

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2019

## 24 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Movement of FVPL is analysed as follows:

	2019 RMB'Million	2018 RMB'Million
<b>At beginning of the year</b>	<b>97,877</b>	–
Adjustment on adoption of IFRS 9	–	95,497
Additions (Note (a))	<b>44,618</b>	60,807
Transfers (Note (b))	<b>(1,421)</b>	(78,816)
Changes in fair value (Note 7(b))	<b>9,511</b>	28,738
Disposals (Note (c))	<b>(16,664)</b>	(14,805)
Currency translation differences	<b>2,015</b>	6,456
<b>At end of the year</b>	<b>135,936</b>	97,877

Note:

- (a) During the year ended 31 December 2019, the Group's additions to FVPL mainly comprised the following:
- (i) an investment in a retail company of approximately USD500 million (equivalent to approximately RMB3,550 million) to subscribe for approximately 21% of its equity interests in form of preferred shares, on an outstanding basis;
  - (ii) an additional investment in a real estate O2O platform in the PRC of approximately USD320 million (equivalent to approximately RMB2,258 million). As at 31 December 2019, the Group's equity interests in this investee company are approximately 9% on an outstanding basis; and
  - (iii) new investments and additional investments with an aggregate amount of approximately RMB38,810 million in listed and unlisted entities mainly operating in the United States, the PRC and other Asian countries. These companies are principally engaged in social networks, Internet platform, technology and other Internet-related business. None of the above investment was individually significant that triggers any disclosure requirements pursuant to Chapter 14 of the Listing Rules at the time of inception.
- (b) During the year ended 31 December 2019, except as described in Note 21(b), transfers also mainly comprised an equity investment designated as FVOCI due to the conversion of the redeemable instruments into ordinary shares amounting to RMB1,395 million upon its IPO.
- (c) During the year ended 31 December 2019, the Group disposed of certain investments with an aggregate amount of RMB16,664 million, which are mainly engaged in the provision of Internet-related services.
- (d) Management has assessed the level of influence that the Group exercises on certain FVPL with shareholding exceeding 20%. Since these investments are either held in form of redeemable instruments or interests in limited life partnership without significant influence, these investments have been classified as FVPL.

