltd.	2018年12月7日 07 December 2018	50,000	50,000	64.63%	–	物業開發及銷售 Development and sale of properties
蚌埠新城億騰房地產有限公司(a) Bengbu Future land Yiteng Real Estate Co., Ltd.(a)	2018年8月1日 01 August 2018	50,000	50,000	64.63%	–	物業開發及銷售 Development and sale of properties
馬鞍山億佳房地產開發有限公司 Maanshan Yijia Real Estate Development Co., Ltd.	2018年10月19日 19 October 2018	50,000	50,000	64.71%	–	物業開發及銷售 Development and sale of properties
仁壽億輝房地產開發有限公司 Renshou Yihui Real Estate Development Co., Ltd.	2018年2月2日 02 February 2018	135,000	135,000	54.67%	–	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
邱峰億睿房地產開發有限公司 Qionglai Yirui Real Estate Development Co., Ltd.	2018年4月20日 20 April 2018	612,500	612,500	73.67%	–	物業開發及銷售 Development and sale of properties
成都市億煜房地產開發有限公司 Chengdu Yiyi Real Estate Development Co., Ltd.	2018年5月30日 30 May 2018	50,000	50,000	52.75%	–	物業開發及銷售 Development and sale of properties
簡陽市億晟房地產開發有限公司 Jianyang Yisheng Real Estate Development Co., Ltd.	2018年5月23日 23 May 2018	197,230	197,230	73.67%	–	物業開發及銷售 Development and sale of properties
成都新璟房地產開發有限公司 Chengdu Xinjing Real Estate Development Co., Ltd.	2017年10月9日 09 October 2017	10,000	–	67.49%	67.81%	物業開發及銷售 Development and sale of properties
成都隆恩房地產開發有限公司 Chengdu Longen Real Estate Development Co., Ltd.	2017年10月11日 11 October 2017	10,000	–	67.49%	67.81%	物業開發及銷售 Development and sale of properties
峨眉山市億盛房地產開發有限公司 Emeishan Yisheng Real Estate Development Co., Ltd.	2018年6月25日 25 June 2018	50,000	–	67.49%	–	物業開發及銷售 Development and sale of properties
雅安市億弘房地產開發有限公司(c) Yaan Yihong Real Estate Development Co., Ltd. (c)	2018年7月31日 31 July 2018	640,000	–	43.87%	–	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
重慶北麓置業有限公司(a) Chongqing Beilu Property Co., Ltd.(a)	2010年5月4日 04 May 2010	27,000	27,000	64.28%	–	物業開發及銷售 Development and sale of properties
重慶東睿房地產開發有限公司 Chongqing Dongrui Real Estate Development Co., Ltd.	2014年12月22日 22 December 2014	30,000	30,000	64.28%	–	物業開發及銷售 Development and sale of properties
西安新城隴房地產開發有限公司 Xian Future land Lisheng Real Estate Development Co., Ltd.	2017年11月27日 27 November 2017	10,000	10,000	64.28%	64.59%	物業開發及銷售 Development and sale of properties
西安悅盛房地產開發有限公司(c) Xian Yuesheng Real Estate Development Co., Ltd.(c)	2017年12月1日 01 December 2017	10,000	–	41.78%	41.98%	物業開發及銷售 Development and sale of properties
西安威銘置業有限公司 Xian Weiming Property Co., Ltd.	2018年1月12日 12 January 2018	30,000	30,000	64.28%	–	物業開發及銷售 Development and sale of properties
咸陽傳錦尚城房地產開發有限公司(c) Xianyang Yijing Shangcheng Real Estate Development Co., Ltd.(c)	2018年3月2日 02 March 2018	10,000	–	38.57%	–	物業開發及銷售 Development and sale of properties
咸陽新城序悅房地產發展有限公司(c) Xianyang Future land Xuyue Real Estate Development Co., Ltd.(c)	2017年12月5日 05 December 2017	10,000	–	32.78%	32.94%	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
香港柏翰發展有限公司(b) HONG KONG BOHAN DEVELOPMENT LIMITED(b)	2017年12月8日 08 December 2017	–	–	67.49%	67.81%	投資公司 Investment company
西安億翰房地產開發有限公司(c) Xian Yihan Real Estate Development Co., Ltd.(c)	2018年12月6日 06 December 2018	540,000	540,000	47.08%	–	物業開發及銷售 Development and sale of properties
西安億昶房地產開發有限公司 Xian Yichang Real Estate Development Co., Ltd.	2018年12月20日 20 December 2018	10,000	–	64.28%	–	物業開發及銷售 Development and sale of properties
鄭州創賢房地產開發有限公司 Zhengzhou Chuangxian Real Estate Development Co., Ltd.	2017年11月6日 06 November 2017	10,000	–	64.28%	64.59%	物業開發及銷售 Development and sale of properties
鄭州德佳房地產開發有限公司 Zhengzhou Dejia Real Estate Development Co., Ltd.	2017年11月6日 06 November 2017	10,000	10,000	64.28%	64.59%	物業開發及銷售 Development and sale of properties
鄭州億瀚房地產開發有限公司 Zhengzhou Yihan Real Estate Development Co., Ltd.	2018年5月23日 23 May 2018	10,000	–	64.28%	–	物業開發及銷售 Development and sale of properties
鄭州億輝房地產開發有限公司 Zhengzhou Yiye Real Estate Development Co., Ltd.	2018年5月23日 23 May 2018	10,000	–	64.28%	–	物業開發及銷售 Development and sale of properties

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
長葛市新城億隆房地產開發有限公司 Changge Future land Yisheng Real Estate Development Co., Ltd.	2018年7月30日 30 July 2018	200,245	200,245	52.06%	—	物業開發及銷售 Development and sale of properties
許昌市昱恒房地產開發有限公司(c) Xuchang Yuheng Real Estate Development Co., Ltd.(c)	2018年3月12日 12 March 2018	500,000	500,000	40.21%	—	物業開發及銷售 Development and sale of properties
衡水億郡房地產開發有限公司 Hengshui Yijun Real Estate Development Co., Ltd.	2018年1月25日 25 January 2018	10,000	—	67.49%	—	物業開發及銷售 Development and sale of properties
承德新城億隆房地產開發有限公司 Chengde Future land Yilong Real Estate Development Co., Ltd.	2018年2月7日 07 February 2018	10,000	—	67.49%	—	物業開發及銷售 Development and sale of properties
滄州新城億隆房地產開發有限公司 Cangzhou Future land Yilong Real Estate Development Co., Ltd.	2018年2月8日 08 February 2018	10,000	—	67.49%	—	物業開發及銷售 Development and sale of properties
滄州萬和金郡房地產開發有限公司(c) Cangzhou Wanhe JinJun Real Estate Development Co., Ltd.(c)	2018年6月8日 08 June 2018	20,000	—	46.78%	—	物業開發及銷售 Development and sale of properties
石家莊億潤房地產開發有限公司 Shijiazhuang Yirun Real Estate Development Co., Ltd.	2018年5月8日 08 May 2018	10,000	—	67.49%	—	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
邯鄲德隆房地產開發有限公司 Handan Yilong Real Estate Development Co., Ltd.	2018年3月9日 09 March 2018	10,000	–	67.49%	–	物業開發及銷售 Development and sale of properties
昆明新城億晟房地產開發有限公司 Kunming Future land Yisheng Real Estate Development Co., Ltd.	2018年2月2日 02 February 2018	500	500	67.49%	–	物業開發及銷售 Development and sale of properties
昆明新城億煌房地產開發有限公司 Kunming Future land Yiye Real Estate Development Co., Ltd.	2018年3月22日 22 March 2018	10,000	–	67.49%	–	物業開發及銷售 Development and sale of properties
昆明新城億璞房地產開發有限公司 Kunming Future land Yipu Real Estate Development Co., Ltd.	2018年7月31日 31 July 2018	10,000	–	67.49%	–	物業開發及銷售 Development and sale of properties
大理新城億祺房地產開發有限公司 Dali Future land Yiqi Real Estate Development Co., Ltd.	2018年8月9日 09 August 2018	10,000	–	67.49%	–	物業開發及銷售 Development and sale of properties
南寧億拓房地產開發有限公司 Nanning Yituo Real Estate Development Co., Ltd.	2018年3月12日 12 March 2018	500	500	67.49%	–	物業開發及銷售 Development and sale of properties
南寧億瀚房地產開發有限公司(a) Nanning Yihan Real Estate Development Co., Ltd.(a)	2018年7月12日 12 July 2018	325,479	325,479	54.67%	–	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
南寧億文房地產開發有限公司 Nanning Yiwen Real Estate Development Co., Ltd.	2018年11月19日 19 November 2018	50,000	–	67.49%	–	物業開發及銷售 Development and sale of properties
桂林億瀚房地產開發有限公司(c) Guilin Yihan Real Estate Development Co., Ltd.(c)	2018年9月29日 29 September 2018	10,000	–	40.49%	–	物業開發及銷售 Development and sale of properties
貴陽新城億晟房地產開發有限公司 Guiyang Future land Yisheng Real Estate Development Co., Ltd.	2018年5月17日 17 May 2018	500	500	67.49%	–	物業開發及銷售 Development and sale of properties
貴陽新城億甯房地產開發有限公司 Guiyang Future land Yirui Real Estate Development Co., Ltd.	2018年12月26日 26 December 2018	6,480	6,480	51.29%	–	物業開發及銷售 Development and sale of properties
遵義市新城億騰房地產開發有限公司 Zunyi Future land Yiteng Real Estate Development Co., Ltd.	2018年9月13日 13 September 2018	100,000	100,000	67.49%	–	物業開發及銷售 Development and sale of properties
遵義市新城億欣房地產開發有限公司 Zunyi Future land Yixin Real Estate Development Co., Ltd.	2018年10月16日 16 October 2018	20,000	–	67.49%	–	物業開發及銷售 Development and sale of properties
南昌億拓房地產開發有限公司 Nanchang Yituo Real Estate Development Co., Ltd.	2018年7月5日 05 July 2018	50,500	–	66.82%	–	物業開發及銷售 Development and sale of properties
南昌億卓房地產開發有限公司(c) Nanchang Yizhuo Real Estate Development Co., Ltd.(c)	2018年10月30日 30 October 2018	500,000	–	40.49%	–	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
香港鼎佳發展有限公司(b) HONG KONG DINGJIA DEVELOPMENT LIMITED(b)	2017年12月8日 08 December 2017	–	–	67.49%	67.81%	投資公司 Investment company
香港鼎睿發展有限公司(b) HONG KONG DINGRUI DEVELOPMENT LIMITED(b)	2017年12月8日 08 December 2017	–	–	67.49%	67.81%	投資公司 Investment company
香港萬茂發展有限公司(b) HONG KONG WANMAO DEVELOPMENT LIMITED(b)	2017年12月8日 08 December 2017	–	–	67.49%	67.81%	投資公司 Investment company
香港萬彰發展有限公司(b) HONG KONG WANZHANG DEVELOPMENT LIMITED(b)	2017年12月8日 08 December 2017	–	–	67.49%	67.81%	投資公司 Investment company
上海銘世置業有限公司 Shanghai Mingshi Property Co., Ltd.	2017年3月23日 23 March 2017	10,000	–	67.49%	67.81%	物業開發及銷售 Development and sale of properties
黃石新城萬博房地產開發有限公司 Huangshi Future Land Wanbo Real Estate Development Co., Ltd.	2017年12月22日 22 December 2017	50,000	–	67.49%	67.81%	物業開發及銷售 Development and sale of properties
青島靈樞萬邦商貿有限公司 Qingdao Xiyue Wanbang Trade Ltd.	2018年1月8日 08 January 2018	64,456	64,456	67.49%	–	貿易公司 Trading company
鎮江萬博吾悅房地產經營管理有限公司 Zhenjiang Wanbo Injoy Real Estate Development Co., Ltd.	2018年10月8日 08 October 2018	10,044	10,044	67.49%	–	物業開發及銷售 Development and sale of properties
南京億博貿易有限公司 Nanjing Yibo Trading Co., Ltd.	2018年9月29日 29 September 2018	41,565	41,565	67.49%	–	貿易公司 Trading company

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
淮安德悅鋼材貿易有限公司 Huainan Yirui Steel Trading Co., Ltd.	2018年10月19日 19 October 2018	68,739	68,739	67.49%	—	貿易公司 Trading company
仙居澤盛供應鏈管理有限公司 Xianju Zesheng Supply Chain Management Co., Ltd.	2018年12月18日 18 December 2018	103,404	103,404	67.49%	—	資產運營及管理 Asset operation and management
昆明傳盛供應鏈管理有限公司 Kunming Yisheng Supply Chain Management Co., Ltd.	2018年6月11日 11 June 2018	98,940	98,940	67.49%	—	資產運營及管理 Asset operation and management
西藏新區億環貿易有限公司 Xixian Xinqu Yijing Trading Co., Ltd.	2018年6月6日 06 June 2018	78,485	78,485	67.49%	—	貿易公司 Trading company
如皋創萬房地產經營有限公司 Rugao Chuangjun Real Estate Co., Ltd.	2018年11月1日 01 November 2018	10,000	10,000	67.49%	—	物業開發及銷售 Development and sale of properties
南昌創宏房地產有限公司 Nanchang Chuanghong Real Estate Co., Ltd.	2018年9月21日 21 September 2018	9,284	9,284	67.82%	—	物業開發及銷售 Development and sale of properties
安慶新城悅盛房產經營管理有限公司 Anqing Future Land Yuesheng Real Estate Management Ltd.	2018年9月25日 25 September 2018	10,000	10,000	67.49%	—	百貨商店管理 Department store management
寧波吾悅房地產管理有限公司 Ningbo Wuyue Real Estate Management Co., Ltd.	2018年10月15日 15 October 2018	10,000	10,000	67.82%	—	百貨商店管理 Department store management

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
桐鄉萬博房產經營管理有限公司 Tongxiang Wanbo Real Estate Management Co., Ltd.	2018年10月9日 09 October 2018	10,000	10,000	67.82%	—	百貨商店管理 Department store management
延安市寶塔區億博房地產開發有限公司 Yanan Baota Yibo Real Estate Development Co., Ltd.	2018年1月23日 23 January 2018	100,000	100,000	67.49%	—	物業開發及銷售 Development and sale of properties
桂林新城萬博房地產開發有限公司(a) Guilin Future land Wanbo Real Estate Development Co., Ltd.(a)	2017年12月25日 25 December 2017	50,000	50,000	67.49%	67.49%	物業開發及銷售 Development and sale of properties
寶應億盛房地產開發有限公司 Baoying Yisheng Real Estate Development Co., Ltd.	2018年3月5日 05 March 2018	503,080	503,080	73.67%	—	物業開發及銷售 Development and sale of properties
淮安新城億博房地產開發有限公司(a) Huai'an Future land Yibo Real Estate Development Co., Ltd.(a)	2018年1月22日 22 January 2018	20,000	20,000	67.49%	—	物業開發及銷售 Development and sale of properties
淮北新城億軒房地產開發有限公司 Huabei Yixuan Real Estate Development Co., Ltd.	2018年1月5日 05 January 2018	100,000	100,000	67.49%	—	物業開發及銷售 Development and sale of properties
高郵市新城億博房地產開發有限公司 Gaoyou Future land Yibo Real Estate Development Co., Ltd.	2018年4月9日 09 April 2018	387,080	387,080	73.67%	—	物業開發及銷售 Development and sale of properties
包頭市新城億博房地產開發有限公司 Baotou Future land Yibo Real Estate Development Co., Ltd.	2018年3月16日 16 March 2018	50,000	50,000	64.76%	—	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
肇慶億博房地產開發有限公司 Zhaqing Yibo Real Estate Development Co., Ltd.	2018年4月9日 09 April 2018	206,400	206,400	73.67%	—	物業開發及銷售 Development and sale of properties
鹽城新城億博房地產開發有限公司 Yancheng Future land Yibo Real Estate Development Co., Ltd.	2018年3月21日 21 March 2018	617,280	617,280	54.67%	—	物業開發及銷售 Development and sale of properties
昆明新城萬博房地產發展有限公司 Kunming Future land Wanbo Real Estate Development Co., Ltd.	2018年1月2日 02 January 2018	20,000	20,000	67.49%	—	物業開發及銷售 Development and sale of properties
徐州市賈汪區億睿房地產開發有限公司 Xuzhou Jiawang Yirui Real Estate Development Co., Ltd.	2018年5月30日 30 May 2018	122,860	122,860	73.67%	—	物業開發及銷售 Development and sale of properties
唐山億茂房地產開發有限公司 Tangshan Yimao Real Estate Development Co., Ltd.	2018年5月29日 29 May 2018	804,080	804,080	54.67%	—	物業開發及銷售 Development and sale of properties
襄陽新城億博房地產開發有限公司(c) Xiangyang Yibo Real Estate Development Co., Ltd.(c)	2018年9月3日 03 September 2018	1,395,217	1,395,217	46.47%	—	物業開發及銷售 Development and sale of properties
阜陽新城億博房地產開發有限公司 Fuyang Yibo Real Estate Development Co., Ltd.	2018年6月29日 29 June 2018	50,000	50,000	64.63%	—	物業開發及銷售 Development and sale of properties
蚌埠新城億鑫房地產開發有限公司 Bengbu Yixin Real Estate Development Co., Ltd.	2018年7月25日 25 July 2018	50,000	50,000	67.49%	—	物業開發及銷售 Development and sale of properties

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
南京新城億博房地產開發有限公司 Nanjing Future land Yibo Real Estate Development Co., Ltd.	2018年8月1日 01 August 2018	466,290	466,290	54.67%	—	物業開發及銷售 Development and sale of properties
宿州新城億博房地產開發有限公司 Suzhou Future land Yibo Real Estate Development Co., Ltd.	2018年7月17日 17 July 2018	50,000	—	67.49%	—	物業開發及銷售 Development and sale of properties
荊州億軒房地產開發有限公司 Jingzhou Yixuan Real Estate Development Co., Ltd.	2018年7月9日 09 July 2018	50,000	—	67.49%	—	物業開發及銷售 Development and sale of properties
包頭市新城億卓房地產開發有限公司 Baotou Future land Yizhuo Real Estate Development Co., Ltd.	2018年7月25日 25 July 2018	50,000	—	64.76%	—	物業開發及銷售 Development and sale of properties
湖州新城億軒房地產開發有限公司 Huzhou Future land Yixuan Real Estate Development Co., Ltd.	2018年8月13日 13 August 2018	665,908	665,908	73.67%	—	物業開發及銷售 Development and sale of properties
昭通億博房地產開發有限公司 Zhaotong Yibo Real Estate Development Co., Ltd.	2018年9月4日 04 September 2018	685,032	685,032	73.67%	—	物業開發及銷售 Development and sale of properties
貴港億博房地產開發有限公司 Guigang Yibo Real Estate Development Co., Ltd.	2018年10月22日 22 October 2018	50,000	—	67.49%	—	物業開發及銷售 Development and sale of properties
北海億博房地產開發有限公司 Beihai Yibo Real Estate Development Co., Ltd.	2018年10月11日 11 October 2018	50,000	—	67.49%	—	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
貴州清鎮新城億博房地產開發有限公司 Guizhou Qingzhen Future land Yibo Real Estate Development Co., Ltd.	2018年11月28日 28 November 2018	50,000	—	60.74%	—	物業開發及銷售 Development and sale of properties
鹽城新城億鴻房地產開發有限公司 Yancheng Future land Yihong Real Estate Development Co., Ltd.	2018年10月22日 22 October 2018	50,000	—	67.49%	—	物業開發及銷售 Development and sale of properties
興化新城億恒房地產開發有限公司 Xinghua Future land Yiheng Real Estate Development Co., Ltd.	2018年10月23日 23 October 2018	415,521	415,521	67.49%	—	物業開發及銷售 Development and sale of properties
台州新城萬博房地產發展有限公司 Taizhou Future land Wanbo Real Estate Development Co., Ltd.	2015年2月9日 09 February 2015	400,000	400,000	67.49%	—	物業開發及銷售 Development and sale of properties
義烏市吾悅房地產開發有限公司(c) Yiwu Wuyue Real Estate Development Co., Ltd.(c)	2015年10月19日 19 October 2015	1,000,000	1,000,000	34.42%	—	物業開發及銷售 Development and sale of properties
揚州新城悅盛房地產發展有限公司 Yangzhou Future land Yuesheng Real Estate Development Co., Ltd.	2016年7月25日 25 July 2016	200,000	200,000	67.49%	—	物業開發及銷售 Development and sale of properties
海鹽億博房地產開發有限公司 Haiyan Yibo Real Estate Development Co., Ltd.	2018年12月18日 18 December 2018	1,000,000	—	67.49%	—	物業開發及銷售 Development and sale of properties
遵義新城億博房地產開發有限公司 Zunyi Future land Yibo Real Estate Development Co., Ltd.	2018年12月17日 17 December 2018	50,000	—	67.49%	—	物業開發及銷售 Development and sale of properties

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
西寧新城億博房地產開發有限公司 Xining Future land Yibo Real Estate Development Co., Ltd.	2018年11月27日 27 November 2018	50,000	—	67.49%	—	物業開發及銷售 Development and sale of properties
鄭州新城億博房地產開發有限公司 Zhengzhou Future land Yibo Real Estate Development Co., Ltd.	2018年12月5日 05 December 2018	50,000	—	67.49%	—	物業開發及銷售 Development and sale of properties
晉江萬博商業管理有限公司 Jinjiang Wanbo Commercial Management Co., Ltd.	2018年10月16日 16 October 2018	10,000	10,000	67.49%	—	百貨商店管理 Department store management
香港隆盛發展有限公司(b) HONG KONG LONGSHENG DEVELOPMENT LIMITED(b)	2017年12月8日 08 December 2017	—	—	67.49%	67.81%	投資公司 Investment company
香港柏軒發展有限公司(b) HONG KONG BOXUAN DEVELOPMENT LIMITED(b)	2017年12月8日 08 December 2017	—	—	67.49%	67.81%	投資公司 Investment company
香港柏瑞發展有限公司(b) HONG KONG BORUI DEVELOPMENT LIMITED(b)	2017年12月8日 08 December 2017	—	—	67.49%	67.81%	投資公司 Investment company
長春北湖新城吾悅商業管理有限公司 Changchun Beihu Future Land Wuyue Commercial Management Co., Ltd.	2018年5月10日 10 May 2018	1,000	—	67.49%	—	百貨商店管理 Department store management
蘇州相城吾悅商業管理有限公司 Suzhou Xiangcheng Wuyue Commercial Management Co., Ltd.	2018年6月15日 15 June 2018	1,000	—	67.49%	—	百貨商店管理 Department store management

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
無錫市吾悅商業管理有限公司 Wuxi Wuyue Commercial Management Co., Ltd.	2018年5月15日 15 May 2018	1,000	1,000	67.49%	—	百貨商店管理 Department store management
常州天寧吾悅商業管理有限公司 Changzhou Tianning Injoy Commercial Management Co., Ltd.	2018年1月4日 04 January 2018	1,000	1,000	67.49%	—	百貨商店管理 Department store management
溧陽新城吾悅商業管理有限公司 Liyang Future Land Wuyue Commercial Management Co., Ltd.	2018年5月10日 10 May 2018	1,000	—	67.49%	—	百貨商店管理 Department store management
寶應吾悅商業管理有限公司 Baoying Wuyue Commercial Management Co., Ltd.	2018年6月15日 15 June 2018	1,000	1,000	67.49%	—	百貨商店管理 Department store management
高郵新城吾悅商業管理有限公司 Gaoyou Future Land Wuyue Commercial Management Co., Ltd.	2018年6月11日 11 June 2018	1,000	1,000	67.49%	—	百貨商店管理 Department store management
連雲港吾悅商業管理有限公司 Lianyungang Injoy Commercial Management Co., Ltd.	2018年1月17日 17 January 2018	1,000	1,000	67.49%	—	百貨商店管理 Department store management
連雲港海州新城吾悅商業管理有限公司 Lianyungang Haizhou Future Land Wuyue Commercial Management Co., Ltd.	2018年6月4日 04 June 2018	1,000	1,000	67.49%	—	百貨商店管理 Department store management
淮安新城吾悅商業管理有限公司 Huainan Future Land Wuyue Commercial Management Co., Ltd.	2018年5月2日 02 May 2018	1,000	—	67.49%	—	百貨商店管理 Department store management

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
鹽城新城吾悅商業管理有限公司 Yancheng Future Land Wuyue Commercial Management Co., Ltd.	2018年8月15日 15 August 2018	1,000	1,000	67.49%	–	百貨商店管理 Department store management
長沙吾悅商業管理有限公司 Changsha Wuyue Commercial Management Co., Ltd.	2018年5月22日 22 May 2018	1,000	1,000	67.49%	–	百貨商店管理 Department store management
荊州新城吾悅商業管理有限公司 Jingzhou Future Land Wuyue Commercial Management Co., Ltd.	2018年9月27日 27 September 2018	1,000	1,000	67.49%	–	百貨商店管理 Department store management
合肥吾悅商業管理有限公司 Hefei Injoy Commercial Management Co., Ltd.	2017年12月29日 29 December 2017	1,000	1,000	67.49%	67.81%	百貨商店管理 Department store management
淮北新城吾悅商業管理有限公司 Huabei Future Land Wuyue Commercial Management Co., Ltd.	2018年6月26日 26 June 2018	1,000	1,000	67.49%	–	百貨商店管理 Department store management
蘇州新城吾悅商業管理有限公司 Suzhou Future Land Wuyue Commercial Management Co., Ltd.	2018年10月26日 26 October 2018	1,000	–	67.49%	–	百貨商店管理 Department store management
蚌埠新城吾悅商業管理有限公司 Bengbu Future Land Wuyue Commercial Management Co., Ltd.	2018年11月1日 01 November 2018	1,000	1,000	67.49%	–	百貨商店管理 Department store management
福州市長樂吾悅商業管理有限公司 Fuzhou Changle Wuyue Commercial Management Co., Ltd.	2018年2月28日 28 February 2018	1,000	1,000	67.49%	–	百貨商店管理 Department store management

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
欽州新城吾悅商業管理有限公司 Qinzhou Future Land Wuyue Commercial Management Co., Ltd.	2017年12月13日 13 December 2017	1,000	–	67.49%	67.81%	百貨商店管理 Department store management
桂林新城吾悅商業管理有限公司 Guilin Future Land Wuyue Commercial Management Co., Ltd.	2018年4月27日 27 April 2018	1,000	1,000	67.49%	–	百貨商店管理 Department store management
延安吾隆商業管理有限公司 Yanan Wulong Commercial Management Co., Ltd.	2018年5月22日 22 May 2018	1,000	1,000	67.49%	–	百貨商店管理 Department store management
漢中市新城吾悅商業管理有限公司 Hangzhong Future Land Wuyue Commercial Management Co., Ltd.	2018年6月11日 11 June 2018	1,000	1,000	67.49%	–	百貨商店管理 Department store management
寶應吾悅商業管理有限公司 Baoji Wuyue Commercial Management Co., Ltd.	2018年5月8日 08 May 2018	1,000	1,000	67.49%	–	百貨商店管理 Department store management
重慶市渝北吾悅商業管理有限公司 Chongqing Yubei Wuyue Commercial Management Co., Ltd.	2018年7月24日 24 July 2018	1,000	–	67.49%	–	百貨商店管理 Department store management
上海昱順企業管理有限公司 Shanghai Minshun Enterprise Management Co., Ltd.	2017年10月9日 09 October 2017	10,000	10,000	67.49%	67.81%	百貨商店管理 Department store management
上海煜璵貿易有限公司 Shanghai Yupu Trading Co., Ltd.	2018年5月10日 10 May 2018	100,000	100,000	67.49%	–	貿易公司 Trading company

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44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
江蘇築森建築設計有限公司 DESIGN OF CENTURY ARCHITECTURE CO., LTD	1990年5月11日 11 May 1990	46,800	46,800	67.49%	–	建築設計及諮詢 Construction design and consulting
Resources Asset Management (Cayman) Limited(b)	2015年1月7日 07 January 2015	–	–	60.00%	60.00%	資產管理公司 Asset Management company
Future Glory Limited(b)	2018年4月6日 06 April 2018	–	–	60.00%	–	投資公司 Investment company
Future Vivid Holdings Limited(b)	2018年3月26日 26 March 2018	–	–	60.00%	–	物業開發及銷售 Development and sale of properties
Future Benefit Holdings Limited(b)	2018年1月22日 22 January 2018	–	–	60.00%	–	物業開發及銷售 Development and sale of properties
Future Benefit Limited(b)	2018年2月9日 09 February 2018	–	–	60.00%	–	投資公司 Investment company
Future Boost Limited(c)	2017年6月12日 12 June 2017	–	–	30.00%	–	投資公司 Investment company
Future Triumph Holdings Limited(b)	2018年1月17日 17 January 2018	–	–	60.00%	–	物業開發及銷售 Development and sale of properties
Future Triumph Limited(b)	2017年3月31日 31 March 2017	–	–	60.00%	–	投資公司 Investment company

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44 子公司詳情 (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

公司名稱 Company name	註冊成立／成立日期 Date of incorporation/ establishment	法定或註冊資本 Authorised or registered capital 人民幣千元 RMB'000	已發行和繳足股本 Issued and fully paid capital 人民幣千元 RMB'000	於12月31日應佔股權百分比 Percentage of attributable equity interest as at 31 December		主要業務 Principal activities
				2018年 2018	2017年 2017	
Future Trillion Real Estate SPC – Future Boost SP*(b)(c)	2017年7月28日 28 July 2017	–	–	30.00%	–	物業開發及銷售 Development and sale of properties
Future Concord Limited(b)	2018年7月3日 03 July 18	–	–	60.00%	–	投資公司 Investment company
Huge Highlight Limited(b)(c)	2018年5月15日 15 May 2018	–	–	30.00%	–	投資公司 Investment company
Abundant Mass Limited(b)(c)	2018年5月22日 22 May 2018	–	–	20.01%	–	投資公司 Investment company
Resources Partners Fund SPC – Multi- Strategy SP(b)(c)	2018年6月19日 19 June 2018	–	–	48.00%	–	投資公司 Investment company
Future Brightness Limited(b)	2018年3月26日 26 March 2018	–	–	60.00%	–	投資公司 Investment company
Citadel EB-5 Fund GP LLC(b)	2018年3月15日 15 March 2018	–	–	100.00%	–	投資公司 Investment company
重慶銘睿房地產開發有限公司(a) Chongqing Mingrui Real Estate Development Co., Ltd.(a)	2017年6月14日 14 June 2017	50,000	50,000	64.28%	–	物業開發及銷售 Development and sale of properties

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44 子公司詳情 (續)

- (a) 於2018年及2017年12月31日，本公司子公司若干股權已就借款予以抵押(附註24)。有關詳情，請參閱下表：

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

- (a) Certain equity interests in the subsidiaries of the Company were pledged for borrowings as at 31 December 2018 and 2017, respectively (Note 24). For details, please refer to the table below:

	於12月31日 As at 31 December	
	2018年 2018	2017年 2017
武漢新城創置置業有限公司 Wuhan Future Land Chuangzhi Property Co., Ltd.	100%	100%
南京新城創匯房地產有限公司 Nanjing Future Land Chuanghui Real Estate Co., Ltd.	—	100%
杭州新城德佳房地產開發有限公司 Hangzhou Future Land Dejia Real Estate Development Co., Ltd.	—	100%
武漢江南印象置業有限公司(a) Wuhan Jiangnan Impression Property Co., Ltd.	90%	90%
嘉興新城創盛房地產開發有限公司 Jiaxing Future Land Chuangsheng Real Estate Development Co., Ltd.	—	100%
青島市麗洲置業有限公司 Qingdao Lizhou Property Co., Ltd.	100%	100%
吳江恒力地產有限公司 Wujiang Hengli Real Estate Co., Ltd.	100%	100%
江蘇美露投資有限公司 Jiangsu Meilu Investment Co., Ltd.	100%	100%
昆明新城吾悅房地產發展有限公司 Kunming Future Land Wuyue Real Estate Development Co., Ltd.	—	100%
博羅信德實業有限公司 Boluo Xinde Industry Co., Ltd.	80%	—
鄂州新城創盛置業有限公司 Ezhou Future Land Chuangsheng Property Co., Ltd.	100%	—
欽州新城萬博房地產開發有限公司 Qinzhou Future Land Wanbo Real Estate Development Co., Ltd.	100%	—
西安新城萬博房地產開發有限公司 Xi'an Future Land Wanbo Real Estate Development Co., Ltd.	100%	—
桂林新城萬博房地產開發有限公司 Guilin Future Land Wanbo Real Estate Development Co., Ltd.	100%	—
長沙君正房地產開發有限公司 Changsha Junzheng Real Estate Development Co., Ltd.	51%	—

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44 子公司詳情 (續)

(a) (續)

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

(a) (Cont'd)

	於12月31日 As at 31 December	
	2018年 2018	2017年 2017
淮安新城億博房地產開發有限公司 Huai'an Future Land Yibo Real Estate Development Co., Ltd.	100%	—
鹽城新城億佳房地產開發有限公司 Yancheng Future Land Yijia Real Estate Development Co., Ltd.	100%	—
重慶北麓置業有限公司 Chongqing Beilu Property Co., Ltd.	100%	—
重慶銘睿房地產開發有限公司 Chongqing Mingrui Real Estate Development Co., Ltd.	100%	—
南寧億瀚房地產開發有限公司 Nanning Yihan Real Estate Development Co., Ltd.	100%	—
株洲欣盛萬博置業有限公司 Zhuzhou Xinsheng Wanbo Property Co., Ltd.	100%	—
成都市津城房地產開發有限公司 Chengdu Jincheng Real Estate Development Co., Ltd.	100%	—
成都市津地房地產開發有限公司 Chengdu Jindi Real Estate Development Co., Ltd.	100%	—
長春新城萬博房地產開發有限公司 Changchun Future Land Wanbo Real Estate Development Co., Ltd.	100%	—
蘇州新城創佳置業有限公司 Suzhou Future Land Chuangjia Property Co., Ltd.	54%	—
湖州新城億瑞房地產開發有限公司 Huzhou Yirui Real Estate Development Co., Ltd.	100%	—
蚌埠新城億騰房地產有限公司 Bengbu Future Land Yiteng Real Estate Co., Ltd.	100%	—
A股公司 A Share Company	28.91%	32.63%

(b) 本公司於該等子公司直接或間接擁有股權，而該等子公司於其他子公司直接或間接擁有股權。該等子公司於香港、英屬處女群島或美利堅合眾國成立，而所有其他子公司於中國內地成立。

(b) The Company has direct or indirect equity interests in these subsidiaries which have direct or indirect equity interests in the other subsidiaries. These subsidiaries were incorporated in Hong Kong, British Virgin Islands or the United States of America and all the other subsidiaries were established in mainland China.

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44 子公司詳情 (續)

- (c) 儘管本集團於該等實體的持股低於或相當於50%，但本集團仍可控制該等實體，此乃由於該A股公司（為本集團子公司）直接控制該等實體，因此，本集團對該等實體擁有直接控制權。
- (d) 本集團於該兩間香港實體的持股低於20%。然而，本集團於該兩間實體的董事會擁有大多數席位，且根據相關組織章程細則，本集團能夠根據其組織章程條款控制該兩間實體。
- (e) 所有上述附屬公司主要於彼等的註冊成立／成立地點營運。
- (f) 除於在本年披露以外，概無附屬公司發行任何債務證券。

45 結算日後事項

- (a) 於2018年12月31日賬面值為人民幣2,069,576,000元、分類為以公允價值計量且其變動計入當期損益的金融負債的可換股債券已於2019年2月10日到期，概無可換股債券的本金金額被轉換。本公司以相等於未償還本金金額總額2,346,000,000港元的贖回價格（連同所有應計及未付利息）對全部未償還可換股債券進行贖回，並於此後根據可換股債券的條款及條件完成所有相關程序。
- (b) 於2019年1月15日，本公司發行300,000,000美元的優先票據，年利率為7.5%。倘無提早贖回，票據於2021年1月22日到期。

44 PARTICULARS OF SUBSIDIARIES (Cont'd)

- (c) Although the Group's shareholding in these entities is lower than or equal to 50%, the Group can still control these entities, because the A Share Company, which is a subsidiary of the Group, directly control these entities and thus the Group has direct control over these entities.
- (d) The Group's shareholding in the two Hongkong entities is less than 20%. Nevertheless, the Group has majority of seats in their board of directors and according to the relevant article of association, the Group can control the two entities according to the terms in their articles of association.
- (e) all the subsidiaries are operating principally in their place of incorporation/establishment.
- (f) save for disclosed in this annual report, none of the subsidiaries had issued any debt securities at the end of the year.

45 SUBSEQUENT EVENTS

- (a) Convertible bonds classified as financial liabilities at fair value through profit or loss with book value of RMB2,069,576,000 as at 31 December 2018 was due on 10 February 2019 and none of the principal amount of the convertible bonds was converted. The Company redeemed the outstanding convertible bonds in whole at a redemption price equal to 100% of the outstanding principal amount of HKD2,346,000,000 together with all accrued and unpaid interests thereon and completed all relevant procedures thereafter pursuant to the terms and conditions of the convertible bonds.
- (b) On 15 January 2019, the Company issued a senior note of USD300,000,000 at an interest of 7.5% per annum. The Notes falls due on 22 January 2021 if not redeemed earlier.

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