

## IMPORTANT NOTICE

### THIS OFFERING IS AVAILABLE ONLY TO INVESTORS OUTSIDE OF THE UNITED STATES

**IMPORTANT: You must read the following before continuing.** The following applies to the preliminary offering memorandum (the “offering memorandum”) following this page, and you are therefore advised to read this carefully before reading, accessing or making any other use of the offering memorandum. In accessing the offering memorandum, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THE FOLLOWING OFFERING MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE U.S. SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED THEREIN.

The following offering memorandum is not a prospectus for the purposes of the European Union’s Directive 2003/71/EC (and any amendments thereto) as implemented in member states of the European Economic Area (the “EU Prospectus Directive”). The following offering memorandum has been prepared on the basis that all offers of the Bonds made to persons in the European Economic Area will be made pursuant to an exemption under the EU Prospectus Directive from the requirement to produce a prospectus in connection with offers of the Bonds.

Confirmation and your representation: In order to be eligible to view this offering memorandum or make an investment decision with respect to the securities, investors must be outside the United States. By accepting the e-mail and accessing this offering memorandum, you shall be deemed to have represented to us that (1) you and any customers you represent are outside the United States and that the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the United States and (2) that you consent to delivery of such offering memorandum by electronic transmission.

Within the United Kingdom, the offering memorandum is being directed solely at and may only be communicated to persons: who (i) fall within Article 19(5) or Article 49(2)(a)-(d) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, (ii) are outside the United Kingdom, or (iii) are persons to whom an invitation or inducement to engage in an 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 be lawfully communicated or caused to be communicated (all such persons collectively being referred to as “Relevant Persons”). The 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. The offering memorandum and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other person. Any person who is not a Relevant Person should not act or rely on the offering memorandum or any of its contents.

You are reminded that this offering memorandum has been delivered to you on the basis that you are a person into whose possession this offering memorandum may be lawfully delivered in accordance with the laws of jurisdiction in which you are located and you may not, nor are you authorised to, deliver or disclose the contents of this offering memorandum to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Joint Lead Managers or any affiliate of the Joint Lead Managers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Joint Lead Managers or such affiliate on behalf of the issuer in such jurisdiction. This offering memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently, none of Credit Suisse (Hong Kong) Limited, The Hongkong and Shanghai Banking Corporation Limited, China Everbright Bank Co., Ltd., Hong Kong Branch, Haitong International Securities Company Limited or UBS AG Hong Kong Branch as the Joint Lead Managers, or any person who controls any of them or any director, officer, employee or agent of any of them or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the offering memorandum distributed to you in electronic format and the hard copy version available to you on request from Joint Lead Managers.

You are responsible for protecting against viruses and other destructive items. 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.

**SUBJECT TO COMPLETION**  
**PRELIMINARY OFFERING MEMORANDUM DATED 27 JUNE 2017**

OFFERING MEMORANDUM

CONFIDENTIAL

## Greenland Hong Kong Holdings Limited

(incorporated in the Cayman Islands with limited liability)  
(SEHK Stock Code: 00337)



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**US\$[●] per cent. Bonds due 2018**

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**Issue Price: [●] per cent.**

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The [●] per cent. Bonds due 2018 in the aggregate principal amount of US\$[●] (the "Bonds") will be issued by Greenland Hong Kong Holdings Limited (the "Company" or the "Issuer"). The Company is a subsidiary of Greenland Holding Group Company Limited ("Greenland Holding"), which holds approximately 60 per cent. of the outstanding shares of the Company at the date of this offering memorandum.

The Bonds will bear interest from and including [●] 20[●] at the rate of [●] per cent. per annum. Interest on the Bonds will be payable in arrear on [●] and [●]. The Bonds will constitute direct, unconditional, unsubordinated and unsecured obligations of the Company and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Company under the Bonds shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

The Bonds will mature on [●] 2018 at their principal amount. The Bonds may be redeemed at the option of the Company in whole, but not in part, at any time at their principal amount (together with any interest accrued to the date fixed for redemption) in the event of certain changes affecting taxes of any Relevant Jurisdiction. Following the occurrence of NDRC Registration (as defined in the "Terms and Conditions of the Bonds"), the Company may at any time, redeem the Bonds, in whole but not in part, at a redemption price equal to 101% of their principal amount, and accrued and unpaid interest, if any, to (but excluding), the redemption date. Following the occurrence of a Put Event (as defined in the "Terms and Conditions of the Bonds"), the Holder of any Bonds will have the right, at such Holder's option, to require the Company to redeem all, but not some only, of such Holder's Bonds at 100 per cent. of their principal amount (together with any interest accrued to the date fixed for redemption), provided that if the Company decides not to redeem any Bonds upon the No Keepwell Event, the interest rate applicable to any then outstanding Bonds since the date of the No Keepwell Event shall be [●] per cent. per annum. See "Terms and Conditions of the Bonds – Redemption and Purchase".

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**Investing in the Bonds involves certain risks. See "Risk Factors" beginning on page 12.**

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Application will be made to The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") for the listing of the Bonds by way of debt issues to professional investors (as defined in Chapter 37 of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange and in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) (together, "**Professional Investors**") only. This document is for distribution to Professional Investors only. **Investors should not purchase the Bonds in the primary or secondary markets unless they are Professional Investors and understand the risks involved. The Bonds are only suitable for Professional Investors.**

**The Hong Kong Stock Exchange has not reviewed the contents of this document, other than to ensure that the prescribed form disclaimer and responsibility statements, and a statement limiting distribution of this document to Professional Investors only have been reproduced in this document. Listing of the Bonds on the Hong Kong Stock Exchange is not to be taken as an indication of the commercial merits or credit quality of the Bonds or the Company or quality of disclosure in this document.** Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss however arising from or in reliance upon the whole or any part of the contents of this document.

This offering memorandum includes particulars given in compliance with the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange for the purpose of giving information with regard to the Company. The Company accepts full responsibility for the accuracy of the information contained in this offering memorandum and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement herein misleading. Moody's Investors Service, Inc. ("Moody's") has assigned a long-term corporate rating of "Ba2" to the Company with a negative outlook and S&P Global Ratings ("S&P") has assigned a long-term corporate rating of "BB-" to the Company with a negative outlook. These ratings do not constitute a recommendation to buy, sell or hold the Bonds and may be subject to suspension, reduction or withdrawal at any time by the relevant rating organization.

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933 (the "Securities Act") and, subject to certain exceptions, may not be offered or sold within the United States. The Bonds are being offered and sold outside of the United States in reliance on Regulation S under the Securities Act. For a description of these and certain further restrictions on offers and sales of the Bonds and the distribution of this offering memorandum, see the section entitled "Subscription and Sale" on page 114.

The denomination of the Bonds shall be US\$200,000 each and higher integral multiples of US\$1,000.

The Bonds will be represented initially by interests in a global certificate (the "Global Certificate") in registered form which will be registered in the name of a nominee of, and shall be deposited on or about [●] 2017 (the "Issue Date") with a common depository for, Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking S.A. ("Clearstream"). Interests in the Global Certificate will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream. Except as described herein, certificates for Bonds will not be issued in exchange for interests in the Global Certificate.

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**Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers**  
*(in alphabetical order)*

**Credit Suisse**

**HSBC**

**Joint Bookrunners and Joint Lead Managers**  
*(in alphabetical order)*

**China Everbright Bank Hong Kong Branch    Haitong International    UBS**

offering memorandum dated [●] 2017

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## IMPORTANT NOTICE

The Company, having made all reasonable enquiries, confirms that (i) this offering memorandum contains all information with respect to the Company, the Company and its subsidiaries (together, the “Group”) and the Bonds, which is material in the context of the issue and offering of the Bonds; (ii) the statements contained in this offering memorandum relating to the Company and the Group are in every material respect true and accurate and not misleading; (iii) the opinions and intentions expressed in this offering memorandum with regard to the Company and the Group are honestly and reasonably held, have been reached after considering all relevant circumstances and are based on reasonable assumptions; (iv) there are no other facts in relation to the Company, the Group or the Bonds, the omission of which would, in the context of the issue and offering of the Bonds, make any statement, opinion or intention expressed in this offering memorandum misleading in any material respect; and (v) all reasonable enquiries have been made by the Company to ascertain such facts and to verify the accuracy of all such information and statements. In addition, the Company accepts full responsibility for the accuracy of the information contained in this offering memorandum.

This offering memorandum has been prepared by the Company solely for use in connection with the proposed offering of the Bonds described in this offering memorandum. The distribution of this offering memorandum and the offering of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this offering memorandum comes are required by the Company, and Credit Suisse (Hong Kong) Limited, The Hongkong and Shanghai Banking Corporation Limited, China Everbright Bank Co., Ltd., Hong Kong Branch, Haitong International Securities Company Limited or UBS AG Hong Kong Branch (together, the “Joint Lead Managers”) to inform themselves about and to observe any such restrictions. No action is being taken to permit a public offering of the Bonds or the distribution of this offering memorandum in any jurisdiction where action would be required for such purposes. There are restrictions on the offer and sale of the Bonds and the circulation of documents relating thereto, in certain jurisdictions including the United States, the United Kingdom, the People’s Republic of China, the Cayman Islands, Hong Kong, Japan and Singapore, to persons connected therewith. For a description of certain further restrictions on offers, sales and resale of the Bonds and distribution of this offering memorandum, see “Subscription and Sale.”

No person has been or is authorised to give any information or to make any representation concerning the Company, the Group or the Bonds other than as contained herein and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Company, the Joint Lead Managers, Citicorp International Limited as trustee (the “Trustee”) or the Agents (as defined in the Terms and Conditions of the Bonds). Neither the delivery of this offering memorandum nor any offering, sale or delivery made in connection with the issue of the Bonds shall, under any circumstances, constitute a representation that there has been no change or development reasonably likely to involve a change in the affairs of the Company, the Group or any of them since the date hereof or create any implication that the information contained herein is correct at any date subsequent to the date hereof. This offering memorandum does not constitute an offer of, or an invitation by or on behalf of the Company, the Joint Lead Managers, the Trustee or the Agents to subscribe for or purchase any of the Bonds and may not be used for the purpose of an offer to, or a solicitation by, anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or is unlawful.

The Company has submitted this offering memorandum confidentially to a limited number of institutional investors so that they can consider a purchase of the Bonds. The Company has not authorised its use for any other purpose. This offering memorandum may not be copied or reproduced in whole or in part. It may be distributed only to and its contents may be disclosed only to the prospective investors to whom it is provided. By accepting delivery of this offering memorandum, each investor agrees to these restrictions.

No representation or warranty, express or implied, is made or given by Joint Lead Managers, the Trustee or the Agents as to the accuracy, completeness or sufficiency of the information contained in this offering memorandum, and nothing contained in this offering memorandum is, or shall be relied upon as, a promise, representation or warranty by the Joint Lead Managers, the Trustee or the Agents. None of the

Joint Lead Managers, the Trustee and the Agents has independently verified any of the information contained in this offering memorandum and can give any assurance that this information is accurate, truthful or complete. This offering memorandum is not intended to provide the basis of any credit or other evaluation nor should it be considered as a recommendation by any of the Company, the Joint Lead Managers, the Trustee or the Agents that any recipient of this offering memorandum should purchase the Bonds. Each potential purchaser of the Bonds should determine for itself the relevance of the information contained in this offering memorandum and its purchase of the Bonds should be based upon such investigations with its own tax, legal and business advisers as it deems necessary.

**IN CONNECTION WITH THE ISSUE OF THE BONDS, EACH OF CREDIT SUISSE (HONG KONG) LIMITED AND THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED, AS THE STABILISING MANAGER (EACH A “STABILISING MANAGER”) (OR PERSONS ACTING ON ITS BEHALF) MAY, SUBJECT TO ALL APPLICABLE LAWS AND DIRECTIVES, OVER-ALLOT AND EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF A SERIES OF THE BONDS AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILISING MANAGER (OR PERSONS ACTING ON ITS BEHALF) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE BONDS IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE BONDS AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE BONDS.**

In making an investment decision, investors must rely on their own examination of the Company, the Group and the terms of the offering, including the merits and risks involved. See “Risk Factors” for a discussion of certain factors to be considered in connection with an investment in the Bonds.

Each person receiving this offering memorandum acknowledges that such person has not relied on any Joint Lead Managers, the Trustee or the Agents or any person affiliated with any Joint Lead Managers, the Trustee or the Agents in connection with its investigation of the accuracy of such information or its investment decision. To the fullest extent permitted by law, none of the Joint Lead Managers, the Trustee and the Agents accept any responsibility whatsoever for the contents of this offering memorandum or for any other statement, made or purported to be made by the Joint Lead Managers, the Trustee or the Agents or on its or their behalf in connection with the Company, the Group or the issue and offering of the Bonds. Each of the Joint Lead Managers, the Trustee and the Agents accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this offering memorandum or any such statement.

## CERTAIN DEFINITIONS, CONVENTIONS AND CURRENCY PRESENTATION

We have prepared the offering memorandum using a number of conventions, which you should consider when reading the information contained herein. When we use the terms “we,” “us,” “our,” the “Company,” the “Group” and words of similar import, we are referring to Greenland Hong Kong Holdings Limited itself, or to Greenland Hong Kong Holdings Limited and its subsidiaries, as the context requires.

Unless otherwise specified or the context requires, all references herein to “Hong Kong” are to the Hong Kong Special Administrative Region of the People’s Republic of China, to “China” or the “PRC” are to the People’s Republic of China and for the purpose of the offering memorandum only, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan.

Unless otherwise specified or the context requires, all references herein to “U.S.” are to the United States of America; all references to “U.S. dollars” or “US\$” are to the lawful currency of the United States of America, to “Renminbi” or “RMB” are to the lawful currency of the PRC and to “Hong Kong dollars” or “HK\$” are to the lawful currency of Hong Kong, as amended from time to time.

Solely for the sake of convenience, the offering memorandum contains translations of certain Renminbi amounts into U.S. dollar amounts. Unless indicated otherwise, the translation of Renminbi amounts into U.S. dollar amounts has been made at the rate of RMB6.9430 to US\$1.00, the noon buying rate as set forth in the H.10 statistical release of the Federal Reserve Bank of New York on 30 December 2016. These translations should not be construed as representations that the Renminbi amounts could actually be converted into any U.S. dollar amounts at the rates indicated or at all.

In the offering memorandum, where information has been presented in thousands or millions of units, or as percentages, amounts may have been rounded up or down. Accordingly, totals of columns or rows of numbers in tables may not be equal to the apparent total of the individual items and actual numbers may differ from those contained herein due to rounding. References to information in billions of units are to the equivalent of a thousand million units.

Market data and certain industry forecasts and statistics in the offering memorandum have been obtained from both public and private sources, including market research, publicly available information and industry publications. Although this information is believed to be reliable, it has not been independently verified by the Company, the Joint Lead Managers, the Trustee, the Agents or their respective directors and advisors, and none of the Company, the Joint Lead Managers, the Trustee, the Agents and their respective directors and advisors make any representation as to the accuracy or completeness of that information. Such information may not be consistent with other information compiled within or outside the PRC. In addition, third party information providers may have obtained information from market participants and such information may not have been independently verified.

The English names of the PRC nationals, entities, departments, facilities, laws, regulations, certificates, titles and the like are translations of their Chinese names and are included for identification purposes only.

Unless the context otherwise requires, references to “2014,” “2015” and “2016” in the offering memorandum are to our financial years ended 31 December 2014, 2015 and 2016, respectively.

Unless otherwise indicated, in the offering memorandum:

“AIC” .....	Administration for Industry and Commerce
“CBRC” .....	China Banking Regulatory Commission
“CRIC” .....	China Real Estate Information Corporation

“CSRC” .....	China Securities Regulatory Commission
“GDP” .....	gross domestic product
“GFA” .....	gross floor area
“MLR” .....	Ministry of Land and Resources of the People’s Republic of China
“MOF” .....	Ministry of Finance of the People’s Republic of China
“MOFCOM” .....	Ministry of Commerce of the People’s Republic of China
“MOHURD” .....	Ministry of Housing and Urban-Rural Development of the People’s Republic of China
“NDRC” .....	National Development and Reform Commission of the People’s Republic of China or its local counterparts
“Pan-Pearl River Delta” .....	for the purpose of the offering memorandum, the region refers to Hainan, Guangxi, Yunnan and Jiangxi
“PBOC” .....	People’s Bank of China
“SAFE” .....	State Administration of Foreign Exchange of the People’s Republic of China
“SAIC” .....	State Administration for Industry and Commerce of the People’s Republic of China
“SAT” .....	State Administration of Taxation of the People’s Republic of China
“Western China” .....	for the purpose of the offering memorandum, the region refers to Sichuan, Guizhou, Inner Mongolia, Xinjiang, Yunnan, Gansu, Shanxi, Ningxia and Chongqing
“Yangtze River Delta” .....	for the purpose of the offering memorandum, the region refers to Jiangsu, Zhejiang and Shanghai

## 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 business and operating strategies and our ability to implement such strategies;
- our capital expenditure and property development plans;
- 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 for our existing and new businesses;
- the regulatory environment in terms of changes in laws and PRC government regulations, policies and approval processes in the regions where we operate as well as the general industry outlook for the PRC real estate industry;
- the interpretation and implementation of the existing rules and regulations relating to land appreciation tax and its future changes in enactment, interpretation or enforcement;
- the prospective financial information regarding our businesses;
- availability and costs of bank loans and other forms of financing;
- our dividend distribution plans;
- projects under development or held for future development;
- future developments and the competitive environment in the PRC real estate industry;
- changes in political, economic, legal and social conditions in the PRC, including the specific policies of the PRC central and local governments affecting the regions where we operate, which affect land supply, availability and cost of financing, and pre-sale, pricing and volume of our property development projects;
- significant delay in obtaining the various permits, proper legal titles or approvals for our properties under development or held for future development;
- timely repayments by our purchasers of mortgage loans guaranteed by us;
- changes in competitive conditions and our ability to compete under these conditions;
- the performance of the obligations and undertakings of the third-party contractors under various construction, building, interior decoration, material and equipment supply and installation contracts;
- changes in currency exchange rates and interest rates; and
- other factors beyond our control.



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 materialise 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 entitled “*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.

These forward-looking statements speak only at the date of this offering memorandum. The Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in our expectations with regard thereto or any change of events, conditions or circumstances, on which any such statement was based.

## SUMMARY

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

### **Overview**

We are the only overseas-listed real estate platform of Greenland Holding, a leading property developer in China and an enterprise that the Shanghai State-owned Assets Supervision and Administration Commission (“Shanghai SASAC”) supervises and holds 46.4 per cent of equity interest through subsidiaries. Since Greenland Holding’s acquisition of 60 per cent. of our shares in May 2013, we have been important to Greenland Holding’s strategy and growth.

In recent years, we have experienced significant growth in the scale of our business operation and financial performance. Our revenue and net profit have increased by CAGR of 144 per cent. and 340 per cent., respectively, from RMB2,840.0 million and RMB64.1 million for the year ended 31 December 2014 to RMB16,919.2 million and RMB1,240.6 million for the year ended 31 December 2016, respectively, while our total asset has increased by CAGR of 15 per cent. from RMB41,039.7 million as at 31 December 2014 to RMB54,105.1 million as at 31 December 2016. Our return on equity has increased from 2 per cent. for the year ended 31 December 2014 to 14.0 per cent. for the year ended 31 December 2016. Alongside with the growth in our business operations, we have also expanded our financing channels and have lowered our cost of borrowing. Since 2014, we have issued approximately US\$1,300.0 million of senior notes and completed an aggregate of equivalent to US\$820.0 million of syndicated loans. In May 2015, we also completed an equity placement that raised US\$223.0 million. Our effective interest cost has decreased by 3.85 per cent. points from 8.2 per cent. as at 31 December 2013 to 4.35 per cent. as at 31 December 2016.

We strive to implement the parallel development of our core business segments, real estate development, internet financing and real estates funds, to expand and diversify our revenue sources and to promote the overall advantages of the Greenland brand in the capital markets and throughout the industries in which we operate.

### ***Real Estate Development***

Our real estates development business focuses on the development of quality residential, commercial and hotel properties in China by leveraging on the well-known Greenland platform and brand name. Our projects are mostly located in the Yangtze River Delta region, the Pan-Pearl River Delta region and other provincial capital cities that we believe to have strong growth potential. We have recent acquired land plots located in Suzhou Wujiang, Nanning and Wuxi. As at 31 December 2016, we had a total of 36 projects held for development and sale in 13 cities, of which mostly are located in first-and second-tier cities in the PRC.

### ***Internet Financing Business***

We operate our internet financing business through our wholly-owned subsidiary Greenland Financial Information Services Co., Ltd (“Greenland Financial Services”) and our internet financing business focuses on the origination and distribution of real estates financing products by leveraging on the well-recognized Greenland brand name and Greenland Holding’s experience and relationships in the PRC real estate industry. We have entered into strategic cooperation agreements with the Shanghai Lujiazui International Financial Asset Exchange, Zhong An Online P&C Insurance Co. Ltd., China Orient Asset Management (International) Holding Limited and Qihoo 360. 2016 was the first year when our internet financing business generated profit, reaching 120 per cent. of management target.

### ***Real Estates Funds Business***

Our real estates funds business focuses on identifying suitable investment opportunities in real estate fund projects. By leveraging on our low financing costs, we are able to maximize our yield from such investments. The asset-light business model contributes to the favourable results in our real estates fund investment business. In 2016, we signed strategic cooperation agreements with a Kuwaiti strategic investor, Cinda (HK) Holdings Company Limited and Guangxi Railway Investment (Group) Co., Limited. We have also established the Silk Road Integrated Real Estates Fund I L.P. that will focus on investments in top-tier world class real estate in prime locations in major cities globally. See “*Business – Recent Developments – Establishment of a Real Estate Fund*” for more details with respect to the establishment of the Kuwait Silk Road Integrated Real Estates Fund.

### **Our Competitive Strengths**

- Continuous strong shareholder support from and effective integration with Greenland Holding;
- Strong contracted sales performance and solid growth with the back of adequate saleable resources;
- Sizeable, low cost and high quality land bank focusing on the Yangtze River Delta and the Pan-Pearl River Delta regions;
- Sound credit profile supported by diversified, low-cost financing channels and prudent financial management;
- Asset-light initiatives to improve profit margin and reduce future reliance on debt to expand capital resources to finance business expansion; and
- Experienced and stable management team and effective corporate governance.

### **Our Business Strategies**

As our most important financing platform in Hong Kong, we focus on and carry out the integrated strategy that focuses on promoting innovation, transformation and upgrade of our capital platform and the industries in which we operate to make our business bigger and stronger. At the same time we continue to focus on our core business operations and their management. We will implement parallel development of our core businesses operations to expand and diversify our revenue sources and to promote the overall advantages of the Greenland brand in the capital markets and throughout the industries in which we operate.

### ***Real Estate Development Business Strategy***

Using our powerful insights and a strong capacity for innovation, we continue to create mature product lines and multi-operational-type combinations in our real estate development business operation. Moreover, based on the characteristics of different markets, we strategically invest in first-tier cities in China such as Shanghai as well as other fast-growing second and third-tier cities across China in order to develop large-scale residential properties and high-end properties. We aim to boost our profitability by innovatively integrating the traditional real estate development business operation with our internet finance and real estate funds business operations.

### ***Internet Financing Business Strategy***

We will strive to further develop our internet finance operations in the real estates industry, continue to optimise the online wealth management platform and actively update and enrich platform product lines to maintain competitiveness. Without compromising on the security and health of our asset management business segment, we will diversity our asset sources and accelerate the expansion of our asset management business. We will also fully leveraging our leading technological capabilities to actively develop our data information services business segment and strengthen internal cooperation with various business units to facilitate the establishment of a strong company-wide ecosystem.

### ***Real Estate Fund Business Strategy***

We aim to adhere to the development principle of ‘light assets and accelerated growth’, by identifying suitable investment opportunities in real estate fund projects. We also aim to leverage on our low financing costs to maximize our yield from such investments. We will also maintain a reasonable corporate assets and a healthy cash flow. As we progress toward our goal of becoming a true comprehensive industry conglomerate, we will also promote and strengthen the Greenland brand’s advantage in the capital markets and the related industries in which we operate.

### **Recent Developments**

#### ***Establishment of a Real Estate Fund***

On 24 March 2017, Jade Fluorite Limited, our wholly owned subsidiary (“Jade Fluorite”), Kuwait Silk Road Integrated Real Estate GP Ltd. (“KSI”) and Silk Road Integrated Real Estate GP Ltd. (“JV”), the joint venture company owned 50 per cent. by Jade Fluorite and 50 per cent. by KSI, entered into a shareholders’ agreement (the “JVA”) in relation to, among others, the establishment of the Silk Road Integrated Real Estate Fund I L.P. (the “Fund”) and the management of the JV. The Fund will primarily focus on (i) investment in top-tier world class real estate; (ii) investment in real estate in prime locations in major cities globally, including cities located within or along the regions covered by China’s “One Belt, One Road” initiative; (iii) investment in diversified property sectors including residential, commercial, office, retail, hospitality and integrated developments; (iv) investment in logistics; (v) making strategic and other investment in real estate; (vi) engaging in real estate financing; (vii) retaining flexibility to invest in real estate projects of various development stages; and (viii) optimizing value across real estate development cycles.

Subject to the terms of the JVA, Jade Fluorite and KSI will advance an unsecured shareholder loan to the JV in an aggregate amount equal to HK\$75 million, with Jade Fluorite to advance a maximum amount of up to 50 per cent. of such shareholder loan. The shareholder loan will be applied by the JV to fund the costs, expenses and liabilities of the organisation, funding, start-up and the operation and activities of the Fund, the JV and their affiliates.

Jade Fluorite and KSI will in aggregate maintain a commitment to invest in the Fund of between HK\$750 million and HK\$1.5 billion, with Jade Fluorite to commit a maximum of 50 per cent. of such investment. The general partner of the Fund, which is a wholly owned subsidiary of the JV, is entitled to receive carried interest of 10 per cent. of the profit of the Fund.

#### ***New Property Project – Sky Tree***

In 2017, we started the development of Sky Tree, which is located above the No. 1 subway of Wuxi Guang Cheng Subway Property Development Project in Wuxi. We hold a 90% interest in Sky Tree. Sky Tree is situated in Tai Hu New Town with access to convenient transportation and enjoys good landscape and is equipped with mature infrastructure. Sky Tree will be a mixed development of residential, commercial and office with site area of 164,624 sq.m. and total GFA of 338,000 sq.m. The development is scheduled to be completed in 2019. As of the date of the offering memorandum, we are in the construction stage of the development.

### ***New Property Project – Greenland West Town International Huadu***

In 2017, we started the development of Greenland West Town International Huadu, which is located in the Xingsihu sub-district of Nanning, west of Luowen Avenue and east of Luoxian Avenue. We hold an 18% interest in this development. The development is situated in Nanning's centre of culture, education and scientific research and development. The development will be a mix of residential and commercial with total site area of 74,000 sq.m. and total GFA of 296,200 sq.m. The development is scheduled to be completed in 2019. As of the date of the offering memorandum, we are in the construction stage of the development.

### ***Acquisition of Property***

On 18 May 2017, we, through our indirectly wholly owned subsidiary Suzhou Lvjie Property Co., Ltd. (蘇州綠傑置業有限公司), entered into an equity transfer agreement with Yingxiang Holdings Group Co., Ltd. (鷹翔控股集團有限公司), pursuant to which we agreed to purchase 99% of equity interest in Wujiang Shenying Real Estate Development Co., Ltd. (吳江神鷹房地產開發有限公司) (the "Target Company") and its shareholder loan, which, according to its audited management accounts, amounted to approximately RMB286.8 million as at 30 November 2016. The Target Company holds all of the legal and beneficial interest in three parcels of lands situated at Dongfang venue, Shengzezhen, Wujiang City, Jiangsu Province, the PRC (中國江蘇省吳江市盛澤鎮東方大街) with a total site area of approximately 178,275 sq.m. and planned GFA of approximately 204,000 sq.m. and the Yingxiang Building with a total site area of approximately 10,266 sq.m. The maximum consideration after adjustments to be paid by us shall not exceed RMB801.4 million. This transaction will further enhance our presence in the Yangtze River Delta and increase our land bank. The completion of this acquisition is subject to the satisfaction of conditions set forth in the equity transfer agreement.

### ***Disposal of Property***

On 25 May 2017, we, through our non-wholly owned subsidiary, Shanghai Cambridge (Group) Co., Ltd. (上海康橋半島(集團)有限公司), entered into a sale and purchase agreement with Shanghai Daoxin Network Technology Co., Ltd (上海道鑫網絡科技有限公司) (the "Purchaser"), pursuant to which the Purchaser agreed to purchase the buildings between two parcels of land with a total gross floor area of approximately 18,884 sq.m. (the "Property") located in Shanghai. The Property is currently leased out to an independent third party under a tenancy agreement with a term expiring on 31 August 2022 and the current annual rent is approximately RMB17.4 million. As at 31 December 2016, the carrying amount of the Property as extracted from our audited consolidated financial statement for the year ended 31 December 2016 was RMB276 million. We expect to accrue a net gain of RMB9.5 million as a result of the transaction, being the difference between the consideration receivable from the transaction of RMB400 million and the carrying amount of the Property after deduction of the related tax. We intend to use the proceeds from this transaction as general working capital of the Group. The completion of this disposal is subject to the satisfaction of conditions set forth in the sale and purchase agreement.

## THE ISSUE

The following contains summary information about the Bonds. Some of the terms described below are subject to important limitations and exceptions. Words and expressions defined in “Terms and Conditions of the Bonds” and “Summary of Provisions Relating to the Bonds in Global Form” shall have the same meanings in this summary. For a comprehensive description of the terms of the Bonds, see the section entitled “Terms and Conditions of the Bonds” of this offering memorandum.

<b>Issuer</b> .....	Greenland Hong Kong Holdings Limited.
<b>Issue</b> .....	US\$[●] in aggregate principal amount of per cent. Bonds due 2018.
<b>Issue Price</b> .....	[●] per cent.
<b>Form and Denomination</b> .....	The Bonds will be issued in registered form in denomination of US\$200,000 each and higher integral multiples of US\$1,000 in excess thereof.
<b>Interest</b> .....	The Bonds will bear interest from and including [●] 2017 at the rate of per cent. per annum, payable semi-annually in arrear on and in each year.
<b>Issue Date</b> .....	[●] 2017.
<b>Maturity Date</b> .....	[●] 2018.
<b>Status of the Bonds</b> .....	The Bonds constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank <i>pari passu</i> and without any preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.
<b>Negative Pledge and Financial Covenant</b> .....	The Bonds contain a negative pledge and financial covenant provision as further described in Condition 4 of the Terms and Conditions of the Bonds.
<b>Events of Default</b> .....	The Bonds contain certain events of default provisions as further described in Condition 9 of the Terms and Conditions of the Bonds.
<b>Taxation</b> .....	All payments of principal, premium and interest by or on behalf of the Issuer in respect of the Bonds shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Relevant Jurisdictions unless required by law. In such event, the Issuer shall (except in certain circumstances as set out in Condition 8 of the Terms and Conditions of the Bonds) pay such additional amounts as will result in receipt by the Bondholders of such amounts as would have been received by them had no such withholding or deduction been required.

<b>Final Redemption</b> .....	Unless previously redeemed or purchased and cancelled, the Bonds will be redeemed at their principal amount on [●] 2018.
<b>Redemption for Taxation Reasons</b> .....	The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time at their principal amount, (together with any interest accrued to the date fixed for redemption), in the event of certain changes affecting taxes of a Relevant Jurisdiction, as further described in Condition 6(b) of the Terms and Conditions of the Bonds.
<b>Redemption for a Put Event</b> .....	Following the occurrence of a Put Event, the Holder of any Bond will have the right, at such Holder's option, to require the Issuer to redeem all, but not some only, of such Holder's Bonds at 100% of their principal amount, together with accrued interest, as further described in Condition 6(c) of the Terms and Conditions of the Bonds, provided that if the Issuer decides not to redeem any Bonds upon the No Keepwell Event, the interest rate applicable to any then outstanding Bonds since the date of the No Keepwell Event shall be [●] per cent. per annum.
<b>Redemption at the Option of the Issuer</b> .....	Following the occurrence of NDRC Registration, the Issuer may at any time redeem the Bonds, in whole but not in part, at a redemption price equal to 101% of their principal amount, and accrued and unpaid interest, if any, to (but excluding), the redemption date, as further described in Condition 6(d) of the Terms and Conditions of the Bonds.
<b>Clearing Systems</b> .....	The Bonds will be represented initially by interests in the Global Certificate, which will be registered in the name of a nominee of, and deposited on the Issue Date with, a common depositary for, Euroclear and Clearstream. Interests in the Global Certificate will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream. Except as described in this offering memorandum, certificates for the Bonds will not be issued in exchange for interests in the Global Certificate.  The Common Code and ISIN for the Bonds are 163465884 and XS1634658840, respectively.
<b>Governing Law</b> .....	English law.
<b>Trustee</b> .....	Citicorp International Limited.
<b>Principal Paying Agent, Registrar and Transfer Agent</b> .....	Citibank, N.A., London Branch.
<b>Listing</b> .....	Application has been made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Bonds by way of debt issues to professional investors only.

**Further Issues** ..... The Issuer may from time to time, without the consent of the Holders, create and issue further securities either (a) having the same terms and conditions as the Bonds in all respects (or in all respects save for the first payment of interest on them) and so that the same shall be consolidated and form a single series with the outstanding securities of any series (including the Bonds) constituted by the Trust Deed or any supplemental deed or (b) upon such terms as the Issuer may determine at the time of the issue, as further described in Condition 15 of the Terms and Conditions of the Bonds.

**Use of Proceeds**..... See section entitled “Use of Proceeds”.



## SELECTED CONSOLIDATED FINANCIAL AND OTHER DATA

The following table presents our selected financial and other data. The selected consolidated statement of profit or loss and other comprehensive income for the years ended 31 December 2014 and 2015 and the selected consolidated statement of financial position as at 31 December 2014 and 2015 set forth below (except for EBITDA data) have been derived from our audited consolidated financial statements for the year ended and as at 31 December 2015, as audited by Deloitte Touche Tohmatsu, Hong Kong Certified Public Accountants, and included elsewhere in this offering memorandum. The selected consolidated statement of profit or loss and other comprehensive income for the years ended 31 December 2015 (re-presented) and 2016 and the selected consolidated statement of financial position as at 31 December 2015 and 2016 set forth below (except for EBITDA data) have been derived from our audited consolidated financial statements for the year ended and as at 31 December 2016, as audited by Deloitte Touche Tohmatsu, Hong Kong Certified Public Accountants, and included elsewhere in this offering memorandum. Our financial statements have been prepared and presented in accordance with the IFRS, which differ in certain respects from generally accepted accounting principles in other jurisdictions. The selected financial data below should be read in conjunction with our consolidated financial statements and the notes to those statements included elsewhere in this offering memorandum.

### Selected Consolidated Statement of Profit or Loss and other Comprehensive Income

	Year ended 31 December				
	2014	2015	2015 (re-classified) <sup>1</sup>	2016	2016
	RMB	RMB	RMB (in millions)	RMB	US\$
<b>Revenue</b> .....	2,840.0	5,802.0	5,688.0	16,919.2	2,436.9
Cost of sales .....	(2,060.9)	(4,658.1)	(4,647.4)	(14,091.2)	(2,029.6)
<b>Gross profit</b> .....	779.1	1,143.9	1,040.6	2,828.0	407.3
Other income .....	11.8	177.5	176.4	198.0	28.5
Selling and marketing costs .....	(265.4)	(318.9)	(318.9)	(415.6)	(59.9)
Administrative expenses.....	(427.6)	(509.8)	(428.6)	(499.7)	(72.0)
Other operating expenses.....	(12.7)	(245.3)	(729.2)	(839.2)	(120.9)
Write-down of completed properties held for sale .....	–	–	(158.0)	(4.9)	(0.7)
Net gain on disposal of interests in a subsidiary .....	(0.5)	0.6	0.6	0.2	0.03
<b>Results from operating activities</b> .....	84.7	248.0	(417.2)	1,266.9	182.5
Finance income .....	83.0	59.1	58.9	70.6	10.2
Finance expenses .....	(186.2)	(844.2)	(199.1)	(135.1)	(19.5)
<b>Net finance expenses</b> .....	(103.2)	(785.1)	(140.2)	(64.5)	(9.3)
Share of profit (loss) of associates.....	0.1	(1.0)	(1.0)	0.4	0.06
Shares of profits (losses) of jointly controlled entity/joint ventures.....	(2.7)	(0.0)	0.0	195.0	28.1
<b>Profit/(Loss) before revaluation losses on investment properties and income tax</b> .....	(21.1)	(538.1)	–	–	–
Revaluation (loss)/gain on investment properties.....	522.2	1,115.2	1,115.2	687.6	99.0
<b>Profit before income tax</b> .....	501.1	577.1	556.9	2,085.4	300.4
Income tax expense.....	(437.0)	(545.5)	(540.7)	(1,024.9)	(147.6)
Profit for the year from continuing operations .....	–	–	16.3	1,060.5	152.7

	Year ended 31 December				
	2014	2015	2015	2016	2016
	RMB	RMB	(re-classified) <sup>1</sup> RMB (in millions)	RMB	US\$
<b>Discontinued operations</b>					
Profit for the year from discontinued operations .....	–	–	15.4	180.1	25.9
<b>Profit for the year</b> .....	<b>64.1</b>	<b>31.6</b>	<b>31.6</b>	<b>1,240.6</b>	<b>178.7</b>
<b>Profit attributable to:</b>					
Equity holders of the Company .....	107.7	220.2	220.2	1,112.5	160.2
Minority interests .....	(43.6)	(188.6)	(188.6)	128.0	18.4
<b>Profit for the year</b> .....	<b>64.1</b>	<b>31.6</b>	<b>31.6</b>	<b>1,240.6</b>	<b>178.7</b>
<b>Earnings per share</b>					
Basic earnings per share (RMB) .....	0.04	0.08	0.08	0.39	0.06
Diluted earnings per share (RMB) .....	0.04	0.08	0.08	0.39	0.06
<b>Profit for the year</b> .....	<b>64.1</b>	<b>31.6</b>	<b>31.6</b>	<b>1,240.6</b>	<b>178.7</b>
Exchange differences .....	(23.4)	–	–	–	–
<b>Total comprehensive income for the year</b> .....	<b>40.7</b>	<b>31.6</b>	<b>31.6</b>	<b>1,240.6</b>	<b>178.7</b>
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company .....	96.0	220.2	220.2	1,112.5	160.2
Minority interests .....	55.3	(188.6)	(188.6)	128.0	18.4
<b>Total comprehensive income for the year</b> .....	<b>64.1</b>	<b>31.6</b>	<b>31.6</b>	<b>1,240.6</b>	<b>178.7</b>
<b>Other financial data (unaudited):</b>					
EBITDA <sup>(2)</sup> .....	292.2	518.8	518.8	3,229.3	465.1
EBITDA margin <sup>(3)</sup> .....	10%	9%	9%	19%	19%

(1) The selected consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2015 (re-classified) has been derived from our audited consolidated financial statements for the year ended and as at 31 December 2016. The reclassifications include: (1) reclassify accounts related to the disposed Education Operations to “Profit for the year from discontinued operations, see “*Business – Our Business – Disposal of Education Operations*” for details on the disposal of the Education Operations; (2) reclassify “Foreign exchange loss” from “Finance expenses” which amounted to approximately RMB643.0 million to “Other operating expenses”; and (3) separate “Impairment loss of the completed properties held for sale” which amounted to approximately RMB158.0 million from “Other operating expenses”. The above reclassifications are included as a comparative for the 2016 figures.

(2) EBITDA refers to earnings before interest income/expense, amortisation of intangible assets, income tax expenses and LAT and depreciation. EBITDA is not a standard measure under IFRS. As the property development business is capital intensive, capital expenditure requirements and levels of debt and interest expenses may have a significant impact on net profit of companies with similar operating results. Therefore, we believe the investor community commonly uses this type of financial measure to assess the operating performance of companies in its market sector. As a measure of our operating performance, we believe that the most directly comparable IFRS measure to EBITDA is profit before income tax. We operate in a capital intensive industry. We use EBITDA in addition to profit before income tax because profit before income tax includes many accounting items associated with capital expenditures, such as depreciation, as well as non-operating items, such as amortization of intangible assets and investment income. These accounting items may vary between companies depending on the method of accounting adopted by a company. By minimising differences in capital expenditures and the associated depreciation expenses as well as reported tax positions, intangible assets amortisation and investment income, EBITDA provides further information about our operating performance and an additional measure for comparing its operating performance with other companies’ results. Funds depicted by this measure may not be available for debt service due to covenant restrictions, capital expenditure requirements and other commitments. See the section entitled “Non-GAAP Financial Measures” below for a reconciliation of our profit before income tax to the definition of EBITDA.

(3) EBITDA margin is calculated by dividing EBITDA by revenue for the relevant year, expressed as a percentage.

## Selected Consolidated Statement of Financial Position

	As at 31 December			
	2014	2015	2016	2016
	RMB	RMB	RMB	US\$
	(in millions)			
<b>Assets</b>				
Property, plant and equipment.....	1,619.9	1,546.9	1,282.2	184.7
Intangible assets.....	1.4	1.4	1.3	0.2
Land use rights.....	76.9	74.7	24.6	3.5
Other investments.....	2.8	174.6	174.6	25.1
Properties under development.....	17,599.7	15,587.6	15,082.5	2,172.3
Investment properties.....	5,722.0	7,246.0	8,216.0	1,183.4
Interests in associates.....	3.6	–	–	–
Interests in a jointly controlled entity/ joint ventures.....	938.0	296.2	541.2	77.9
Long-term receivable.....	596.1	–	–	–
Deferred tax assets.....	185.9	269.7	210.4	30.3
<b>Total non-current assets.....</b>	<b>26,746.3</b>	<b>25,197.1</b>	<b>25,532.8</b>	<b>3,677.5</b>
Properties under development.....	4,489.9	8,716.8	3,928.3	565.8
Completed properties held for sale.....	1,727.4	4,885.6	9,707.4	1,398.2
Other investments.....	–	–	–	–
Trade, other receivables and advance deposits.....	2,584.3	4,917.4	7,809.2	1,124.8
Tax recoverable.....	176.7	297.3	466.1	67.1
Long-term receivable within one year.....	125.6	–	–	–
Other financial assets.....	–	143.0	866.1	124.7
Restricted cash.....	156.7	621.6	1,437.0	207.0
Cash and cash equivalents.....	5,032.8	5,207.2	4,358.3	627.7
Assets classified as held for sale.....	–	–	–	–
<b>Total current assets.....</b>	<b>14,293.4</b>	<b>24,788.9</b>	<b>28,572.3</b>	<b>4,115.3</b>
<b>Total assets.....</b>	<b>41,039.7</b>	<b>49,986.0</b>	<b>54,105.1</b>	<b>7,792.8</b>
<b>Equity</b>				
Share capital.....	1,068.2	1,132.9	1,132.9	163.2
Share premium.....	2,363.0	3,416.5	3,416.5	492.1
Reserves.....	834.2	829.4	851.2	122.6
Perpetual securities.....	–	–	787.8	113.5
Retained earnings.....	1,353.6	1,550.6	2,641.4	380.4
<b>Total equity attributable to equity holders of the Company.....</b>	<b>5,619.0</b>	<b>6,929.4</b>	<b>8,829.8</b>	<b>1,271.8</b>
<b>Minority interests.....</b>	<b>371.6</b>	<b>758.7</b>	<b>893.9</b>	<b>128.7</b>
<b>Total equity.....</b>	<b>5,990.6</b>	<b>7,688.1</b>	<b>9,723.7</b>	<b>1,400.5</b>
<b>Liabilities</b>				
Interest-bearing loans.....	1,227.1	3,265.9	3,713.6	534.9
Other financial liabilities.....	–	–	329.5	47.5
Trade and other payables.....	14,610.4	12,188.0	14,277.5	2,056.4
Pre-sale deposits.....	4,704.3	9,283.5	10,120.3	1,457.6
Tax payable.....	760.7	831.4	1,231.4	177.4
Long-term payable within one year.....	6.0	6.0	–	–
Bonds within one year.....	–	4,529.4	3,456.8	497.9
<b>Total current liabilities.....</b>	<b>21,308.5</b>	<b>30,104.3</b>	<b>33,129.2</b>	<b>4,771.6</b>
Interest-bearing loans.....	4,454.9	6,577.3	5,770.6	831.1
Long-term payable.....	30.4	26.5	–	–
Bonds.....	8,763.4	4,714.5	4,582.0	659.9
Deferred tax liabilities.....	491.9	875.3	899.6	129.6
<b>Total non-current liabilities.....</b>	<b>21,308.5</b>	<b>12,193.5</b>	<b>11,252.2</b>	<b>1,620.7</b>
<b>Total liabilities.....</b>	<b>35,049.1</b>	<b>42,297.9</b>	<b>44,381.4</b>	<b>6,392.3</b>
<b>Total equity and liabilities.....</b>	<b>41,039.7</b>	<b>49,986.0</b>	<b>54,105.1</b>	<b>7,792.8</b>
<b>Net current assets/(liabilities).....</b>	<b>(7,015.1)</b>	<b>(5,315.4)</b>	<b>(4,556.9)</b>	<b>(656.3)</b>
<b>Total assets less current liabilities.....</b>	<b>19,731.2</b>	<b>19,881.7</b>	<b>20,975.9</b>	<b>3,021.2</b>

## 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;
- depreciation and amortisation; and
- income tax expenses.

EBITDA is not a standard measure under IFRS. As the property development business is capital intensive, capital expenditure requirements and levels of debt and interest expenses may have a significant impact on net profit of companies with similar operating results. Therefore, we believe the investor community commonly uses this type of financial measures to assess the operating performance of companies in its market sector.

As a measure of our operating performance, we believe that the most directly comparable IFRS measure to EBITDA is profit before income tax. We operate in a capital intensive industry. We use EBITDA in addition to profit before income tax because profit before income tax includes many accounting items associated with capital expenditures, such as depreciation expenses and intangible assets amortisation. These accounting items may vary between companies depending on the accounting policy adopted by a company. By minimising differences in capital expenditures and the associated depreciation expenses as well as reported tax positions and intangible assets amortisation, EBITDA provides further information about our operating performance and an additional measure for comparing our operating performance with other companies' results. Funds depicted by this measure may not be available for debt service due to covenant restrictions, capital expenditure requirements and other commitments.

The following table reconciles our profit before income tax for the year determined under IFRS to its definition of EBITDA for the years indicated.

	Year ended 31 December				
	2014	2015	2015	2016	2016
	RMB	RMB	(re-classified) RMB (in million)	RMB	US\$
<b>Profit before income tax</b> .....	501.1	577.1	556.9	2,085.4	300.4
<b>Adjustments:</b>					
Add: Profit before income tax for the year from discontinued operations.....	–	–	20.2	245.6	35.4
Add: Depreciation of property, plant and equipment.....	104.4	111.4	114.4	89.5	12.9
Add: Amortisation of intangible assets.....	1.9	2.2	2.2	1.1	0.2
Add: Net finance cost including foreign exchange loss.....	103.2	785.1	785.1	876.0	126.2
Add: Capitalized interest expense charged into P&L...	103.8	158.2	158.5	619.3	89.2
Less: Revaluation gain on investment properties.....	(522.2)	(1,115.2)	(1,115.2)	(687.6)	(99.0)
<b>EBITDA</b> .....	<u>292.2</u>	<u>518.8</u>	<u>518.8</u>	<u>3,229.3</u>	<u>465.1</u>

Our definition of EBITDA should not be considered in isolation or construed as an alternative to profit for the year indicated or as an indicator of operating performance or any other standard measure under IFRS. 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.

## RISK FACTORS

*An investment in the Bonds is subject to significant risks. You should carefully consider all of the information in this offering memorandum and, in particular, the risks and uncertainties described below before deciding to invest in the Bonds. 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 could be material. If any of these, including the possible events described below, occur, 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 Bonds, and you could lose all or part of your investment.*

### **Risks Relating to our Business**

*We may be adversely affected by fluctuations in the global economy and financial markets.*

Recent global market and economic conditions have been unprecedented and challenging with tight credit conditions and recession or stagnation in most major economies continuing into 2016. The equity and financial markets have been very turbulent since the second half of 2015. Concerns over possible inflation or deflation, uncertainty relating to currency exchange rates and interest rates, the availability and cost of credit, the sovereign debt crisis in Europe, volatility in commodity and oil prices, geopolitical issues and unstable financial markets and the global housing and mortgage markets have contributed to increased market volatility, weakened business and consumer confidence and diminished expectations for economic growth around the world.

The outlook for the world economy and financial markets remains uncertain. In Europe, several countries are facing difficulties in refinancing sovereign debt. On 23 June 2016, the United Kingdom held a remain-or-leave referendum on the United Kingdom's membership within the European Union, the result of which favoured the exit of the United Kingdom from the European Union ("Brexit"). The referendum was advisory, and the terms of any withdrawal are subject to a negotiation period that could last at least two years after the government of the United Kingdom formally initiates a withdrawal process. The process of negotiation will determine the future terms of the United Kingdom's relationship with the European Union, as well as whether the United Kingdom will be able to continue to benefit from the European Union's free trade and similar agreements. The timing of the Brexit and potential impact of Brexit on the economic conditions in the United Kingdom, the European Union and global markets is unclear. The referendum has created significant uncertainty about the future relationship between the United Kingdom and the European Union, including with respect to the laws and regulations that will apply as the United Kingdom determines which European Union laws to replace or replicate in the event of a withdrawal. The referendum has also given rise to calls for the governments of other European Union member states to consider withdrawal. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could have a material adverse effect on our business, financial condition and results of operations and reduce the price of our securities. In Asia and other emerging markets, some countries are expecting increasing inflationary pressure as a consequence of liberal monetary policy or excessive foreign fund inflow, or both. In the Middle East, political unrest in various countries has resulted in economic instability and uncertainty. Economic conditions in the PRC are sensitive to global economic conditions and the PRC economy experiencing a slowdown. The equity market in China suffered significant falls in 2015 and has continued to experience volatility. In March 2016, both S&P and Moody's changed the outlook of PRC sovereign rating to from stable to negative. In May 2017, Moody's further downgraded PRC's sovereign rating from Aa3 to A1 with stable outlook and as a result, Moody's also downgraded the corporate rating of various state-owned enterprises of the PRC. As the real estate industry is sensitive to macroeconomic trends, real estate prices tend to fluctuate along with the change of macroeconomic conditions.

These and other issues resulting from the global economic slowdown and financial market turmoil have adversely affected, and may continue adversely affecting, the Chinese market and consumption capacity in this market, which may lead to a decline in the general demand for our products and erosion of their sale prices. In addition, any further tightening of liquidity in the global financial markets and in China may negatively affect our liquidity. Therefore, if the global economic slowdown and turmoil in the financial markets crisis continue, our business, financial condition and results of operations may be adversely affected.

***We face intense competition in the industries where we have businesses, which may adversely affect our business and results of operations.***

Our operating environment is and will continue to be highly competitive. The property industry in the PRC is highly competitive and we face competition as to our property development business from major domestic developers and, to a lesser extent, foreign developers primarily from other countries or regions in Asia. Competition among property developers may increase the costs for land acquisitions and raw materials and administrative costs for hiring or retaining qualified personnel, result in shortages of skilled contractors and oversupply of properties, decrease property prices in certain parts of the PRC and slowdown the rate at which new property developments will be approved and/or reviewed by the relevant government authorities, any of which may adversely affect our business and financial condition. Also, the PRC government's recent measures designed to reduce land supply, raise the benchmark interest rates of commercial banks and place additional limitations on the ability of commercial banks to make loans to property developers, further increased the competition for land among property developers. Furthermore, our relative competitive position varies significantly by service type and geographic area.

Our competitors are well capitalised and have greater financial, marketing and other resources than we have. Some also have greater economies of scale, stronger brand recognition, longer track record and more established relationships with contractors, suppliers and customers in certain markets. Such competitors may be able to respond to changes in market conditions more promptly and effectively than we can. If we are unable to maintain a competitive position, adapt to changing market conditions or otherwise compete successfully with our competitors in our main business segments, our prospects, business, financial condition and results of operations may be materially and adversely affected.

***We may fail to obtain sufficient capital resources for continued growth and other operational needs.***

We require additional capital resources to pursue our business strategy of continuously growing our business and to remain competitive by responding timely to market demand. In particular, the property development business is capital intensive and we expect to continue to incur a high level of capital expenditures for construction and land acquisition in the foreseeable future. We expect to meet the funding needs for our operations through cash flows from operations, bank borrowings and other external financing sources. Our ability to obtain additional financing will depend on a number of factors, including China's economic condition, prevailing conditions in the domestic and international capital markets, regulatory requirements, our financial condition, results of operations and cash flows, and costs of financing including changes in interest rates. If we cannot obtain sufficient funding on acceptable terms or receive necessary approvals from the regulatory authorities, we may not be able to successfully implement our business strategy, and our prospects could be materially adversely affected.

***We may not be able to refinance our indebtedness as it matures and default under the debts may have a material and adverse effect on our financial condition.***

We have incurred significant indebtedness. As at 31 December 2016, our total liabilities was RMB44,381 million, of which RMB33,129 million was recorded as current liabilities. If we are unable to make scheduled payments in connection with our debt and other fixed payment obligations as they become due, we may need to renegotiate the terms and conditions of such obligations or to obtain additional equity or debt financing. We cannot assure you that our renegotiation efforts would be successful or timely or that we would be able to refinance our obligations on acceptable terms or at all. If financial institutions decline to lend additional funds to us or to refinance our existing loans when they mature and we fail to raise

financing through other means, we will need to repay our debt with cash generated from operating activities or some other sources. We cannot assure you that our business will generate sufficient cash flow from operations to repay our borrowings as they mature. Repaying borrowings with cash generated by operating activities will divert our financial resources away from expansion and development of our businesses and implementation of our business strategies. Our Company and certain of our subsidiaries have entered into loan agreements with various banks in the PRC or Hong Kong pursuant to which they have pledged land use rights, buildings and other assets as security. We may lose part or all of this collateral if we cannot repay or refinance such borrowings as they mature, which could materially and adversely affect our business, prospects, financial condition and results of operations.

In addition, we cannot assure you that we will be able to maintain the relevant financial ratios from time to time or that we will not default. If we are unable to obtain forbearance or waiver arrangements with the relevant lenders and upon occurrence of any default, event of default or cross-default in the future, it could lead to, among other things, an acceleration in our debt financing obligations, which could in turn have a material and adverse effect on our financial condition.

***The PRC property market has been cyclical and our property development activities are susceptible to significant fluctuations.***

Historically, the PRC property market has been cyclical. The rapid expansion of the property market in certain major cities in the PRC, including Guangzhou, Beijing and Shanghai, in the early 1990s culminated in an oversupply in the mid-1990s and a corresponding fall in property values and rentals in the second half of the decade and in particular, during the 2008 economic downturn. Since the late 1990s, private residential property prices and the number of residential property development projects have increased in major cities as a result of an increase in demand driven by domestic economic growth. In particular, prices of residential properties in certain major PRC cities such as Shanghai have experienced rapid and significant growth. There is, however, no assurance that the problems of oversupply and falling property prices that occurred in the mid-1990s and during the 2008 economic downturn will not recur in the PRC property market, and the recurrence of such problems could adversely affect our business and financial condition.

The cyclical property market in the PRC affects the optimal timing for both the acquisition of sites and the sale of completed development properties. This cyclicity, combined with the lead time required for the completion of projects and the sale of properties, means that our results of operations relating to property development activities may be susceptible to significant fluctuations from year to year.

To the extent that supply in the overall property market significantly exceeds demand, we may be subject to significant downturns and disruptions in the market for a sustained period. Alternatively, if a serious downturn in regional or global market conditions should occur, this may seriously affect and disrupt the property market in the PRC. If any of these events were to occur, our financial condition and results of operations would be materially and adversely affected.

***We are heavily dependent on the performance of the property market in the PRC, particularly in certain major first-and second-tier cities, such as Shanghai, Suzhou, Haikou, Kunming, Nanning and Hangzhou.***

Our business and prospects depend on the performance of the PRC property market. Any housing market downturns in China generally or in the regions where we have property developments could adversely affect our business, financial condition and results of operations. As at 31 December 2016, we had approximately 36 property projects in various stages of development across more than 13 cities in the PRC, of which the majority is located in first-and second-tier cities. Our business continues to be heavily dependent on the property market in these cities where we operate our business. These property markets may be affected by local, regional, national and global factors, including economic and financial conditions, speculative activities in local markets, demand for and supply of properties, availability of alternative investment choices for property buyers, inflation, government policies, interest rates and availability of capital. These could lead to material adverse impact on our cash flows, financial condition and results of operations.

Demand for private residential properties in the PRC has experienced rapid growth in the last decade, but such growth is often coupled with volatility in market conditions and fluctuations in property prices. We cannot assure you that property development and investment activities will continue at past levels or that we will be able to benefit from future growth in the property market in the cities where we have property projects. Any adverse developments in national and local economic conditions as measured by such factors as GDP growth, employment levels, job growth, consumer confidence, interest rates and population growth in the PRC, particularly in the regions where our projects are located, may reduce demand and depress prices for our products and services and would have a material adverse effect on our business, financial condition and results of operations. Demand for and prices of properties in the PRC are also directly affected by the macroeconomic control measures adopted by the PRC government from time to time. Any further adverse development in the property market in the PRC could have a material adverse effect on our business, financial condition and results of operations.

***We may not be able to complete our development projects on time, or at all, which may have negative impact on our cash flows and results of operations.***

At present, we derive our property development revenue primarily from the sale of properties that we have developed and derive a relatively small portion from income on investment properties including rental income and property management fees.

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 one year or longer before they generate positive net cash flow through pre-sales, sales, leasing or rentals. 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 schedule and costs for a development project may be materially and adversely affected by many factors, including but not limited to:

- delays in obtaining necessary licences, permits or approvals from government agencies and authorities;
- changes in market conditions;
- delays in or increased costs of relocation of existing residents or demolition of existing structures;
- unforeseen engineering, design, health, environmental, structural or geographic problems;
- shortages or increased costs of materials, equipment, contractors and skilled labour;
- labour disputes;
- adverse influence caused by other construction projects not undertaken by us;
- construction accidents;
- natural catastrophes;
- adverse weather conditions;
- discovery of historic and cultural relics in the construction site; and
- changes in government policies or in applicable laws or regulations.



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 recognising revenues and lower returns. If a property project is not completed on time, the purchasers of pre-sold units of a 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 may experience significant delays in completion or delivery of our projects in the future and we will be subject to liabilities for any such delays.

***We may not be able to successfully manage our growth.***

We have been continuously expanding our operations in recent years. For example, as the PRC government unveiled the “Internet Plus” action plan in 2015, we have commenced the Internet finance business in May 2015, supported by strategic cooperation with three financial institutions in the PRC. Please refer to the section headed “*Business – Internet Finance Business*” for more information relating to our Internet finance business. We further expanded into the Real Estates Funds business in 2016 which focuses on identifying suitable investment opportunities in real estate fund projects to increase our yield from such investments. As we continue to grow, we must continue to improve our managerial, technical and operational knowledge and allocation of resources, and to implement an effective management information system. To effectively manage our expanded operations, we need to continue to recruit and train managerial, accounting, internal audit, engineering, technical, sales and other our staff to satisfy our development requirements. In order to fund our on-going operations and our future growth, we need to have sufficient internal sources of liquidity or access to additional financing from external sources. Furthermore, we will be required to manage relationships with a greater number of customers, suppliers, contractors, service providers, lenders and other third parties. We will need to further strengthen our internal control and compliance functions to ensure that we are able to comply with our legal and contractual obligations and to reduce our operational and compliance risks. We cannot assure you that our growth will be successful or we will not experience issues such as capital constraints, construction delays, operational difficulties at new locations, or difficulties in expanding our existing business and operations and in training an increasing number of personnel to manage and operate the expanded business. Our expansion plans may also adversely affect our existing operations and thereby have a material adverse effect on our business, prospects, financial condition and results of operations.

***False, inaccurate or negative media reports about us or our projects, whether substantiated or not, may cause harm to our reputation, divert our management’s attention and adversely affect our business and results of operations.***

The development and future trends in the PRC property industry, including business strategies of major property developers, have been the focuses of numerous media reports. Information about us or our projects appears frequently in various media reports. We have also noticed that there had been some inaccurate media reports about us or our projects. The dissemination of such inaccurate or negative media reports or public allegations about us, whether or not substantiated, may adversely harm our reputation and affect public opinion about us and our projects. In addition, 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.

In addition, we cannot make any assurance as to the appropriateness, accuracy, completeness or reliability of any such information or publication. To the extent that any such information appearing in the media is inconsistent or conflicts with the information contained in the offering memorandum, investors should not rely on any such information in making a decision as to whether to purchase the Bonds, and should rely only on the information included in the offering memorandum.

***We may not be able to expand our business effectively through acquisitions, investments, joint ventures and new business opportunities.***

Our business strategy includes selective acquisitions of new assets or businesses, entering into new strategic alliances and joint ventures and investing in or entering into new business opportunities. Our ability to benefit from such acquisitions, investments, alliances and joint ventures will depend upon a number of factors, some of which are beyond our control. These factors include, but not limited to:

- identify appropriate assets or businesses for acquisitions, investments, joint ventures or alliances;
- execute the acquisitions or integrate any business we acquire;
- identify additional new markets;
- work with our joint venture partners or other shareholders;
- train and retain qualified personnel to manage and operate our growing business and any new business opportunities; and
- upgrade and improve our risk management controls and systems on a continuous basis.

The failure to manage any of these factors effectively could materially and adversely affect our business, financial condition or results of operations.

Further, business growth could place a significant strain on our managerial, operational and financial resources. Integrating new assets or businesses into our operational framework and ensuring their proper management may involve unanticipated delays, costs and operational problems, in particular with respect to business lines with which we have not had extensive experience. We may encounter unexpected problems or have disagreements or conflicting interests with our joint venture or alliance partners or the other shareholders of our acquisitions. Further, with respect to some joint ventures or equity investments in which we only hold a minority share, we may lack board representation or veto power. In case of disagreements with our partners, management may be required to divert its attention away from other aspects of our businesses to address such disagreements.

***Our success depends on the continuing services of our senior management team and other key personnel.***

Our future success depends heavily upon the continuing services of our directors and members of our senior management team. To a large extent, our continued ability to successfully integrate new operations and to identify other market opportunities will depend on the experience and expertise of our senior management. If one or more of our senior management or other key personnel are unable or unwilling to continue in their present positions, we may not be able to replace them easily or at all, and our business may be disrupted and our financial condition and results of operations may be materially and adversely affected. In addition, as competition in the PRC for senior management and key personnel with experience and industry expertise is intense, and the pool of qualified candidates is very limited, we may not be able to retain the services of our senior management or other key personnel, or attract and retain high-quality senior management or other key personnel in the future. If we fail to attract and retain qualified personnel, our business and prospects may be adversely affected. Moreover, along with our growth and expansion, we will need to continue to employ, train and retain employees. If we cannot attract and retain suitable human resources, our business, prospects, financial condition and results of operations will be materially and adversely affected.

***We may be involved in legal disputes and other proceedings arising out of our operations from time to time and may incur material losses and liabilities as a result.***

We may be involved in disputes with various parties, including joint venture partners, management companies, purchasers, suppliers, contractors, construction workers and trustees from our operation, and these disputes may lead to legal and/or other proceedings. In addition, we are subject to extensive regulation by the PRC regulatory authorities, and, from time to time, we may be subject to regulatory and administrative proceedings. These legal, regulatory and other proceedings may result in substantial costs, delays in our development schedule and the diversion of resources and management's attention, regardless of the outcome. As at 31 December 2016, we have been involved in disputes in the ordinary course of our business which did not have an adverse effect on our business, financial condition or results of operation. However, we cannot assure you that we will not be involved in a larger number of proceedings or that such proceedings will not involve larger amounts in controversy in the future. The outcome of these proceedings may materially and adversely affect our operation, reputation, business, prospects, financial condition and results of operations.

Our joint venture partners or cooperation partners may have economic or business interests or goals that are inconsistent with ours, take actions contrary to our instructions or requests or contrary to our policies or objectives, be unable or unwilling to fulfil their obligations under the relevant joint venture or cooperation agreements or have financial difficulties. Disagreement with any of our joint venture partners or other cooperation partners with respect to business objective or the scope or performance of their respective obligations under joint venture or cooperation arrangements or the early termination of the joint venture or cooperation arrangement could adversely affect our business operations, financial condition and result of operations.

***Our operations are subject to extensive government policies and regulations, in particular, we are susceptible to changes in policies related to the PRC property industry and local 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 sector. In particular, the PRC government exerts considerable direct and indirect influence on the development of the PRC property sector by imposing industry policies and other economic measures, such as control over the supply of land for property development, maximum bank loan allowed for property developers, maximum number of flats a person could buy and maximum number of mortgage a purchaser could apply, control of foreign exchange, property financing, taxation and foreign investment. 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 sector.

Since 2010, the PRC government had implemented a series of regulations and policies to slow down the property market and inflation of property prices, as well as to dampen property speculation. These national or local policies may therefore limit our ability to obtain financing, acquire land for future developments, sell our properties at a profit, generate sufficient operating cash flows from contracted sales, impose additional requirements for pre-sales or restrict funds raised by pre-sale properties used only for the purpose of the respective project. Further policies implemented by the PRC government on bank loans and trust financing arrangements for property development projects since January 2010 have had, and may continue to have, a dampening effect on the property markets in which we operate. In addition, on 30 March 2015 the MOF and the SAT jointly promulgated the Circular on Issues concerning Adjustment on the Business Tax Policies of Residential Property Transaction (財政部、國家稅務總局關於調整個人住房轉讓營業稅政策的通知), which provides that for each resale transactions of a residential property that has been held by the owner for a period of less than two years from the date of purchase, the business tax for property resale transactions is levied on full sales price.

We cannot assure you that the PRC or local government will not adopt additional and more stringent industry policies, regulations and measures in the future, including those policies which restrict our access to financing. For example, as a pilot reform, Shanghai and Chongqing started to charge property taxes in early 2011. It is reported that the PRC government is considering the legislation of property taxes so as to implement it nationwide. In late February 2013, the PRC government issued the “New Five Policies” (新國五條) for administration of the housing market and detailed implementation rules, which requires more stringent implementation of the housing price control measures. Following the request of the central government, Beijing, Shanghai and other major cities in China have announced detailed regulations to implement the New Five Policies in late March 2013, to further cool down the local real estate markets. The MLR and the MOHURD issued the Circular on Tightening the Management and Control over Intermediate Residential Properties 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》) on 1 April 2017 urging reasonable arrangement for the supply of housing land, including reasonable increase of land supply in cities under great pressure of housing prices. Cities such as Beijing, Shanghai, Guangzhou, Chengdu and Shenzhen have promulgated regulatory policies in the control of commercial office projects. Recently, Shanghai has issued regulation that explicitly stopped the issuance of approval for projects of apartment-style office (公寓式辦公項目), and the commercial office use land transfer contracts are not allowed for constructing apartment-style office buildings. It also requires that the owners of commercial office properties are not allowed to receive similar treatment as the residential housing owners in terms of permanent residence registration, school enrollment or public utility fees. As a result the foregoing new policies, we may incur extra expenses in re-examination or renovation of certain commercial office projects, the sale of our commercial office projects (including apartment-style office) may be adversely affected (properties which do not comply with the designed use prescribed in the land grant contract may be restricted from delivery and title registration), disputes between property owners and us may arise from strict treatment of commercial office projects, and we may also be subject to sanctions for failure to observe the regulatory requirements. It is impossible to ascertain the extent of the impact of these measures or to accurately estimate our sales volume and turnover had the measures been introduced. If we fail to adapt our operations to new policies, regulations or measures that may come into effect from time to time with respect to the property industry, or if our marketing and pricing strategies are ineffective in promoting our contracted sales, such policy changes may dampen our contracted sales and cause us to lower our average selling prices and/or 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. Please refer to the paragraphs headed “– Risks Relating to Conducting Business in China” in this section and the section headed “PRC Regulations” for more information relating to the PRC regulations.

***We may be subject to fines or 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 the PRC laws, 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/or order us to forfeit the land. Specifically, under the 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 20 per cent. of the land grant premium. The relevant PRC land bureau 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 the risk of forfeiture.

In September 2007, the MLR issued a new notice to further enhance control of the land supply, by requiring developers to develop land according to the terms of the land grant contracts and restricting or prohibiting any non-compliant property developers from participating in future land auctions. In January 2008, the State Council issued a Notice on Promoting the Land Saving and Efficient Use (關於促進節約集約用地的通知) to escalate the enforcement of current rules on idle land management.

Furthermore, the MLR issued a 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) in August 2009, which reiterated then applicable rules on idle land management. In September 2010, the MLR and the MOHURD jointly issued the Notice On Further Strengthening the Administration and Control of Real Estate Land and Construction (關於進一步加強房地產用地和建設管理調控的通知), which provides that a property developer and its controlling shareholders will be prohibited from participating in land bidding before certain illegal behaviours in which it engages, such as land idle for more than one year on its own reasons, have been completely rectified. On 1 June 2012, the MLR promulgated the revised Measures on the Disposal of Idle Land (閒置土地處置辦法), which became effective on 1 July 2012.

These further measures limit any application for new land use rights by land developers who intentionally hoard land in breach of the land grant contracts before the completion of the required rectification procedures or any title transfer transaction, lease transaction, mortgage transaction or land modification registration in respect of idle land. On 26 February 2013, the General Office of the State Council issued the Notice on the Continuous Effective Regulation of the Real Estate Market (國務院辦公廳關於繼續做好房地產市場調控工作的通知), which provides that land developers that hold idle land shall be prohibited from participating in land bidding, acquiring loans from commercial banks, obtaining relevant approvals from the CSRC for public listings, refinancing and major assets restructuring and relevant approvals from the CBRC for trust financing. We cannot assure you that circumstances leading to imposition of penalty, liquidated damages or forfeiture of our land will not arise in the future. If we are deemed as holding land idle for more than one year without cause or are required to forfeit land, we may lose the opportunity to develop the relevant land, our investments in the land, including land premiums paid and development costs incurred, and our ability to bid for other land in the future, any of which could materially and adversely affect our business, prospects, 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 identifying and acquiring land reserves located in desirable locations at commercially reasonable prices that are suitable for residential projects and mixed-use complex projects. We need to build up our land reserve in order to grow our business and we may incur significant costs in identifying, evaluating and acquiring suitable new sites for future development. However, our ability to acquire land may depend on a variety of factors that we cannot control, such as overall economic conditions, our effectiveness in identifying and acquiring land parcels suitable for development and competition for such land parcels.

During the three years ended 31 December 2016, our land reserves were primarily acquired through auctions. 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. The PRC government's policy to grant state-owned land use rights through a bidding system has caused an increase in the acquisition cost of land reserves in the PRC, including land acquired through secondary market. If we fail to acquire sufficient land reserves in a timely manner and at acceptable prices, or at all, our business prospects, financial condition and results of operations may be materially and adversely affected.

The PRC government has adopted a number of initiatives to control the growth of China's residential property sector and to promote the development of affordable housing. For example:

- one of these initiatives requires the local governments to ensure that residential units with a GFA of less than 90 sq.m. (including affordable housing) account for over 70 per cent. of the total area of residential units that are newly approved and constructed after 1 June 2006;
- in a notice made on 30 September 2007 and amended on 3 December 2010, the MLR stated that land supply priority shall be given to ordinary commodity houses at middle to low prices and of medium to small sizes, affordable housing and low-rent housing, and local authorities shall ensure that at least 70 per cent. of annual land supply for residential units approved consists of the preceding categories of housing units;
- pursuant to the Catalogue of Restricted Use of Land (2012 Version) (限制用地項目目錄 (2012年本)) issued by the MLR and the NDRC on 23 May 2012, the area of a parcel of land granted for commodity housing development shall not exceed seven hectares in small cities and towns, 14 hectares in medium-sized cities or 20 hectares in large cities;
- pursuant to the Notice on Further Strengthening the Administration and Control of Real Estate Land and Construction (國土資源部住房和城鄉建設部關於進一步加強房地產用地和建設管理調控的通知) jointly issued by the MLR and the MOHURD in September 2010, the development and construction of large low-density residential properties should be strictly restricted, and the plot ratio for residential land is required to be more than 1.0; and
- one of these initiatives requires local government to further reassess the timing of reissuing land use rights certificates; no land use rights certificate will be issued if the property developers have not paid off land premiums according to the contract, and there should be no segmentation in the issue of land use rights certificate according to the amount of land premiums paid.

In addition, the PRC central and local governments have implemented various measures to regulate the means by which property developers obtain land use rights for property development. The local government may introduce additional policies to control the property market, including the imposition of various conditions for the property developers to participate in land bidding, and setting a cap on the selling price of new projects to be launched. The PRC government also controls land supply through zoning, land usage regulations and other means.

All of these measures further intensify the competition for land in China among property developers. These policy initiatives and other measures adopted by the PRC government from time to time may limit our ability to acquire suitable land for our development or increase land acquisition costs significantly, which may have a material adverse effect on our business, financial condition and results of operations.

***We may not be able to develop properties successfully across different regions in China.***

We are a nationwide property developer and we may continue to expand into new geographic areas in China if a suitable opportunity or condition arises. Due to the inherent local nature of property development the local climate, geological conditions, living habits, preferences for purchase, market conditions, regional development policies, regulations and laws, each local area differs from others. Therefore, when developing properties in different regions, we may encounter different challenges. Experiences gained from the existing regions that we operate may not be applicable to other new regions. Our existing business model may not meet the expectations of local business and regulatory environment. We may not be able to find a reliable local supplier or contractor. As a new player in such markets, we may need to recruit additional staff with local knowledge, for which we may incur additional costs and

face difficulties in management and operation. In addition, expanding our operation in new geographical areas would subject us to competitions from developers with stronger local popularity, more familiarity with the local regulations, business models, practices and better relationship with local suppliers, contractors and buyers. If we cannot develop properties successfully in the new geographic areas, it might have an adverse effect on our business, financial condition, results of operations and prospects.

***Our business may be adversely affected by increases in interest rates, reserve requirement ratio and other tightening measures implemented by the PBOC.***

We rely on borrowings to finance a substantial part of our project developments. A substantial part of our borrowings consist of loans from commercial banks in China. In addition, many of our customers finance their purchases of our properties through mortgage loans. Our ability to obtain bank financing and our customers' ability to obtain mortgage loans, as well as the associated finance costs, are affected by benchmark lending rates and bank reserve requirement ratios set by PBOC. The PBOC adjusts the benchmark lending rates from time to time according to the monetary policies of the PRC government. The PBOC promulgated in July 2013 the Notice of the People's Bank of China on Further Promoting the Market-Oriented Interest Rate Reform (中國人民銀行關於進一步推進利率市場化改革的通知), which provides that the lower limit of 0.7 times the benchmark lending rate for financial institutions shall be removed and the financial institutions shall independently determine their lending rates in accordance with commercial principles. In addition, pursuant to the Notice of the People's Bank of China on Lowering the Benchmark Loan and Deposit Rate for Financial Institutions and Further Promoting the Market-Oriented Interest Rate Reform (中國人民銀行關於下調金融機構人民幣貸款及存款基準利率並進一步推進利率市場化改革的通知) promulgated by the PBOC on 21 November 2014, the PBOC lowered (1) the benchmark one-year loan interest rate from 6.0 per cent. to 5.6 per cent., (2) the benchmark one-year deposit rate from 3.00 per cent. to 2.75 per cent., (3) the interest rate of personal housing provident fund loan and deposit of 5 years or less from 4 per cent. to 3.75 per cent. and (4) the interest rate of personal housing provident fund loan and deposit of over 5 years from 4.5 per cent. to 4.25 per cent.. On 28 June 2015, the PBOC further lowered (1) the benchmark one-year loan interest rate from 5.10 per cent. to 4.85 per cent., (2) the benchmark one-year deposit rate from 2.25 per cent. to 2.00 per cent., (3) the interest rate of personal housing provident fund loan and deposit of 5 years or less from 3.25 per cent. to 3.00 per cent. and (4) the interest rate of personal housing provident fund loan and deposit of over 5 years from 3.75 per cent. to 3.50 per cent. On 17 February 2016, the PBOC, MOHURD and MOF further released the Notice in Regard to Bettering Housing Provident Fund Personal Account Deposit Interest Rate Formation Mechanism (關於完善職工住房公積金帳戶存款利率形成機制的通知), which provides that the deposit rate of personal housing provident fund has been adjusted to the benchmark one-year deposit rate from 21 February 2016. However, the floating range of interest rates for individual housing loans shall not be adjusted, the original range shall remain unchanged, and the differentiated housing credit policy shall continue to be strictly implemented. The PBOC may raise benchmark lending rates and bank reserve requirement ratios in the future, which may increase the lending rate of the financial institutions. Increases in interest rates increase our finance costs and increase mortgage rates, which could adversely affect our business, financial condition and results of operations. Moreover, interest rate volatility can make it difficult for us to make plans and implement our strategies and can deter potential home buyers. For example, the financial market in China has also changed recently, as evidenced by the overall tightening in the domestic liquidity and bank loans, prolonged approval and drawdown period for mortgage loans and stricter review process for project loans. The reserve requirement refers to the amount of funds that banks must hold in reserve with the PBOC against deposits made by their customers. Increases of the bank reserve requirement ratio may negatively impact the amount of funds available for lending to businesses, including us, by commercial banks in China.

***We face uncertainties when obtaining land sites through the acquisition of project companies.***

In addition to increasing our land bank through public tender, auction and listing-for-sale, we have obtained land sites for some of our projects through acquisition of project companies that held the land use rights. We expect to continue to obtain land sites through corporate acquisitions in the future. We cannot assure you that we have discovered, or will be able to discover prior to such acquisitions, all existing or potential liabilities of or risks associated with the target project companies. In addition, the

government may change the permitted use of the land sites to which such project companies own the land use rights after our acquisitions, rendering the land sites unsuitable for property development purposes. If any of the undiscovered existing or potential liabilities of the acquired project companies are found to be material, or if we are unable to develop properties as intended, our business, prospects, financial condition and results of operations may be materially and adversely affected.

***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 apply to relevant government authorities to obtain (and renew for those relating to on-going operations) various licences, permits, certificates and approvals, including but not limited to, land use rights certificates, qualification certificates for property developer, construction work commencement permits, construction project planning permits, construction land planning permits and pre-sale permits. Some of our operating project companies are in the process of applying for the issue or renewal of their property developer qualification certificates, construction work commencement permits, construction project planning permits, business licences and production safety permits. Before the PRC government authorities issue or renew any certificate or permit, we must meet specific requirements and conditions.

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, in the future. 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 may not be able to continue with our development plans and be subject to administrative penalties, and our business, financial condition and results of operations may be adversely affected.

***Our customers may not be able to obtain mortgages on favourable terms, or at all, which could reduce our sales.***

Many of our purchasers rely on mortgages to fund their purchases. An increase in interest rates may significantly increase the cost of mortgage financing, thus reducing the attractiveness of mortgages as a source of financing for property purchases and adversely affecting the affordability of residential properties. In addition, the PRC government and commercial banks may also increase down payment requirements, impose other conditions or otherwise change the regulatory framework in a manner that would make mortgage financing unattractive or unavailable to potential property purchasers.

From time to time, the PRC government issues laws, regulations or government policies regarding mortgage financing to regulate the PRC property market. In January 2010, the State Council issued the Circular on Promoting the Stable and Sound Development of the Real Estate Market (國務院辦公廳關於促進房地產市場平穩健康發展的通知), which, among other things, provides that homeowners with outstanding mortgage loans who intend to buy additional housing properties for themselves, their spouses or dependent children are required to pay a down payment of no less than 40 per cent. of the purchase price and the applicable interest rate shall be set strictly based upon the associated risk level. In April 2010, the State Council issued a notice to raise the minimum down payment for second home purchases to 50 per cent. and set a minimum 30 per cent. down payment on first homes with a GFA of more than 90 sq.m. Further, pursuant to such notice, interest rate for mortgage loans of second homes cannot be lower than 110 per cent. of the PBOC benchmark lending rate. In May 2010, the MOHURD, the PBOC and the CBRC jointly issued a circular to clarify that the number of residential properties owned by an individual property purchaser who is applying for mortgage loans shall be determined by taking into account all residential properties owned by the family members of such purchaser (including the purchaser and such purchaser's spouse and children under the age of 18), and that property purchasers of second or subsequent residential



properties shall be subject to different credit terms when applying for mortgage loans. According to the Notice on Relevant Issues Regarding the Improvement of Differential Mortgage Loan 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) jointly issued by the PBOC and the CBRC on 29 September 2010, the minimum down payment has been raised to 30 per cent. for all first home purchases, and commercial banks are required to suspend mortgage loans for purchases of a customer's third or subsequent residential properties. In January 2011, the State Council issued a circular to further raise the minimum down payment for second home purchases to 60 per cent. On 30 March 2015, the PBOC, the MOHURD and the CBRC jointly issued the Circular on Issues concerning the Residential Housing Mortgage Loan Policies (中國人民銀行、住房城鄉建設部、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) to relax mortgage rules for second home purchasers to address demand for improved housing and lift the sagging housing market, which provides that the minimum down payment for second home purchasers in general have been lowered to 40 per cent., the minimum down payment for second home purchasers using public housing funds has been cut to 30 per cent. if all loans are settled on their first home and for first home purchasers using public housing funds, the minimum down payment has been reduced to 20 per cent. of the home's value. On 27 August 2015, the PBOC, MOHURD and CBRC jointly issued the Notice on the Adjustment on the Down Payment Ratio of the Residential Housing Mortgage Loan (住房和城鄉建設部、財政部、中國人民銀行關於調整住房公積金個人住房貸款購房最低首付款比例的通知), which has become effective from 1 September 2015. It is the second time that the authorities have lowered the down payment level in 2015. According to the Notice, the minimum down payment for the second home purchasers using public housing funds has been further reduced from 30 per cent. to 20 per cent. if all loans are settled on their first home. Moreover, the Notice allows Beijing, Shanghai, Guangzhou, and Shenzhen to decide the minimum down payment ratio for the second home purchasers using public housing funds based on both the national policy and their local practices on their discretion. Moreover, according to the Notice on Relevant Issues Regarding the further Improvement of Differential Mortgage Loan Policies (中國人民銀行、中國銀行業監督管理委員會關於進一步完善差別化住房信貸政策有關問題的通知) jointly issued by the PBOC and the CBRC on 24 September 2015, the minimum down payment has been cut to 25 per cent. for first home purchases in cities without purchasing restriction. On 1 February 2016, the PBOC and the 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: (i) 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 per cent., and may be lowered by 5 per cent. 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 per cent.; and (ii) In cities where "housing purchase restriction" measures are implemented, the individual housing loan policies shall remain unchanged. In addition, pursuant to the Guidelines for the Risk Management of Real Estate Loans of Commercial Banks (商業銀行房地產貸款風險管理指引) issued by the CBRC on 30 August 2004, mortgagee banks may not lend to any individual borrower if the monthly repayment of the anticipated mortgage loan would exceed 50 per cent. of the individual borrower's monthly income or if the total debt service of the individual borrower would exceed 55 per cent. of such individual's monthly income. In the event that mortgages become more difficult to obtain or that the cost of such financing increases, many of our prospective customers who rely on mortgages may not be able to purchase our properties. In line with industry practice, we provide guarantees to banks for mortgage loans they offer to purchasers of our properties. If there are changes in laws, regulations, policies or practices that would prohibit property developers from providing such guarantees and these banks do not accept alternative guarantees from third parties, if available, it may become more difficult for property purchasers to obtain mortgages from banks in connection with pre-sales. Such difficulties may inhibit pre-sales, which could materially and adversely affect our business, prospects, financial condition and results of operations.

***We may be subject to legal and business risks if we fail to obtain, renew or maintain qualification certificates.***

Property developers must obtain a qualification certificate in order to carry out property development in the PRC. According to the Provisions on Administration of Qualification of Real Estate Developers (房地產開發企業資質管理規定) issued by the MOHURD on 29 March 2000 and amended on 4 May 2015, newly established property developers must first apply for a provisional qualification certificate, which is valid for one year and can be renewed for a maximum of two additional years. A property developer is required to obtain a formal qualification certificate with an approved class before its provisional qualification certificate expires. Formal qualification certificates are subject to annual qualification inspections. Government regulations require developers to fulfil all statutory requirements before obtaining or renewing their qualification certificates. Some of our operating project companies are in the process of applying for the renewal of their property developer qualification certificates. If any of our project companies is unable to obtain or renew the relevant qualification certificates, it may not be able to engage in the relevant property development project. Otherwise it will generally be given a grace period to rectify any noncompliance and may be subject to a penalty of between RMB50,000 and RMB100,000. Failure to ratify the noncompliance within the grace period could result in the revocation of the qualification certificate and the business licence of the relevant project company.

We cannot assure you that the qualification certificates of all of our existing project companies will continue to be maintained or extended or that formal qualification certificates for new project companies and our other non-property development related subsidiaries will be obtained in a timely manner, or at all. If our project companies or our other non-property development related subsidiaries are unable to obtain or maintain their qualification certificates, as applicable, they will not be permitted to engage in or continue their businesses, which could have a material adverse effect on our business and financial condition.

***Our land tax provisions and prepayments may not be sufficient to meet our land tax obligations.***

In accordance with the provisions of the Provisional Regulations of the PRC on Land Appreciation Tax (中華人民共和國土地增值稅暫行條例) enacted on 13 December 1993 and amended on 8 January 2011 and the related implementation rules regarding land appreciation tax (“LAT”), all entities and individuals that receive income from the sale or transfer of land use rights, buildings and ancillary facilities are subject to LAT at progressive rates ranging from 30 per cent. to 60 per cent. of the appreciation in the value of such properties. The PRC government issues rules and regulations with respect to LAT, including rules and regulations relating to assessable rates, the deductibility of certain expenses and the collection and settlement of LAT. There is an exemption for the sale of ordinary residential properties developed by the taxpayer itself if the appreciation in the value does not exceed 20 per cent. of the total deductible expense items allowed under the relevant LAT regulations. This exemption is not available for sales of luxury residential properties, villas and high-end commercial properties.

On 25 April 2016, the MOF and SAT jointly promulgated the Notice on Issues Relating to Tax Computation Bases for Deed Tax, Real Estate Tax, Land Appreciation Tax and Individual Income Tax following Implementation of the Pilot Scheme of Levying VAT in place of Business Tax (關於營改增後契稅、房產稅、土地增值稅、個人所得稅計稅依據問題的通知), effective on 1 May 2016, which mainly provides that (1) income derived by taxpayer of LAT for transfer of real estate shall be income excluding VAT; (2) VAT input tax pertaining to deductible items of LAT stipulated in the Provisional Regulations of the PRC on Land Appreciation Tax (中華人民共和國土地增值稅暫行條例), which is allowed to be deducted from the output tax, shall be excluded from the deductible items; and (3) where such VAT input tax is not allowed to be deducted from the output tax, it may be included in the deductible items.

We make LAT prepayments and provisions in respect of our property development activities. There is no assurance that the relevant tax authorities will agree with our calculation of LAT liabilities nor is there any guarantee that the LAT provisions will be sufficient to cover our LAT obligations in respect of our past LAT liabilities. If the relevant tax authorities, in particular, the local tax bureau in cities and regions where we operate businesses, determine that our LAT liabilities exceed our LAT prepayments and provisions and seek to collect that excess amount immediately, our business, financial condition or results of operations could, as a consequence, be materially and adversely affected.

Furthermore, relevant notices issued by the PRC government relating to the settlement of LAT allow provincial tax authorities to formulate their own implementation rules according to the local situation. If the implementation rules promulgated in the cities in which our projects are located require us to settle all unpaid LAT at the same time, or impose other conditions, our business, financial condition and results of operations may be materially and adversely affected.

***We may be adversely affected by levying VAT in place of business tax.***

Pursuant to the Interim Regulations on Business Tax of the People's Republic of China (中華人民共和國營業稅暫行條例) enacted by the State Council on 10 November 2008 and effective on January 1, 2009 and its Detailed Implementation Rules on the Provisional Regulations on Business Tax of the People's Republic of China (中華人民共和國營業稅暫行條例實施細則) issued by the MOF and SAT on 15 December 2008 and amended on 28 October 2011, the tax rate on transfer of immovable properties is 5 per cent.

The MOF and the SAT promulgated the Pilot Proposals for Levying the Value-added Tax in Lieu of Business Tax (營業稅改徵增值稅試點方案) on 16 November 2011 pursuant to which, the pilot work of the value-added tax in lieu of business tax was carried out in some industries on a national scale since 1 January 2012. Pursuant to this pilot plan and relevant subsequent notices, from 1 January 2012, VAT gradually replaced business tax in the transport and post industry, telecom industry and some of the modern service industries in China. Under the pilot plan, a VAT rate of 6 per cent. applies to certain modern service industries. On 23 March 2016, the MOF and SAT promulgated the Circular on Comprehensively Promoting the Pilot Program of the Collection of Value-Added Tax to Replace Business Tax (Cai Shui [2016] No. 36) (關於全面推開營業稅改徵增值稅試點的通知), which provides that, starting from 1 May 2016, the VAT pilot program cover construction industry, real estate industry, finance industry and life service industry on a nation-wide basis.

On 31 March 2016, the SAT promulgated the Announcement on Promulgation of the Provisional Measures on Administration of Levying and Collection of Value-added Tax on Sale of Real Estate Projects by Real Estate Development Enterprises Which Develop Such Projects (《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》) pursuant to the Notice of the Ministry of Finance and the State Administration of Taxation on Full Launch of the Pilot Scheme on Levying Value-added Tax in Place of Business Tax (Cai Shui [2016] No. 36) (關於全面推開營業稅改徵增值稅試點的通知), and the relevant prevailing VAT provisions.

On 10 November 2016, the SAT promulgated the Announcement of the State Administration of Taxation on Several Provisions on Collection and Administration of Land Appreciation Tax following the Implementation of Levying of VAT in place of Business Tax (國家稅務總局關於營改增後土地增值稅若干徵管規定的公告), which provides that (1) Following the implementation of levying VAT in place of business tax, the income from transfer of real estate, which is subject to land appreciation tax, shall exclude VAT; (2) Where a taxpayer uses its development products for staff welfare, incentives, external investments, distribution to shareholders or investors, debt setoff, exchange for non-monetary assets of other organisations and individuals etc., the transfer of ownership shall be deemed as sale of real estate, and the income thereof shall comply with the provisions of Article 3 of the SAT's Notice on Administration of Settlement of Land Appreciation Tax of Property Development Enterprises (關於房地產開發企業土地增值稅清算管理有關問題的通知). Where a taxpayer arranges for resettlement of households, the verification of taxable income and deductibles for the resettlement housing shall comply with the provisions of Article 6 of the SAT's Notice on Issues concerning the Settlement of Value-added Tax on Land (關於土地增值稅清算有關問題的通知).

Since the application of the VAT pilot program in the real estate industry is relatively new, there remain uncertainties on the interpretation and implementation of the relevant rules and regulations. We cannot assure you that our overall tax liability will not increase by levying VAT in lieu of business tax, or we may have to change our business practices in light of such rules, either of which may have a material adverse effect on our business, prospects, financial condition and results of operations.

***We are subject to potential environmental liabilities that could result in substantial costs.***

We are subject to a variety of laws and regulations concerning the protection of the environment. The particular PRC environmental laws and regulations which apply to any given project development site vary according to the location, the environmental condition, the present and former uses of the site, as well as adjacent properties.

The relevant property development project may be delayed due to our efforts to comply with environmental laws and regulations. In some environmentally-sensitive regions or areas, the compliance costs could be prohibitively expensive.

In addition, each property development project is required by the relevant PRC laws and regulations to undergo environmental assessments and to submit an environmental impact assessment report to the relevant government authorities for approval before commencement of construction. Failure to obtain such approval prior to construction may result in suspension of construction and a penalty amounting up to RMB200,000 for each project.

We did not submit environmental assessment documents to the local authorities regarding the construction of certain of our property projects. The environmental investigations conducted relating to each of our property development projects to date have not revealed any material environmental liability. However, it is possible that these investigations did not reveal all environmental liabilities and there may be environmental liabilities of which we are unaware that may have a material adverse effect on our business and financial condition. In addition, if more stringent regulations are adopted in the future, we cannot assure you that we will be able to fully comply with such regulations and the costs of compliance with these new regulations may be substantial. If any of these occur, our business, prospects, financial condition and results of operations may be materially and adversely affected.

***Our business and property sales may be affected if we fail to obtain the record of acceptance examination for our completed projects.***

According to the Regulations on Administration of Development and Operations of Urban Real Estate (城市房地產開發經營管理條例) amended by the State Council and effective on 8 January 2011, the Regulation on the Quality Management of Construction Projects (建設工程質量管理條例) enacted and enforced by the State Council on 30 January 2000, the Administrative Measures for Reporting Details Regarding Acceptance Examination Upon Completion of Buildings and Municipal Infrastructure (房屋建築工程和市政基礎設施工程竣工驗收備案管理暫行辦法) enacted by the MOHURD in April 2000 and amended on 19 October 2009 and the Provisions on Acceptance Examination Upon Completion of Buildings and Municipal Infrastructure (房屋建築工程和市政基礎設施工程竣工驗收規定) enacted by the MOHURD and effective on 2 December 2013, after completion of work for a project and the subsequent acceptance examination, a real estate developer shall apply to the government property development authority at or above the county level for a record of acceptance examination. For a residential housing project, an acceptance examination shall be conducted upon each unit, and the developer shall issue the acceptance form for each unit after completing such “door to door acceptance”.

We cannot assure you that we will be able to obtain the record of acceptance examination for our completed projects in a timely manner, or at all. In such event, our business, property sales and financial condition may be materially and adversely affected.

***We cannot assure you that services performed by independent contractors will meet our quality standards and timing requirements or will be provided within our budget.***

We engage independent contractors to provide various services, including but not limited to construction, piling and foundation, engineering, interior decoration, mechanical and electrical installation and utilities installation. We generally select independent contractors through an open tender process. Completion of our projects is therefore subject to the satisfactory performance of these independent contractors. We cannot assure you that we will be able to obtain services from independent contractors within our budget or at all, or that the services rendered by these independent contractors or subcontractors will be satisfactory or will meet our quality and safety standards and our project timelines. If the performance of any independent contractor is not satisfactory or is delayed, we may need to replace the contractor or take other actions to remedy the situation, which could inflate construction costs and delay completion. Any of these factors may have a material adverse effect on our business, prospects, financial condition and results of operations.

***We guarantee mortgage loans of our customers and may become liable to mortgage 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 (i) we complete the relevant properties and the property ownership certificates and the mortgage are registered in favour of the mortgagee bank, (ii) two years after the expiry date of the mortgage loan contract or (iii) the settlement of mortgage loans between the mortgagee bank and the purchaser. 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 reflected on our balance sheets. Should any material default occur and if we were called upon to honour our guarantees, our financial condition and results of operations could be adversely affected.

***We are exposed to contractual and legal risks relating to pre-sales; changes in laws and regulations in relation to pre-sale of properties may adversely affect our business, prospects, financial condition and results of operations.***

We make certain undertakings in our pre-sale contracts. Our pre-sale contracts and the PRC laws and regulations provide for remedies for breach of these undertakings. For example, if we pre-sell units in a property development and we fail to complete that development, we will be liable to the purchasers for their losses. If we fail to complete a pre-sold property on time, we may be liable to the relevant purchasers for late delivery under the relevant pre-sale contracts or pursuant to relevant PRC laws and regulations. If delays extend beyond a specified period, the purchasers may terminate their pre-sale contracts and claim for damages. A purchaser may also terminate a contract with us if the GFA of the relevant unit, as set out in the individual property ownership certificate, deviates by more than 3 per cent. from the GFA of that unit set out in his or her contract. If a substantial number of purchasers claim against us for breach of contract or terminate their pre-sale contracts with us, our business, prospects, financial condition and results of operations may be materially and adversely affected.

Proceeds from the pre-sales of our properties are an important source of funds for our property developments and have a significant impact on our cash flow and liquidity position. In August 2005, the PBOC proposed in a report entitled “2004 Real Estate Financing Report (2004 中國房地產融資報告)” that the practice of pre-selling uncompleted properties be discontinued, on the grounds that pre-sales create significant market risks and generate transactional irregularities. While such proposal has not been adopted by any PRC government authorities and has no mandatory effect, we cannot assure you that the PRC government will not ban or impose material limitations on pre-sales of uncompleted properties in the future. In April 2010, the MOHURD issued the Notice on Further Strengthening the Supervision of Real Estate Market and Improving the Pre-Sale System of Commodity 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). The notice urges local governments to enact regulations on the sale of completed commodity properties in light of local conditions and encourages property developers to sell completed commodity properties. We cannot assure you that we can adapt to new laws, regulations or policies relating to pre-sale of properties that may come into effect from time to time. Any failure to do so may subject us to fines, delays or other impediments in developing our properties. Future implementation of any restrictions on our ability to pre-sell our properties, including any requirements to increase the amount of up-front expenditure we must incur prior to obtaining the pre-sale permit, would extend the time required for recovery of our capital outlay and would force us to seek alternative means to finance our property developments, which could have a material adverse effect on our business, prospects, financial condition and results of operations. On 13 May 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), 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 of the gross floor area 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; (v) improvement in the contracts for land transfer through tender, auction and listing. As a result, property developers are not allowed to bid for a large piece of land, make partial payment, and then apply for a land use rights certificate for the corresponding portion of land in order to commence development, which had been the practice in many Chinese cities. The implementation of such regulation requires property developers to maintain a higher level of working capital, which may have a material adverse effect on our cash flow position, financial condition and business plans.

***We face certain risk associated with demolition and settlement of acquired land.***

All of our projects do not require demolition of existing properties or resettlement of existing residents except for one of our projects in Wuxi province. If we obtain the land use rights from the PRC government, land clearance costs are usually included in the land use rights premium, otherwise we would be required to pay the appropriate compensations calculated in accordance with formulae published by the relevant local authorities prior to the construction. If the compensation paid by the PRC government authorities were to increase significantly due to increases in the property market prices, land premiums payable by us may be subject to substantial increases. In respect of projects in which the resettlement costs are borne by us, if the PRC government authorities fail to reach an agreement with the residents for compensation and resettlement at a reasonable cost or within certain period, or the negotiation process takes longer than we expected which may delay the completion of our projects, our results of operation and financial condition may be adversely affected. If a company has acquired a piece of land which the relocation of the existing property has been delayed, it would lead to delays in the title delivery by the government for the properties, consequently delaying the property project development and increasing the relevant costs. Any occurrence of the above factors may result in delays to our development schedule, leading to a substantial increase in cost and a delay in the expected cash inflow resulting from pre-sales of the relevant project, which can adversely affect our cash flows, financial condition and results of operations in the future.

***The actual development of some of our property developments may differ from the approved development plan, and the total GFA of some of our property developments may be different from the original authorised area.***

When the PRC government grants the land use rights for a parcel of land, it will specify in the land grant contract the permitted use of the land and the total GFA that the developer may develop on the land. However, the actual plan adopted for a property development project may differ from the approved development plan, and the actual GFA constructed may be different from the total GFA authorised in the land grant contract or construction permit due to factors such as subsequent planning and design adjustments. The adjusted planning and design of a property development project and the actual GFA may be subject to approval when the relevant authorities inspect the properties after completion. The developer may be required to pay additional land premium and/or administrative fines or take corrective actions in respect of the adjusted land use and excess GFA before a Construction of Properties and Municipal Infrastructure Completed Construction Works Certified Report (房屋建築工程和市政基礎設施工程竣工驗收備案證明) can be issued to the property development. The methodology for calculating the additional land premium is generally the same as the original land grant contract.

According to the PRC Urban and Rural Planning Law (城鄉規劃法), if a construction project proceeds without obtaining the planning permit on construction project or by violating the provisions of the planning permit on construction project, the competent department of urban and rural planning of the local government at or above the county level shall order it to stop construction. If it is still possible for the construction entity or individual to take measures to eliminate the impact on the implementation of urban and rural planning, the department shall order it or him to correct within a certain time limit and

impose a fine of not less than 5 per cent. but not more than 10 per cent. of the construction cost; if it is impossible to take measures to eliminate the impact, the department shall order the construction entity or individual to dismantle the building or structure within a certain time limit and confiscate the real objects or the illegal gain, and may also impose a fine not more than 10 per cent. of the construction cost. If this occurs, our business, prospects, financial condition and results of operations may be materially and adversely affected.

***The PRC government has implemented restrictions on the payment terms for land use rights.***

In September 2007, the MLR revised and issued the Regulations on the Grant of State-owned Construction Land Use Rights through Public Tender, Auction and Invitation for Bidding (招標拍賣掛牌出讓國有建設用地使用權規定) requiring property developers to fully pay the land premium for the entire parcel under the land grant contract before they can receive a land use rights certificate and commence development on the land. This regulation became effective on 1 November 2007. As a result, property developers are not allowed to bid for a large piece of land, make partial payment, and then apply for a land use rights certificate for the corresponding portion of land in order to commence development, which had been the practice in many Chinese cities. In November 2009, the MOF, the MLR, the PBOC, PRC Ministry of Supervision and PRC National Audit Office jointly issued the Notice on Further Enhancing the Revenue and Expenditure Control over Land Grant (關於進一步加強土地出讓收支管理的通知), which raises the minimum down payment on land premiums to 50 per cent. of the total premium and requires the land premium to be fully paid within one year after the signing of a land grant contract, subject to limited exceptions. In March 2010, the MLR issued the Circular on Strengthening Real Estate Land Supply and Supervision (關於加強房地產用地供應和監管有關問題的通知), under which the minimum price for a given land grant is required to be equal to at least 70 per cent. of the benchmark price of the locality where the parcel of land is granted and the bidding deposit for such land grant is required to be equal to at least 20 per cent. of the minimum land premium. Additionally, a land grant contract is required to be entered into within 10 working days after the land grant deal is closed and the down payment of 50 per cent. of the land premium is required to be paid within one month after the execution of the land grant agreement. Any remaining amount is required to be paid in full within one year of the date of the land grant contract in accordance with provisions of such land grant contract, subject to limited exceptions. The implementation of the regulation requires property developers to maintain a higher level of working capital. This may have a material adverse effect on our cash flow, financial condition and business plans.

***We may be subject to fines due to non-registration of our leases.***

We lease out our commercial properties held for investment and generate rental income from such leases. Pursuant to the Administration Measures for Commodity House Leasing (商品房屋租賃管理辦法) promulgated on 1 December 2010 and became effect on 1 February 2011, both lessors and lessees are required to file the lease agreements for registration and obtain property leasing filing certificates for their leases. We may be required by relevant government authorities to file the lease agreements for registration and may be subject to a fine for non-registration, which may range from RMB1,000 to RMB10,000. The registration of these lease agreements, under which we are the lessors, requires additional steps to be taken by the respective lessees which are beyond our control. Our lessees may not be cooperative and we cannot assure you that we can complete the registration of these lease agreements and any other lease agreements that we may enter into in the future.

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

Under the Regulations on Administration of Development and Operation of Urban Real Estate (城市房地產開發經營管理條例) enacted by the State Council on 20 July 1998 and amended on 8 January 2011, and the Regulations for the Administration of Sale of Commodity Building (商品房銷售管理辦法), which became effective on 1 June 2001, 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.

***We are subject to uninsured risks.***

We carry third-party liability and fire insurance on certain completed developments in which we have an interest. We generally maintain public liability and assets insurance policies for our properties, the common facilities and the hotel operating areas of our properties. In addition, our property management subsidiaries also maintain property management liability insurance coverage in connection with their business operations. We generally assess the need for maintaining insurance policies based on the specific circumstances of each project under development and the premium is borne by the contractors. However, we may purchase such insurance if required by our creditors in respect of properties pledged to them. In addition, there are certain types of losses, such as losses from forces of nature, that are generally not insured because they are either uninsurable or because insurance cannot be obtained on commercially reasonable terms. This practice is consistent with what we believe to be the industry practice in the PRC. Certain types of losses caused by war, civil disorder, acts of terrorism, earthquakes, typhoons, flooding, and other natural disasters are not covered. Should an uninsured loss or a loss in excess of insured limits occur, we could lose capital invested in our property and anticipated future revenue therefrom while we remain liable for any mortgage indebtedness or other financial obligations relating to the relevant property. Any such loss could materially and adversely affect our financial condition and results of operations.

***We may not be able to generate adequate returns on our investment properties; the illiquid nature of, and the lack of alternative uses for, investment properties could limit our ability to respond to adverse changes in the performance of our properties.***

Our investment properties primarily consist of retail and commercial units and parking spaces in our property projects. The investment return from investment property is subject to risks including, among other things, competition for tenants, changes in market rents, inability to renew leases or re-let space as existing leases expire, inability to collect rent from tenants due to bankruptcy or insolvency of tenants or otherwise, inability to dispose of major investment properties for the values at which they are recorded in the financial statements, increased operating costs and the need to renovate, repair and re-let space periodically and to pay the associated costs. We cannot assure that we will be able to generate adequate returns on our investment properties.

The ability to eventually dispose of investment properties will also depend on market conditions and levels of liquidity, which may be limited or subject to significant fluctuation in the case of certain types of commercial properties. Investment properties in general are relatively illiquid compared to other types of investments, such as securities. As such, our ability to promptly sell one or more of our investment properties in response to changing economic, financial and investment conditions is limited. The property market is affected by many factors that are beyond our control, including general economic conditions, the availability of mortgage financing and interest rates. We cannot predict whether we would be able to sell any of our investment properties at the price or on the terms set by us, or whether any price or other terms offered by a prospective purchaser would be acceptable to us.

In addition, investment properties may not be readily convertible for alternative uses without substantial capital expenditure if the original function of such investment property became unprofitable due to competition, age, decreased demand, increased supply or other factors. Similarly, substantial capital expenditure may be required to correct defects or to make improvements before an investment property can be sold. These factors and any others that would impede our ability to respond to adverse changes in the performance of our investment properties may materially and adversely affect our business, prospects, financial condition and results of operations.



***We are subject to rising costs for labour and materials, which we may not be able to pass on to construction contractors or to purchasers.***

Construction and development costs account for the majority of our cost of sales and are one of the significant factors affecting our financial condition and results of operations. As a result of economic growth and the boom in the property industry in the PRC, wages for construction workers and the prices of construction materials and building equipment have substantially increased in recent years. Under the terms of most of our construction contracts, contractors may adjust the contract prices to cover increases in wages and costs of construction materials. In addition, in negotiations that follow upward materials cost fluctuations post-contract, we often agree to bear a greater share of the materials costs than is contractually required. We do so in order to maintain good relations with our contractors, which allow us to repeatedly source good quality and service. We are also exposed to the price volatility of labour and construction materials to the extent that we periodically enter into new or renew existing construction contracts at different terms during the life of a project, which may span several years, or if we choose to hire the construction workers directly or purchase construction materials directly from suppliers. Furthermore, we are unable to pass increased costs on to pre-sale purchasers when construction costs increase subsequent to the date of the pre-sale contract. If we are unable to pass on any increase in the cost of labour, construction materials or building equipment to either our construction contractors or to the purchasers of our properties, our business, prospects, financial condition and results of operations may be materially and adversely affected.

***Our branding and marketing strategy as well as our financial condition could be adversely affected if owners of the projects that we have developed elect to stop using us to provide property management services.***

We provide property management services in respect of properties primarily developed by us through our wholly-owned subsidiaries. We believe that the provision of quality and value-added management services of an international standard enables us to enhance recognition of our brand and maintain our reputation as a developer of quality properties. We seek to provide comprehensive quality post-sales property management and post-sales services to purchasers of our properties, including services such as rental agency, security, maintenance, operation of clubhouse, cleaning of public areas, domestic assistance, gardening and landscaping and other services. Under PRC laws and regulations such as the Regulation on Property Management (2007 Revision) (物業管理條例(2007年修訂)), property owners have a right to engage or dismiss a property management company with the consent of more than 50 per cent. of the owners who in the aggregate hold more than 50 per cent. of the total non-communal area of the building. If owners of the projects that we have developed elect to stop using us to provide property management services, our brand and marketing strategy as well as our revenue from the property management business would be materially and adversely affected.

***Deterioration in our brand image, or any failure to protect our brand and intellectual property rights, could have a negative impact on our business.***

Our brand images play an integral role in all of our business operations. Any negative incident or negative publicity concerning us could adversely affect our reputation and business. Brand value is based largely on subjective consumer perceptions and can be damaged even by isolated incidents that degrade consumer trust. Consumer demand for our products and our brand value could diminish significantly if we fail to preserve the quality of our products, or fail to deliver a consistently positive consumer experience, or if we are perceived to act in an unethical or socially irresponsible manner.

In addition, any unauthorised use of our brands, trademarks and other intellectual property rights could harm our competitive advantages and business. Historically, China has not protected intellectual property rights to the same extent as certain other countries, and infringement of intellectual property rights continues to pose a serious risk of doing business in China. Monitoring and preventing unauthorised use is difficult. The measures we take to protect our intellectual property rights may not be adequate. If we are unable to adequately protect our brand, trademarks and other intellectual property rights, we may lose these rights and our business may suffer materially.

## **Risks Relating to Conducting Business in China**

*Changes in PRC economic, political and social conditions, as well as government policies, could have a material adverse effect on our business, prospects, financial condition and results of operations.*

Substantially all of our business and operations are conducted in China. Accordingly, our business, prospects, financial condition and results of operations are, to a significant degree, subject to economic, political and social developments in China. The Chinese economy differs from the economies of most developed countries in many respects, including the extent of government involvement, level of development, growth rate, control of foreign exchange and allocation of resources. Although the PRC government has implemented measures since the late 1970s emphasising the utilisation of market forces for economic reform, the reduction of state ownership of productive assets and the establishment of improved corporate governance in business enterprises, a substantial portion of productive assets in China is still owned by the PRC government. In addition, the PRC government continues to play a significant role in regulating industry development by imposing industrial policies. The PRC government also exercises significant control over China's economic growth through allocation of resources, controlling payment of foreign currency denominated obligations, setting monetary policy and providing preferential treatment to particular industries or companies. Certain measures taken by the PRC government to guide the allocation of resources may benefit the overall economy of China but may, however, also have a negative effect on us. For example, our business, prospects, financial condition and results of operations may be adversely affected by government control over capital investments, changes in tax regulations that are applicable to us, change in interest rates and statutory reserve rates for banks or government control in bank lending activities.

*Future fluctuations in the value of the Renminbi could have an adverse effect on our financial condition and results of operations.*

We conduct all of our business operations in the PRC and our functional currency is the Renminbi. However, a portion of our borrowings is denominated in U.S. dollar and other foreign currencies. As a result, fluctuations in exchange rates, particularly between the Renminbi, the Hong Kong dollar or the U.S. dollar, could affect our profitability and may result in foreign currency exchange losses of our foreign currency-denominated assets and liabilities.

The exchange rate of the Renminbi against the U.S. dollar and other currencies fluctuates and is affected by, among other things, changes in the PRC's, as well as, international, political and economic conditions and the PRC government's fiscal and currency policies. Since 1994, the conversion of the Renminbi into foreign currencies, including the Hong Kong dollar and the U.S. dollar, has been based on rates set daily by the PBOC, based on the previous business day's inter-bank foreign exchange market rates and exchange rates in global financial markets. From 1994 to 20 July 2005, the official exchange rate for the conversion of the Renminbi to U.S. dollar was generally stable. On 21 July 2005, the PRC government adopted a more flexible managed floating exchange rate system to allow the value of the Renminbi to fluctuate within a regulated band that is based on market supply and demand with reference to a basket of currencies. On 19 June 2010, the PBOC announced that the PRC government would reform the Renminbi exchange rate regime and increase the flexibility of the exchange rate. On 16 April 2012, the PBOC enlarged the previous floating band of the trading prices of the Renminbi against the U.S. dollar in the inter-bank spot foreign exchange market from 0.5 per cent. to 1 per cent. On 14 March 2014, the PBOC further decided to expand the Renminbi floating band from 1 per cent. to 2 per cent., in order to meet the demands of market development, increase the strength of the market-determined exchange rate and establish a market-based, managed floating exchange rate regime. There remains significant international pressure on the PRC government to adopt a more flexible currency policy, which could result in further and more significant appreciation of the Renminbi against the U.S. dollar. We cannot assure you that the Renminbi will not experience significant appreciation against the U.S. dollar in the future. Any significant increase in the value of the Renminbi against foreign currencies could reduce the value of our foreign currency-denominated revenue and assets.

***Under the Corporate Income Tax Law, the Company may be classified as a “resident enterprise” of China. Such classification could result in unfavourable tax consequences to the Company and non-PRC Bondholders.***

Under the Corporate Income Tax Law, or the CIT Law, an enterprise established outside of China with a “de facto management organisation” located within China will be considered a “resident enterprise”, and consequently will be treated in a manner similar to a Chinese enterprise for CIT purposes. The implementing rules of the CIT Law define “de facto management” as “substantial and overall management and control over the production and operations, personnel, accounting, and properties” of the enterprise. However, it is still unclear how the PRC tax authorities will determine whether a non-PRC entity will be classified as a “resident enterprise”. Although to date the Company has not been notified of its status for CIT purposes, there can be no assurance that the Company would not be considered to be a PRC resident enterprise. If the Company was treated as a PRC resident enterprise, it would generally be subject to the PRC CIT at the rate of 25 per cent. on its worldwide taxable income. Furthermore, if the Company was treated as a PRC resident enterprise, interest paid by the Company to “non-resident enterprise” holders of the Bonds may be treated as income derived from sources within China and be subject to PRC withholding tax at a rate of 10 per cent., and capital gains realised by such holders of the Bonds may be treated as income derived from sources within China and be subject to a 10 per cent. PRC tax. If the Company was treated as a PRC resident enterprise, interest or gains earned by non-resident individuals may be treated as income derived from sources within China and be subject to PRC income tax (which in the case of interest may be withheld at source by us) at a rate of 20 per cent.. These rates may be reduced by an applicable tax treaty.

On 23 March 2016, the MOF and SAT jointly issued the Circular of Full Implementation of Business Tax to VAT Reform (Cai Shui [2016] No. 36) (關於全面推開營業稅改徵增值稅試點的通知(財稅[2016]36號) (“Circular 36”), which confirms that business tax has been completely replaced by VAT in PRC from 1 May 2016. VAT is applicable where entities or individuals provide services within the PRC. Services are treated as being provided within China where either the service provider or the service recipient is located in the PRC. The services subject to VAT include the provision of financial services such as the provision of loans. It is further clarified under Circular 36 that “loans” refers to the activity of lending capital for another’s use and receiving the interest income thereon. The issuance of the Bonds may be regarded as financial services by Bondholders and interest payments on the Bonds may be subject to withholding of VAT if the Company is a PRC resident enterprise for PRC tax purposes, in which case interest paid by the Company to a non-PRC Bondholder may be subject to withholding of VAT at a rate of 6 per cent. plus related surcharges. VAT is not applicable to any transfer of Bonds between entities or individuals located outside of the PRC and therefore not applicable to gains realised upon such transfers of Bonds. In the event that either the seller or buyer of Bonds is located inside the PRC, pursuant to the Notice on Clarification of VAT Policies for Finance, Real Estate Development, Education Support Services etc. (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) (the “Circular 140”) promulgated on 21 December 2016 and being effective retroactively as of 1 May 2016, VAT is applicable to investment returns on contracts which undertake for fully recoverable principal, but is not applicable to non-principal-protected gains (非保本收益) from investments in financial products. As the circulars pertaining VAT are relatively new, the interpretation and enforcement of such laws and regulations involve uncertainties. Therefore, there is uncertainty as to the applicability of VAT if either the seller or buyer of the Bonds is located inside the PRC.

If the Company is required to withhold PRC tax on interest paid to the non-PRC Bondholders, the Company will be required, subject to certain exceptions, to pay such additional amounts as will result in receipt by a holder of a Bond of such amounts as would have been received by the holder had no such withholding been required. The requirement to pay additional amounts will increase the cost of servicing interest payments on the Bonds, and could have an adverse effect on the Company’s ability to pay interest on, and repay the principal amount of, the Bonds, as well as its profitability and cash flow.

In certain circumstances described in Condition 6(b) of the Terms and Conditions of the Bonds the Company may be able to redeem the Bonds in whole, but not in part, in the event the Company is required to pay additional amounts mentioned above due to its being treated as a PRC resident enterprise under the CIT Law. The date on which the Company elects to redeem the Bonds may not accord with the preference of particular Bondholders. In addition, a Bondholder may not be able to reinvest the redemption proceeds in comparable securities at the same rate of return of the Bonds.

***We face risks related to force majeure events, natural disasters, health epidemics and other outbreaks, which could significantly affect our operations.***

Our business could be materially and adversely affected by natural disasters or the outbreak of avian influenza, severe acute respiratory syndrome (“SARS”), or other epidemics. On 12 May 2008, 14 April 2010 and 20 April 2013, severe earthquakes hit part of Sichuan province in southwest China and part of Qinghai province in west China, resulting in significant casualties and property damage. If a similar disaster were to occur in the future, particularly in regions where we operates, our operations could be materially and adversely affected due to loss of personnel, damage to property or decreased demand for our products.

In April 2009, a new strain of influenza A virus subtype H1N1 was discovered and quickly spread across the world, including to China. In July 2009, the World Health Organization declared the outbreak to be a pandemic, while noting that most of the illnesses were of moderate severity. More recently, human infections of the latest avian influenza strain, H7N9 flu, have begun to appear in different regions in China. Any outbreak of avian influenza, SARS, influenza A (“H1N1”), H7N9 or other adverse public health developments, could adversely affect the overall business sentiment and environment in China and the world, which in turn may lead to slower overall economic growth in China and the world. Any contraction or slowdown in the economic growth of China and the world could adversely affect our business, financial condition, results of operations and growth prospects. In addition, if any of our employees is infected or affected by any severe communicable disease, it could adversely affect or disrupt our operations, as we may be required to close some or all of our business to prevent the spread of the disease. The spread of any severe communicable disease in China may also affect our customers and suppliers, which could in turn adversely affect our business, financial condition, results of operations and growth prospects.

***PRC regulations relating to loans and direct investment made by offshore holding companies in PRC entities may delay or prevent us from using the proceeds of offering of the Bonds to contribute additional capital or extend loans to our PRC subsidiaries.***

The Company is an offshore holding company which conducts its operations in China through its PRC subsidiaries. In utilising the proceeds from the offering of the Bonds for the purposes described in the section headed “*Use of Proceeds*” in the offering memorandum, the Company may extend loans or inject additional capital to its PRC subsidiaries. Any loans made to the PRC subsidiaries of the Company, which are treated as foreign invested enterprises under PRC law, are subject to PRC regulations and foreign exchange loan registrations. For example, loans made by the Company to its PRC subsidiaries to finance their activities cannot exceed statutory limits and must be registered with SAFE or its local counterparts. The Company may also finance its PRC subsidiaries by means of capital contributions. These capital contributions must be approved by MOFCOM or its local counterparts. We cannot assure you that we will be able to complete the necessary government registrations or obtain the necessary government approvals on a timely basis, if at all, with respect to future loans or capital contributions made by the Company to its PRC subsidiaries. If we fail to complete such registrations or obtain such approvals, our ability to use the proceeds from the offering to capitalise or otherwise fund our PRC operations may be negatively affected, which could materially and adversely affect our liquidity and our ability to timely perform the payment obligations under the Bonds.

***Our ability to secure new projects may be materially and adversely affected by policies and regulations introduced by the PRC government which have the effect of restricting investment in the PRC real estate industry.***

In recent years, the PRC government has introduced a number of policies and regulations aiming for regulating overseas investment in the real estate industry in the PRC, which is perceived to result from foreign equity and debt financing of real estate developments. On 23 May 2007, MOFCOM and SAFE jointly issued the Circular on Further Strengthening and Standardizing the Examination, Approval and Regulation of Direct Investment in Real Property by Foreign Investor (商務部、國家外匯管理局關於進一步加強、規範外商直接投資房地產業審批和監管的通知). Such notice, among other things, regulates the establishment of a Foreign Invested Real Property Enterprise (“FIRPE”) in the PRC by a foreign investor, by requiring additional filing procedures with MOFCOM. Further, on 10 July 2007, SAFE issued the Notice concerning Issuance of the List of Foreign-invested Real Estate Projects (First Batch) having been Filed with the Ministry of Commerce issued by the General Division of State Administration of Foreign Exchange (“Notice 130”) (國家外匯管理局綜合司關於下發第一批通過商務部備案的外商投資房地產項目名單的通知) which further restricts the ability of a FIRPE to increase its registered capital and apply for foreign exchange registrations after June 2007. FIRPEs that obtain a certificate of approval for increasing their registered capital will be required to complete MOFCOM filing procedures. On 11 May 2013, SAFE promulgated the Provisions on Foreign Exchange Administration over Direct Investment Made by Foreign Investors in China (Hui Fa [2013] No. 21) (“Circular 21”) (外國投資者境內直接投資外匯管理規定) (匯發[2013]21號), which replaced Notice 130 among other things and refined the corresponding SAFE registration of foreign investment including FIRPE. In addition, on 13 February 2015, the SAFE promulgated the Notice on Further Simplifying and Improving Foreign Exchange Administration Policies for Direct Investment (Hui Fa [2015] No. 13) (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) (“Circular 13”), which will replace Circular 21 from 1 June 2015. Under Circular 13, foreign exchange registration for foreign direct investment and outbound direct investment will be exempted from the approval by the SAFE and the registration rights will be delegated from the SAFE to the qualified banks. If we fail to obtain approvals and complete the filing requirements for increasing the registered capital of our existing FIRPEs in the PRC or for establishing new FIRPEs in the PRC, our overseas subsidiaries may be unable to inject the proceeds of the offshore financing into the PRC, which could materially and adversely affect funding of our business and our ability to timely perform the payment obligations under the Bonds.

### **Risks Relating to the Bonds**

#### ***The Bonds are unsecured obligations.***

The Bonds are unsecured obligations of the Company. The repayment of the Bonds may be adversely affected if:

- the Company enters into bankruptcy, liquidation, reorganisation or other winding-up proceedings;
- there is a default in payment under the Company’s future secured indebtedness or other unsecured indebtedness; or
- there is an acceleration of any of the Company’s indebtedness.

If any of these events were to occur, the Company’s assets may not be sufficient to pay amounts due on the Bonds.

***The Bonds do not have the benefit of a keepwell deed or a deed of equity interest purchase undertaking.***

The Bonds do not have the benefit of a keepwell deed or a deed of equity interest purchase undertaking provided by its parent, Greenland Holding Group Company Limited (“Greenland Holding”), as compared to other outstanding notes issued by the Company including but not limited to US\$500,000,000 4.375 per cent. notes due 2017 and US\$450,000,000 3.875 per cent. notes due 2019, and therefore Greenland Holding is not obligated to provide liquidity support in case the Company has insufficient liquidity to meet its payment obligations under the Bonds.

***The Company may not be able to redeem the Bonds upon the due date for redemption thereof.***

Following the occurrence of a Put Event (as defined in the Terms and Conditions of the Bonds), the Company may, at the option of any Bondholder, be required to redeem all, but not some only, of such Holder’s Bonds at 100 per cent. of their principal amount, together with accrued and unpaid interest, provided that if the Company decides not to redeem any Bond upon the No Keepwell Event, the interest rate applicable to any then outstanding Bonds since the date of the No Keepwell Event shall be [●] per cent. per annum. If a Put Event were to occur, the Company may not have sufficient cash in hand and may not be able to arrange financing to redeem the Bonds in time, or on acceptable terms, or at all. The ability to redeem the Bonds in such event may also be limited by the terms of other debt instruments. The Company’s failure to repay, repurchase or redeem tendered Bonds could constitute an event of default under the Bonds, which may also constitute a default under the terms of the Company’s or the Group’s other indebtedness.

***If the Company is unable to comply with the restrictions and covenants in its debt agreements (if any), or the Bonds, there could be a default under the terms of these agreements, or the Bonds, which could cause repayment of the Company’s debt to be accelerated.***

If the Company is unable to comply with the restrictions and covenants in the Bonds, or current or future debt obligations and other agreements (if any), 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 the Company, accelerate repayment of the debt, declare all amounts borrowed due and payable or terminate the agreements, as the case may be. Furthermore, some of the debt agreements of the Company contain cross-acceleration or cross-default provisions. As a result, the default by the Company under one debt agreement may cause the acceleration of repayment of debt, including the Bonds, or result in a default under its other debt agreements, including the Bonds. If any of these events occur, there can be no assurance that the Group’s assets and cash flows would be sufficient to repay in full all of the Company’s indebtedness, or that it would be able to find alternative financing. Even if the Company could obtain alternative financing, there can be no assurance that it would be on terms that are favourable or acceptable to the Company.

***The liquidity and price of the Bonds following this offering may be volatile.***

The price and trading volume of the Bonds may be highly volatile. Factors such as variations in the revenues, earnings and cash flows of the Group and proposals of new investments, strategic alliances and/or acquisitions, interest rates and fluctuations in prices for comparable companies could cause the price of the Bonds to change. Any such developments may result in large and sudden changes in the volume and price at which the Bonds will trade. There can be no assurance that these developments will not occur in the future.

***Developments in other markets may adversely affect the market price of the Bonds.***

The market price of the Bonds may be adversely affected by declines in the international financial markets and world economic conditions. The market for the Bonds is, to varying degrees, influenced by economic and market conditions in other markets, especially those in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can affect the securities markets and the securities of Company in other countries, including China. Since the sub-prime mortgage crisis in 2008, the international financial markets have experienced significant volatility. If similar developments occur in the international financial markets in the future, the market price of the Bonds could be adversely affected.

***A trading market for the Bonds may not develop.***

The Bonds are a new issue of securities for which there is currently no trading market. There can be no assurance as to the liquidity of the Bonds or that an active trading market will develop. If such a market were to develop, the Bonds could trade at prices that may be higher or lower than the initial issue price depending on many factors, including prevailing interest rates, the Group's operations and the market for similar securities. The Joint Lead Managers are not obligated to make a market in the Bonds and any such market making, if commenced, may be discontinued at any time at the sole discretion of the Joint Lead Managers.

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

As the Company is incorporated under the laws of Cayman Islands, any insolvency proceeding relating to the Company would likely involve Cayman Islands insolvency laws, the procedural and substantive provisions of which may differ from comparable provisions of the local insolvency laws of jurisdictions with which the holders of the Bonds are familiar.

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

The Company is listed on the Hong Kong Stock Exchange. 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 of the Company included in this offering memorandum has been prepared in accordance with IFRS which differs in certain respects from U.S. GAAP and generally accepted accounting principles in other jurisdictions, which might be material to the financial information contained in this offering memorandum.

***Exchange rate risks and exchange controls may result in a Bondholder receiving less interest or principal than expected.***

The Company will pay principal and interest on the Bonds in US dollars. This presents certain risks relating to currency conversions if a Bondholder's financial activities are denominated principally in a currency or currency unit (the "Investor's Currency") other than US dollars. These include the risk that exchange rates may significantly change (including changes due to devaluation of the US dollar or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the US dollar would decrease (i) the Investor's Currency equivalent yield on the Bonds; (ii) the Investor's Currency equivalent value of the principal payable on the Bonds; and (iii) the Investor's Currency equivalent market value of the Bonds.

Governments and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, a Bondholder may receive less interest or principal than expected, or no interest or principal.

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

In certain circumstances, including without limitation giving of notice to the Company pursuant to Condition 9 and taking enforcement steps pursuant to Condition 13 of the Terms and Conditions of the Bonds, the Trustee may, at its sole discretion, request holders of the Bonds to provide an indemnity and/or security and/or prefunding to its satisfaction before it takes actions on behalf of holders of the Bonds. The Trustee shall not be obliged to take any such actions if not indemnified and/or secured and/or prefunded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or prefunding 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 or prefunding to it, in breach of the terms of the Trust Deed (as defined in the Terms and Conditions of the Bonds) or the Terms and Conditions of the Bonds 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 Bonds to take such actions directly.

***Decisions that may be made on behalf of all holders of the Bonds may be adverse to the interests of individual holders of the Bonds.***

The Terms and Conditions of the Bonds contain provisions for calling meetings of holders of the Bonds to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders of the Bonds including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority. Furthermore, there is a risk that the decision of the majority of holders of the Bonds may be adverse to the interests of the individuals.

***We may be able to redeem the Bonds in whole at a redemption price equal to 100 per cent. of the principal amount plus accrued and unpaid interest in the event we are required to pay additional amounts because we are treated as a PRC “resident enterprise”.***

In the event that we are treated as a PRC “resident enterprise” under the CIT Law, we may be required to withhold PRC tax on interest payable to certain of our non-resident investors. In such case, we will, subject to certain exceptions, be required to pay such additional amounts as will result in receipt by a holder of a Bond of such amounts as would have been received by the holder had no such withholding been required. As described in Condition 6(b) of the Terms and Conditions of the Bonds in the event we are required to pay additional amounts as a result of certain changes in specified tax law or certain other circumstances, including any change in interpretation or statement of the official position that results in our being required to withhold tax on interest payments as a result of our being treated as a PRC “resident enterprise,” we may redeem the Bonds in whole at a redemption price equal to 100 per cent. of the principal amount plus accrued and unpaid interest.

***The Bonds are subject to optional redemption by us.***

As set forth in Condition 6(d) of the Terms and Conditions of the Bond the Bonds may be redeemed at our option following the occurrence of NDRC Registration at 101 per cent. of their principal amount, together with accrued and unpaid interest. Such an optional redemption feature is likely to limit the market value of the Bonds. During any period when we may elect to redeem the Bonds, the market value of those Bonds generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. We may be expected to redeem the Bonds when its cost of borrowing is lower than the interest rate on the Bonds. In such case, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Bonds being redeemed and may only be able to do so at a significantly lower rate. It may therefore cause a negative financial impact on the Bondholders. Potential investors should consider reinvestment risk in light of other investments available at that time.



## EXCHANGE RATE INFORMATION

### China

The PBOC sets and publishes daily a base exchange rate with reference primarily to the supply and demand of Renminbi against a basket of currencies in the market during the prior day. The PBOC also takes into account other factors, such as the general conditions existing in the international foreign exchange markets. From 1994 to July 20, 2005, the conversion of Renminbi into foreign currencies, including Hong Kong dollars and U.S. dollars, was based on rates set daily by the PBOC on the basis of the previous day's inter-bank foreign exchange market rates and then current exchange rates in the world financial markets. During this period, the official exchange rate for the conversion of Renminbi to U.S. dollars remained generally stable. Although the PRC government introduced policies in 1996 to reduce restrictions on the convertibility of Renminbi into foreign currencies for current account items, conversion of Renminbi into foreign currencies for capital items, such as foreign direct investment, loan principals and securities trading, still requires the approval of SAFE and other relevant authorities. On 21 July 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. On the same day, the value of the Renminbi appreciated by approximately 2 per cent. against the U.S. dollar. On 18 May 2007, the PBOC enlarged the floating band for the trading prices in the inter-bank foreign exchange market of the Renminbi against the U.S. dollar from 0.3 per cent. to 0.5 per cent. around the central parity rate, effective on 21 May 2007. This allows the Renminbi to fluctuate against the U.S. dollar by up to 0.5 per cent. above or below the central parity rate published by the PBOC. The floating band was further widened to 1.0 per cent. on 16 April 2012. From 21 July 2005 to 31 December 2013, the value of the Renminbi appreciated by approximately 26.9 per cent. against the U.S. dollar. On 17 March 2014, the PBOC further widened the floating band against the U.S. dollar to 2.0 per cent. The PRC government has since made and in the future may make further adjustments to the exchange rate system. The PBOC authorised the China Foreign Exchange Trading Center, effective since 4 January 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.

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 Federal Reserve Bank of New York for the periods indicated:

Period	Exchange Rate			
	Period End	Average <sup>(1)</sup>	High	Low
		(RMB per US\$1.00)		
2011 .....	6.2939	6.4475	6.6364	6.2939
2012 .....	6.2303	6.3085	6.3879	6.2221
2013 .....	6.0537	6.1412	6.2438	6.0537
2014 .....	6.2046	6.1704	6.2591	6.0402
2015 .....	6.4778	6.2869	6.4896	6.1870
2016 .....	6.9430	6.6549	6.9580	6.4480
2017				
January .....	6.8768	6.8907	6.9575	6.8360
February .....	6.8665	6.8694	6.8821	6.8517
March .....	6.8832	6.8940	6.9132	6.8687
April .....	6.8778	6.8876	6.8988	6.8900
May .....	6.8098	6.8843	6.9060	6.8098

Source: Federal Reserve H.10 Statistical Release

Note:

- (1) Determined by averaging the rates on the last business day of each month during the relevant year, except for the average rate of the relevant periods in 2016, which is determined by averaging the daily rates during the period.

## **USE OF PROCEEDS**

We estimate that the net proceeds from this offering, after deducting the underwriting discounts and commissions and other estimated expenses payable by us in connection with this offering, will be approximately US\$[●] million, which we plan to use for the refinancing of our offshore debt and for general corporate purposes.

We may adjust the foregoing plans in response to changing market conditions and, thus, reallocate the use of the proceeds.

## TERMS AND CONDITIONS OF THE BONDS

*The following are the terms and conditions of the Bonds substantially in the form in which they (other than the texts in italics) will be endorsed on the definitive Certificates and referred to in the global certificate.*

The US\$[●] [●] per cent. bonds due [●] (the “**Bonds**”, which expression, unless the context requires otherwise, includes any further securities issued pursuant to Condition 15 and forming a single series therewith) of Greenland Hong Kong Holdings Limited (the “**Issuer**”) are constituted by a Trust Deed (the “**Trust Deed**”) dated on or about [●] (the “**Issue Date**”) made between the Issuer and Citicorp International Limited (the “**Trustee**”, which expression shall include its successor(s)) as trustee for the holders of the Bonds.

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Trust Deed. Copies of the Trust Deed and the Agency Agreement dated on or about [●] (the “**Agency Agreement**”) made between the Issuer, the Trustee, Citibank, N.A., London Branch as the principal paying agent (the “**Principal Paying Agent**”), the transfer agent (the “**Transfer Agent**”) and the registrar (the “**Registrar**”), and any other Agents appointed thereunder are available for inspection with prior written notification and proof of holding during normal business hours by the Holders at the principal office for the time being of the Trustee, being at the date of issue of the Bonds at 39th Floor, Champion Tower, 3 Garden Road, Central, Hong Kong and at the specified office of the Principal Paying Agent. The Holders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and those provisions of the Agency Agreement applicable to them.

### 1. Form, Specified Denomination and Title

- (a) *Form and Denomination:* The Bonds are issued in registered form in denomination of US\$200,000 and higher integral multiples of US\$1,000 in excess thereof. A certificate (each a “**Certificate**”) will be issued to each Holder in respect of its registered holding of Bonds. Each Certificate will be numbered serially with an identifying number which will be recorded on the relevant Certificate and in the register of Holders (the “**Register**”) which the Issuer will procure to be kept by the Registrar.
- (b) *Title:* Title to the Bonds passes only by transfer and registration of title in the Register. The Holder of any Bond will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the Holder. In these Conditions, “**Holder**” means the person in whose name a Bond is registered in the Register.

### 2. Status and Security

The Bonds constitute direct, unconditional, unsubordinated and (subject to Condition 4(a)) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4(a), at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

*Upon issue, the Bonds will be evidenced by a global certificate (the “**Global Certificate**”) substantially in the form scheduled to the Trust Deed. The Global Certificate will be registered in the name of a nominee for, and deposited with, a common depositary for Euroclear and Clearstream, Luxembourg, and will be exchangeable for individual Bond Certificates only in the circumstances set out therein.*

### 3. Transfers of Bonds and Issue of Certificates

- (a) *Register*: The Issuer will cause the Register to be kept at the specified office of the Registrar and in accordance with the terms of the Agency Agreement, on which shall be entered the names and addresses of the Holders and the particulars of the Bonds held by them and of all transfers of the Bonds. Each Holder shall be entitled to receive only one Certificate in respect of its entire holding of Bonds.
- (b) *Transfers*: Subject to the Agency Agreement and Conditions 3(d) and 3(e) herein, a Bond may be transferred by depositing the Certificate issued in respect of that Bond, with the form of transfer on the back of the Certificate duly completed and signed, at the specified office of the Registrar or the Transfer Agent.

Transfers of interests in the Bonds evidenced by the Global Certificate will be effected in accordance with the rules of the relevant clearing systems.

- (c) *Delivery of new Certificates*: Each new Certificate to be issued upon transfer of Bonds will, within seven business days of receipt by the Registrar or the relevant Transfer Agent of the duly completed form of transfer endorsed on the relevant Certificate, be mailed by uninsured mail at the risk of the Holder entitled to the Bond to the address specified in the form of transfer.

Where some but not all of the Bonds in respect of which a Certificate is issued are to be transferred a new Certificate in respect of the Bonds not so transferred will, within seven business days of receipt by the Registrar or the relevant Transfer Agent of the original Certificate, be mailed by uninsured mail at the risk of the Holder of the Bonds not so transferred to the address of such Holder appearing on the Register or as specified in the form of transfer.

In this Condition 3, “business day” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

- (d) *Formalities free of charge*: Registration of transfer of Bonds and issuance of new Certificates will be effected without charge by or on behalf of the Issuer or any Agent but upon (i) payment (or the giving of such indemnity and/or security and/or prefunding as the Issuer or any Agent may require) in respect of any tax or other governmental charges which may be imposed in relation to such transfer; (ii) the Registrar being satisfied in its absolute discretion with the documents of title or identity of the person making the application and (iii) the relevant Agent being satisfied that the regulations concerning transfer of Bonds have been complied with.
- (e) *Closed Periods*: No Holder may require the transfer of a Bond to be registered during the period of (i) ten business days ending on (but excluding) the due date for any payment of principal in respect of that Bond, and (ii) during the period of seven business days ending on (and including) any Record Date (as defined in Condition 7(a)), (iii) during the period of seven days prior to (and including) any date on which Bonds may be called for redemption by the Issuer pursuant to Condition 6(b) or Condition 6(d), or (iv) after any such Bond has been put for redemption pursuant to Condition 6(c).
- (f) *Regulations*: All transfers of Bonds and entries on the register of Holders will be made subject to the detailed regulations concerning transfer of Bonds scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar and the Trustee or by the Registrar with the prior written approval of the Trustee. A copy of the current regulations will be made available for inspection by the Registrar to any Holder who requests one in writing.

#### 4. Covenants

- (a) *Negative Pledge*: So long as any Bond remains outstanding (as defined in the Trust Deed) the Issuer will not, and will ensure that none of its Subsidiaries will create, or have outstanding, any mortgage, charge, lien, pledge or other security interest, upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness, or any guarantee or indemnity in respect of any Relevant Indebtedness, without at the same time or prior thereto according to the Bonds the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or such other security either (i) as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Holders or (ii) as the Trustee may in its absolute discretion deem not materially less beneficial to the interests of Holders.
- (b) *Financial Statements*: So long as any Bond remains outstanding (as defined in the Trust Deed):
- (i) the Issuer shall send to the Trustee as soon as practicable after their date of publication and in any event not more than 90 days after the end of each financial year, two copies of the audited annual financial statements (on a consolidated basis) of the Issuer and if such statements shall be in the Chinese language, together with an English translation of the same translated by an internationally recognised firm of accountants or a professional translation service provider, and a certificate signed by a Director or duly authorised officer of the Issuer (on a consolidated basis) certifying that such translation is complete and accurate; and
  - (ii) the Issuer shall send to the Trustee as soon as practicable after its date of publication and in any event not more than 60 days after the end of each financial period, two copies of the semi-annual statements prepared on a basis consistent with the audited financial statements of the Issuer and if such statements shall be in the Chinese language, together with an English translation of the same and a certificate signed by a Director or duly authorised officer of the Issuer certifying that such translation is complete and accurate.
- (c) *Financial Covenant*: So long as any Bond remains outstanding (as defined in the Trust Deed) the Issuer shall have a Total Equity of at least RMB2,000,000,000 at all times.
- (d) In these Conditions:
- (i) “**Group**” means the Issuer and its Subsidiaries taken as a whole;
  - (ii) “**PRC**” means the People’s Republic of China and for the purpose of these Conditions only, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
  - (iii) “**Relevant Indebtedness**” means any indebtedness issued outside the PRC which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market;
  - (iv) “**Subsidiary**” means, in relation to the Issuer, any company (A) in which the Issuer holds a majority of the voting rights or (B) of which the Issuer is a member and has the right to appoint or remove a majority of the board of directors or (C) of which the Issuer is a member and controls a majority of the voting rights, and includes any company which is a Subsidiary of a Subsidiary of the Issuer; and

- (v) “**Total Equity**” means the line item with the corresponding caption in the consolidated balance sheet of the Issuer, comprising the aggregate of:
  - (A) the amount paid up or credited as paid up on the issued share capital and share premium of the Issuer (other than any shares which are expressed to be redeemable); and
  - (B) the amount standing to the credit of the consolidated reserves and retained earnings of the Group; and
  - (C) the amount attributable to the minority interest.

## 5. Interest

- (a) *Interest Rate and Interest Payment Dates*: The Bonds bear interest on their outstanding principal amount from and including [●] 2017 at the rate of [●] per cent. per annum, subject to any increase pursuant to Condition 6(c), payable in arrear on [●] and [●] (each an “**Interest Payment Date**”). In these Conditions, the period beginning on and including [●] and ending on but excluding the first Interest Payment Date and the period beginning on and including the first Interest Payment Date and ending on but excluding the second Interest Payment Date is called an “**Interest Period**”. The relevant day-count fraction for an Interest Period or any period of less than a complete Interest Period will be determined on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed.
- (b) *Interest Payments*: Each Bond will cease to bear interest from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused. In such event, it shall continue to bear interest in accordance with this Condition 5 (both before and after judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant Holders, and (ii) the day seven days after the Trustee or the Principal Paying Agent has notified Holders of receipt of all sums due in respect of all the Bonds up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).
- (c) *Calculation of Interest*: Interest in respect of any Bond shall be calculated per US\$1,000 in principal amount of the Bonds.

## 6. Redemption and Purchase

- (a) *Final redemption*: Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on [●] 2018. The Bonds may not be redeemed at the option of the Issuer other than in accordance with this Condition 6.
- (b) *Redemption for Taxation Reasons*: The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not more than 60 nor less than 30 days’ irrevocable notice to the Trustee, the Principal Paying Agent and the Holders at their principal amount (together with any interest accrued to the date fixed for redemption) if (i) the Issuer informs the Trustee in writing immediately prior to the giving of such notice that the Issuer has or will become obliged to pay Additional Tax Amounts as provided or referred to in Condition 8 as a result of any change in, or amendment to, the laws or regulations of any Relevant Jurisdiction, or any change in the application or official interpretation of, or the stating of an official position with respect to, such laws or regulations, which change or amendment becomes effective on or after [●], and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it. Prior to the publication of any notice of redemption pursuant to this Condition 6(b), the Issuer shall deliver to the Trustee a certificate signed by

two directors of the Issuer stating that the obligation referred to in (i) above of this Condition 6(b) cannot be avoided by the Issuer taking reasonable measures available to it; and the Trustee shall be entitled to accept and rely upon such certificate as sufficient evidence (without further investigation or enquiry) of the satisfaction of the conditions precedent set out in (i) and (ii) above of this Condition 6(b), in which event it shall be conclusive and binding on the Holders.

Upon the expiry of any such notice as is referred to in this Condition 6(b), the Issuer shall be bound to redeem the Bonds in accordance with this Condition 6(b), provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Tax Amounts were a payment in respect of the Bonds then payable.

For the purposes of this Condition 6(b) and Condition 8, “**Relevant Jurisdiction**” means Cayman Islands, Hong Kong and the People’s Republic of China (which for this purpose excludes Hong Kong, Macau and Taiwan) or any political subdivision or any authority therein or thereof having power to tax to which the Issuer becomes subject in respect of payments made by it of any sums due in respect of the Bonds.

- (c) *Redemption for a Put Event*: Following the occurrence of a Put Event, the Holder of any Bond will have the right, at such Holder’s option, to require the Issuer to redeem all, but not some only, of such Holder’s Bonds on the Put Event Put Date at 100% of their principal amount, together with accrued interest to the Put Event Put Date, provided that if the Issuer decides not to redeem any Bond upon the No Keepwell Event, the interest rate applicable to any then outstanding Bonds since the date of the No Keepwell Event shall be [●] per cent. per annum. To exercise such right, the Holder of the relevant Bond must deposit at the specified office of the Principal Paying Agent or any other Paying Agent a duly completed and signed notice of redemption, in the form for the time being current, obtainable from the specified office of any Paying Agent (a “**Put Event Put Exercise Notice**”), together with the Certificate evidencing the Bonds to be redeemed, by not later than 30 days following a Put Event, or, if later, 30 days following the date upon which notice thereof is given to Bondholders by the Issuer in accordance with Condition 16. The “**Put Event Put Date**” shall be the fourteenth day after the expiry of such period of 30 days as referred to above.

A Put Event Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem the Bonds the subject of Put Event Put Exercise Notices delivered as aforesaid on the Put Event Put Date.

Not later than 10 days following the day on which the Issuer becomes aware of a Put Event, the Issuer shall procure that notice regarding the Put Event shall be delivered to the Trustee in writing and to the Holders (in accordance with Condition 16) stating:

- (i) the Put Event Put Date;
- (ii) the date of the Put Event and, briefly, the events causing the Change of Control or the No Keepwell Event;
- (iii) the date by which the Put Event Put Exercise Notice must be given;
- (iv) the redemption amount and the method by which such amount will be paid;
- (v) the names and addresses of all Paying Agents;
- (vi) the procedures that Holders must follow and the requirements that Holders must satisfy in order to exercise the Put Event Put Right; and
- (vii) that a Put Event Put Exercise Notice, once validly given, may not be withdrawn,

provided that if the Issuer decides not to redeem any Bond upon the No Keepwell Event, no later than 10 days following the day on which the Issuer becomes aware of the No Keepwell Event, the Issuer shall procure that notice regarding the Put Event shall be delivered to the Trustee and the Principal Paying Agent in writing and to the Holders (in accordance with Condition 16) stating:

- (i) the date of the No Keepwell Event and, briefly, the events causing the No Keepwell Event;
- (ii) the decision of the Issuer not to redeem any Bond upon No Keepwell Event; and
- (iii) the new interest rate applicable to any then outstanding Bonds since the date of the No Keepwell Event.

For the avoidance of doubt, whether or not the Issuer decides to redeem any Bond upon the No Keepwell Event, No Keepwell Event itself shall not be deemed an Event of Default under Condition 9.

None of the Trustee or the Agents shall be required to take any steps to ascertain whether a Put Event or any event which could lead to a Put Event has occurred or may occur and shall be entitled to assume that no such event has occurred until they have received written notice to the contrary from the Issuer. None of the Trustee or the Agents shall be required to take any steps to ascertain whether the condition for the exercise of the rights of Holders in accordance with this Condition 6(c) has occurred. None of the Trustee or the Agents shall be responsible for determining or verifying whether a Bond is to be accepted for redemption under this Condition 6(c) and will not be responsible to Holders for any loss or liability arising from any failure by it to do so. None of the Trustee or the Agents shall be under any duty to determine, calculate or verify the redemption amount payable under this Condition 6(c) and will not be responsible to Holders for any loss arising from any failure by it to do so.

For the purpose of this Condition 6(c):

a “**Change of Control**” occurs when:

- (A) SASAC or any other agency as designated by the State Council of the PRC ceases to Control, directly or indirectly, Greenland Holding Group Company Limited;
- (B) SASAC or any other agency as designated by the State Council of the PRC ceases to be the single largest direct or indirect holder of the issued share capital of Greenland Holding Group Company Limited;
- (C) Greenland Holding Group Company Limited ceases to directly or indirectly hold 50 per cent. or more of the voting rights of the issued share capital of the Issuer; or
- (D) the Issuer consolidates with or merges into or sells or transfers all or substantially all of the Issuer’s assets to any person or persons, acting together, other than its Subsidiaries;

“**Control**” means (1) the acquisition or control, directly or indirectly, of more than 40 per cent. of the voting rights of the issued share capital of an entity; or (2) the right to appoint and/or remove the majority of the members of the board of directors or other governing body of an entity, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise; or (3) the ability or power to direct the management policies of an entity, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise;



a “**No Keepwell Event**” will be deemed to occur if no Relevant Indebtedness incurred by the Issuer with the benefit of a keepwell deed provided by Greenland Holding Group Company Limited is outstanding or each such debt that continues to be outstanding ceases to have the benefit of such keepwell deed;

a “**person**” includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity) but does not include the Issuer’s board of directors or any other governing board and does not include the Issuer’s wholly-owned direct or indirect subsidiaries;

a “**Put Event**” means a Change of Control or a No Keepwell Event; and

“**SASAC**” means the State-owned Assets Supervision and Administration Commission of the People’s Government of Shanghai Municipality.

- (d) *Redemption at the Option of the Issuer*: Following the occurrence of NDRC Registration, the Issuer may, by giving not less than 15 nor more than 30 days’ notice (an “**Optional Redemption Notice**”) to the Trustee in writing and to the Bondholders in accordance with Condition 16, redeem the Bonds, in whole or in part, at a redemption price equal to 101% of their principal amount, together with accrued and unpaid interest, if any, to (but excluding), the redemption date (the “**Option Redemption Date**”) specified in the Option Redemption Notice.

In this Condition 6(d):

If less than all of the Bonds are to be redeemed at any time, the Bonds for redemption will be selected as follows:

- (1) if the Bonds are listed on any securities exchange and/or held through any clearing system, in compliance with the requirements of the principal securities exchange on which the Bonds are listed and/or in compliance with the requirements of the clearing system; or
- (2) if the Bonds are not listed on any securities exchange or held through any clearing system, on a pro rata basis (with adjustments to prevent fractional Bonds).

Any redemption described under this Condition 6(d) may, at the Issuer’s discretion, be subject to one or more conditions precedent. In addition, if such redemption is subject to the satisfaction of one or more conditions precedent, the related notice shall describe each such condition and, if applicable, shall state that, in the Issuer’s discretion, the date of redemption may be delayed until such time as any or all such conditions shall be satisfied or waived (provided that in no event shall such date of redemption be delayed to a date later than 60 days after the date on which such notice was mailed), or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied or waived by the date of redemption, or by the date of redemption as so delayed.

“**NDRC**” means the National Development and Reform Commission of the PRC or its local counterparts;

“**NDRC Registration**” means the Issuer completes the registration of foreign debt in respect of the offering of senior notes outside the PRC after [●] 2017 and obtains a certificate of registration from the NDRC in accordance with the NDRC Notice; and

“**NDRC Notice**” means the Notice on the Administrative Reform for the Registration of Offshore Debt Issuances (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) issued by the NDRC on September 14, 2015.

- (e) *Purchase*: The Issuer or any of its Subsidiaries may at any time purchase Bonds in the open market or otherwise at any price. Any Bonds purchased pursuant to this Condition 6(e) may be held, reissued, resold or surrendered to the Registrar for cancellation. The Bonds so purchased, while held by or on behalf of the Issuer or any such Subsidiary, shall not entitle the Holder to vote at any meetings of the Holders and shall not be deemed to be outstanding for certain purposes, including without limitation for the purpose of calculating quorums at meetings of the Holders or for the purposes of Condition 9 and Condition 12(a).
- (f) *Notice of redemption*: All Bonds in respect of which any notice of redemption is given under this Condition shall be redeemed on the date, in such place and in such manner as specified in such notice in accordance with this Condition. If there is more than one notice of redemption given in respect of any Bond (which shall include any notice given by the Issuer pursuant to Condition 6(b) or Condition 6(d) and any Put Event Put Exercise Notice given by a Bondholder pursuant to Condition 6(c)), the notice given first in time shall prevail and in the event of two notices being given on the same date, the first to be given shall prevail.

## 7. Payments

- (a) Method of Payment
  - (i) Payments of principal and premium (if any) shall be made (subject to surrender of the relevant Certificates at the specified office of any Transfer Agent or of the Registrar if no further payment falls to be made in respect of the Bonds represented by such Certificates) in the manner provided in Condition 7(a)(ii).
  - (ii) Interest on each Bond shall be paid to the person shown as the Holder on the Register at the close of business on the 5th business day before the due date for payment thereof (the “**Record Date**”). Payments of interest on each Bond shall be made in US dollars by cheque drawn on a bank in New York City and mailed (at the expense of the Issuer) to the Holder (or to the first named of joint Holders) of such Bond at its address appearing in the Register. Upon application by the Holder to the specified office of the Registrar or any Paying Agent before the Record Date, such payment of interest may be made by transfer to an account in US dollars maintained by the payee with a bank in New York City.
  - (iii) If the amount of principal being paid upon surrender of the relevant Certificate is less than the outstanding principal amount of such Certificate, the Registrar will annotate the Register with the amount of principal so paid and will (if so requested by the Issuer or a Holder) issue a new Certificate with a principal amount equal to the remaining unpaid outstanding principal amount. If the amount of interest being paid is less than the amount then due, the Registrar will annotate the Register with the amount of interest so paid.
- (b) *Payments subject to Fiscal Laws*: All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment, but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Holders in respect of such payments.
- (c) *Payment Initiation*: Where payment is to be made by transfer to an account in US dollars, payment instructions (for value the due date, or if that is not a business day, for value the first following day which is a business day) will be initiated, and, where payment is to be made by cheque, the cheque will be mailed (at the expense of the Issuer) on the due date (or if that is not a business day, on the first following day which is a business day) or, in the case of payments of principal where the relevant Certificate has not been surrendered at the specified office of any Paying Agent or of the Registrar, on a day on which the Principal Paying Agent is open for business and on which the relevant Certificate is surrendered.

- (d) *Delay in Payment*: Holders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due on a Bond if the due date is not a business day, if the Holder is late in surrendering or cannot surrender its Certificate (if required to do so) or if a cheque mailed in accordance with Condition 7(a)(ii) and Condition 7(c) arrives after the due date for payment.
- (e) *Non-Business Days*: If any date for payment in respect of any Bond is not a business day, the Holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this Condition 7 and in Condition 8, “business day” means a day (other than a Saturday or a Sunday) on which banks are open for general business (including dealings in foreign currencies) and on which banks and foreign exchange markets are open for business in London, New York City and, in the case of presentation of a Certificate, in the place in which the Certificate is presented.

## 8. Taxation

- (a) *Payment without Withholding*: All payments of principal, premium and interest by or on behalf of the Issuer in respect of the Bonds shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Relevant Jurisdictions or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

If the Issuer is required to make a deduction or withholding by or within any Relevant Jurisdiction the Issuer shall pay such additional amounts (“**Additional Tax Amounts**”) as will result in receipt by the Bondholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no Additional Tax Amounts shall be payable in respect of any Bond:

- (i) Other connection: to a holder (or to a third party on behalf of a holder) who is liable to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with any Relevant Jurisdiction other than the mere holding of the Bond; or
- (ii) Surrender more than 30 days after the Relevant Date: in respect of which the Certificate representing it is presented (where presentation is required) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such Additional Tax Amounts on surrendering the Certificate representing such Bond for payment on the last day of such period of 30 days;
- (iii) Failure to assist the Issuer to avoid Additional Tax Amounts: in respect of which a holder or beneficial owner fails to comply with a timely request of the Issuer, addressed to the holder, to provide information concerning such holder’s or beneficial owner’s nationality, residence, identity or connection with any Relevant Jurisdiction, if and to the extent that due and timely compliance with such request would have reduced or eliminated any withholding or deduction as to which Additional Tax Amounts would have otherwise been payable to such holder under this Condition 8;
- (iv) Any combination of taxes, duties, assessments or other governmental charges referred to in the immediately preceding Conditions 8(a)(i) to 8(a)(iii) (both inclusive).

No Additional Amounts shall be paid 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, 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, member or beneficial owner been the holder thereof.

“**Relevant Date**” in respect of any Bond means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Bondholders that, upon further surrender of the Certificate representing such Bond being made in accordance with these Conditions, such payment will be made, provided that payment is in fact made upon such surrender.

## 9. Events of Default

If any of the following events (each such event, an “Event of Default”) occurs the Trustee at its discretion may, and if so requested by Holders of at least 25 per cent. of the aggregate principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution shall (provided in any such case that the Trustee shall have first been indemnified and/or secured and/or pre-funded to its satisfaction), give written notice to the Issuer that the Bonds are, and they shall immediately become, due and payable at their principal amount together (if applicable) with accrued interest:

- (a) *Non-Payment*: the Issuer fails to pay the principal of or any interest on any of the Bonds when due; or
- (b) *Breach of Other Obligations*: the Issuer does not perform or comply with any one or more of its obligations in the Bonds or the Trust Deed which default is incapable of remedy or, if capable of remedy, is not remedied within thirty days after notice of such default shall have been given to the Issuer by the Trustee; or
- (c) *Cross-Default*: (i) any other present or future indebtedness of the Issuer or any of its Subsidiaries for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or (ii) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (iii) the Issuer or any of its Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 9(c) have occurred equals or exceeds US\$30,000,000 or its equivalent (on the basis of the middle spot rate for the relevant currency against the US dollars as quoted by any leading bank on the day on which this Condition 9(c) operates); or
- (d) *Enforcement Proceedings*: a distress, attachment, execution or other legal process is levied, enforced or sued out on or against any material part of the property, assets or revenues of the Issuer or any of the Principal Subsidiaries and is not discharged or stayed within thirty days; or
- (e) *Security Enforced*: any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any of the Principal Subsidiaries over all or a material part of its assets becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver manager or other similar person) and is not discharged within thirty days; or
- (f) *Insolvency*: the Issuer or any of the Principal Subsidiaries is (or is, or could be, deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any material part of (or of a particular type of) the debts of the Issuer or any of the Principal Subsidiaries; or

- (g) *Winding-up*: an order is made or an effective resolution passed for the winding-up or dissolution of the Issuer or any of the Principal Subsidiaries, or the Issuer or any of the Principal Subsidiaries ceases or threatens to cease to carry on all or a material part of its business or operations, except (i) for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (A) by an Extraordinary Resolution of the Holders, or (B) in the case of a Principal Subsidiary, whereby the undertaking and assets of the Principal Subsidiary are transferred to or otherwise vested in the Issuer or another Principal Subsidiary; or (ii) a disposal on an arm's length basis where the assets resulting from such disposal are vested in the Issuer or any of the Principal Subsidiaries; or
- (h) *Authorisation and Consents*: any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done in order (i) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under the Bonds and the Trust Deed, (ii) to ensure that those obligations are legally binding and enforceable and (iii) to make the Bonds and the Trust Deed admissible in evidence in the courts of Hong Kong is not taken, fulfilled or done; or
- (i) *Nationalisation*: any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer or any of the Principal Subsidiaries; or
- (j) *Illegality*: it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Bonds and the Trust Deed; or
- (k) *Analogous Events*: any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of Conditions 9(a) to 9(g) (both inclusive).

In this Condition 9, “**Principal Subsidiary**” means any Subsidiary of the Issuer:

- (a) whose revenue or (in the case of a Subsidiary which itself has Subsidiaries) consolidated revenue, as shown by its latest audited income statement are at least 5 per cent. of the consolidated revenue as shown by the latest published audited consolidated income statement of the Issuer and its Subsidiaries including, for the avoidance of doubt, the Issuer and its consolidated Subsidiaries' share of profits of Subsidiaries not consolidated and of jointly controlled entities and after adjustments for minority interests; or
- (b) whose net profit or (in the case of a Subsidiary which itself has Subsidiaries) consolidated net profit, as shown by its latest audited income statement are at least 5 per cent. of the consolidated net profit as shown by the latest published audited consolidated income statement of the Issuer and its Subsidiaries including, for the avoidance of doubt, the Issuer and its consolidated Subsidiaries' share of profits of Subsidiaries not consolidated and of jointly controlled entities and after adjustments for minority interests; or
- (c) whose total assets or (in the case of a Subsidiary which itself has Subsidiaries) total consolidated assets, as shown by its latest audited balance sheet are at least 5 per cent. of the amount which equals the amount included in the consolidated total assets of the Issuer and its Subsidiaries as shown by the latest published audited consolidated balance sheet of the Issuer and its Subsidiaries as being represented by the investment of the Issuer in each Subsidiary whose accounts are not consolidated with the consolidated audited accounts of the Issuer and after adjustment for minority interests; or

- (d) to which is transferred the whole or substantially the whole of the assets of a Subsidiary which immediately prior to such transfer was a Principal Subsidiary, provided that (xx) the Principal Subsidiary which so transfers its assets shall forthwith upon such transfer cease to be a Principal Subsidiary and the Subsidiary to which the assets are so transferred shall forthwith become a Principal Subsidiary and (yy) on or after the date on which the first published audited accounts (consolidated, if appropriate) of the Issuer prepared as of a date later than such transfer are issued, whether such transferor Subsidiary or such transferee Subsidiary is or is not a Principal Subsidiary shall be determined on the basis of such accounts by virtue of the provisions of paragraphs (a), (b) or (c) above of this definition;

provided that, in relation to paragraphs (a), (b) and (c) above of this definition:

- (i) in the case of a corporation or other business entity becoming a Subsidiary after the end of the financial period to which the latest consolidated audited accounts of the Issuer relate, the reference to the then latest consolidated audited accounts of the Issuer for the purposes of the calculation above shall, until consolidated audited accounts of the Issuer for the financial period in which the relevant corporation or other business entity becomes a Subsidiary are published be deemed to be a reference to the then latest consolidated audited accounts of the Issuer adjusted to consolidate the latest audited accounts (consolidated in the case of a Subsidiary which itself has Subsidiaries) of such Subsidiary in such accounts;
- (ii) if at any relevant time in relation to the Issuer or any Subsidiary which itself has Subsidiaries no consolidated accounts are prepared and audited, revenue, net profit or total assets of the Issuer and/or any such Subsidiary shall be determined on the basis of pro forma consolidated accounts prepared for this purpose by the Issuer;
- (iii) if at any relevant time in relation to any Subsidiary, no accounts are audited, its revenue, net profit or total assets (consolidated, if appropriate) shall be determined on the basis of pro forma accounts (consolidated, if appropriate) of the relevant Subsidiary prepared for this purpose by the Issuer; and
- (iv) if the accounts of any Subsidiary (not being a Subsidiary referred to in proviso (i) above) are not consolidated with those of the Issuer, then the determination of whether or not such subsidiary is a Principal Subsidiary shall be based on a pro forma consolidation of its accounts (consolidated, if appropriate) with the consolidated accounts (determined on the basis of the foregoing) of the Issuer.

## **10. Prescription**

Claims against the Issuer for payment in respect of the Bonds shall be prescribed and become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

## **11. Replacement of Certificates**

If any Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations or other relevant regulatory authority regulations, at the specified office of the Registrar, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require (provided that the requirement is reasonable in light of prevailing market practice). Mutilated or defaced Certificates must be surrendered before replacements will be issued.

## 12. Meetings of Holders, Modification, Waiver, Authorisation, Determination and Entitlement of Trustee

- (a) *Meetings of Holders*: The Trust Deed contains provisions for convening meetings of the Holders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any of the provisions of the Trust Deed. The quorum for any meeting convened to consider an Extraordinary Resolution will be two or more persons holding or representing more than 50 per cent. in principal amount of the Bonds for the time being outstanding, or at any adjourned such meeting two or more persons being or representing whatever the principal amount of the Bonds held or represented unless the business of such meeting includes the modification or abrogation of certain of the provisions of these Conditions and certain of the provisions of the Trust Deed, including consideration of proposals, inter alia, (i) to modify the maturity date of the Bonds or the dates on which interest is payable in respect of the Bonds, (ii) to reduce or cancel the principal amount of, any premium payable on redemption of, or interest on, the Bonds, (iii) to change the currency of payment of the Bonds, or (iv) to modify the provisions concerning the quorum required at any meeting of Holders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 66 per cent, or at any adjourned such meeting not less than 33 per cent, in the principal amount of the Bonds for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on all Holders, whether or not they were present at the meeting at which such resolution was passed.

The Trust Deed provides that a resolution passed (i) by way of electronic consents through the relevant clearing system in accordance with the Trust Deed, or (ii) in writing signed by or on behalf of the Holders of not less than 90 per cent. in principal amount of the Bonds outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Holders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Holders.

- (b) *Modification, Waiver, Authorisation and Determination*: The Trustee may (but shall not be obliged to) agree, without the consent of the Holders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, or any failure to comply with any of these Conditions or any of the provisions of the Trust Deed which in its opinion is not materially prejudicial to the interest of the Holders, or may agree, without any such consent as aforesaid, to any modification which, in its opinion, is of a formal, minor or technical nature or to correct a manifest error or where such error is, in the opinion of the Trustee, proven. Any such modification, waiver or authorisation shall be binding on the Holders and, unless the Trustee agrees otherwise, such modification shall be notified to the Holders as soon as practicable thereafter in accordance with Condition 16.
- (c) *Entitlement of the Trustee*: In connection with the exercise of its functions, rights, powers and/or discretions (including but not limited to those referred to in this Condition 12), the Trustee shall have regard to the interests of the Holders as a class and shall not have regard to the consequences of such exercise for individual Holders and the Trustee shall not be entitled to require, nor shall any Holder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Holders.

## 13. Enforcement

At any time after the Bonds become due and payable, the Trustee may, at its discretion and without further notice, institute such actions, steps or proceedings against the Issuer as it may think fit to enforce the terms of the Trust Deed and/or the Bonds, but it need not take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Bondholders holding at least 25 per cent. in principal amount of the Bonds outstanding, and (b) it shall have been indemnified

and/or secured and/or pre-funded to its satisfaction. No Bondholder may proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

#### **14. Indemnification of the Trustee**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

The Trustee may rely without liability to Holders on any report, confirmation or certificate or any advice of any accountants, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation or certificate or advice and such report, confirmation or certificate or advice shall be binding on the Issuer, the Trustee and the Holders.

The Trustee shall have no obligation to monitor whether an Event of Default, NDRC Registration, Change of Control or Put Event has occurred, and shall not be liable to any person for not doing so.

#### **15. Further Issues**

The Issuer is at liberty from time to time without the consent of the Holders to create and issue further securities either (i) having the same terms and conditions as the Bonds in all respects (or in all respects save for the issue date, issue price and first payment of interest on them) and so that the same shall be consolidated and form a single series with the outstanding securities of any series (including the Bonds) constituted by the Trust Deed or any supplemental deed or (ii) upon such terms as the Issuer may determine at the time of the issue. Any further securities which are to form a single series with the outstanding securities of any series (including the Bonds) constituted by the Trust Deed or any supplemental deed shall, and any other further securities may (with the consent of the Trustee), be constituted by a deed supplemental to the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Holders and the holders of securities of other series in certain circumstances where the Trustee so decides.

#### **16. Notices**

All notices to the Holders will be valid if (i) mailed to them by uninsured mail at their respective addresses in the Register or (ii) published in a leading newspaper having general circulation in Hong Kong or, if such publication shall not be practicable, in a daily newspaper with general circulation in Asia. It is expected that such publication will normally be made in the Asian Wall Street Journal. The Issuer shall also ensure that notices are duly published in a manner that complies with the rules and regulations of any stock exchange or other relevant authority on which the Bonds are for the time being listed. Any notice shall be deemed to have been given on the date of publication or, if so published more than once, on the first date on which publication is made.

*Until such time as any definitive certificates are issued and so long as the Global Certificate is held in its entirety on behalf of Euroclear and Clearstream, any notice to the Bondholders shall be validly given by the delivery of the relevant notice to Euroclear and Clearstream, for communication by the relevant clearing system to entitled accountholders in substitution for notification as required by the Conditions and shall be deemed to have been given on the date of delivery to such clearing system.*



## 17. Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Act 1999.

## 18. Governing Law and Jurisdiction

- (a) *Governing Law*: The Trust Deed, the Agency Agreement and the Bonds and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance, with English law.
- (b) *Jurisdiction*: The courts of Hong Kong are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Bonds, the Trust Deed and the Agency Agreement and any non-contractual obligations arising out of or in connection with them and accordingly any legal action or proceedings arising out of or in connection with any Bonds, the Trust Deed and the Agency Agreement (“**Proceedings**”) may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts and waives any objection to Proceedings in any such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

## SUMMARY OF PROVISIONS RELATING TO THE BONDS IN GLOBAL FORM

*The Global Certificate contains provisions which apply to the Bonds while they are in global form, some of which modify the effect of the Terms and Conditions of the Bonds set out in this offering memorandum. The following is a summary of certain of those provisions.*

Terms defined in the terms and conditions of the Bonds (the “Conditions” or “Terms and Conditions”) set out in this offering memorandum have the meaning in the paragraphs below.

The Bonds will be represented by a Global Certificate which will be registered in the name of a nominee of, and deposited with, a common depository on behalf of Euroclear and Clearstream.

Under the Global Certificate, the Company, for value received, will promise to pay such principal, interest and premium (if any) on the Bonds to the holder of the Bonds on such date or dates as the same may become payable in accordance with the Terms and Conditions of the Bonds.

Owners of interests in the Bonds in respect of which the Global Certificate is issued will be entitled to have title to the Bonds registered in their names and to receive individual definitive Certificates if either Euroclear or Clearstream or any other clearing system (an “Alternative 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 permanently to cease business or does in fact do so. In such circumstances, the Company will cause sufficient individual definitive Certificates to be executed and delivered to the Registrar for completion, authentication and dispatch to the relevant holders of the Bonds. A person with an interest in the Bonds in respect of which the Global Certificate is issued must provide the Registrar not less than 30 days’ notice at its specified office of such holder’s intention to effect such exchange and a written order containing instructions and such other information as the Company and the Registrar may require to complete, execute and deliver such individual definitive Certificates.

In addition, the Global Certificate will contain provisions which modify the Terms and Conditions of the Bonds as they apply to the Bonds evidenced by the Global Certificate. The following is a summary of certain of those provisions:

**Payments:** All payments in respect of Bonds represented by a Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be on the Clearing System Business Day immediately prior to the date for payment, where Clearing System Business Day means Monday to Friday inclusive except 25 December and 1 January.

**Trustee’s Powers:** In considering the interests of Bondholders while the Global Certificate is held on behalf of, or registered in the name of any nominee for, a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to the Global Certificate and may consider such interests as if such accountholders were the holders of the Bonds represented by the Global Certificate.

**Notices:** So long as the Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream or any Alternative Clearing System, notices to holders of the Bonds shall be given by delivery of the relevant notice to Euroclear or Clearstream or such Alternative Clearing System, for communication by it to accountholders entitled to an interest in the Bonds in substitution for notification as required by the Terms and Conditions of the Bonds.

**Transfer of Bonds represented by Global Certificates:** Transfers of interests in the Bonds will be effected through the records of Euroclear and Clearstream (or any Alternative Clearing System) and their respective participants in accordance with the rules and procedures of Euroclear and Clearstream (or any Alternative Clearing System) and their respective direct and indirect participants. Where the holding of Bonds represented by the Global Certificate is only transferable in its entirety, the certificate issued to the transferee upon transfer of such holding shall be a Global Certificate. Where transfers are permitted in part, certificates issued to transferees shall not be Global Certificates unless the transferee so requests and certifies to the Registrar that it is, or is acting as or as nominee for a common depository for Clearstream, Euroclear and/or an Alternative Clearing System.

**Cancellation:** Cancellation of any Bond represented by the Global Certificate which is required by the Terms and Conditions of the Bonds to be cancelled will be effected by reduction in the principal amount of the Bonds in the register of the Bonds and the Global Certificate on its presentation to or to the order of the Principal Paying Agent for annotation (for information only) in the Global Certificate.

**Meetings:** For the purposes of any meeting of Bondholders, the holder of the Bonds represented by the Global Certificate shall (unless the Global Certificate represents only one Bond) be treated as two persons for the purposes of any quorum requirements of a meeting of Bondholders and as being entitled to one vote in respect of each US\$1,000.

**Bondholder's Redemption:** The Bondholder's redemption options in Condition 6(c) may be exercised by the holder of the Global Certificate giving notice to the Principal Paying Agent or any other Paying Agent of the principal amount of Bonds in respect of which the option is exercised within the time limits specified in the Conditions.

**Company's Redemption:** The option of the Company provided for in Conditions 6(b) and 6(d) shall be exercised by the Company giving notice to the Bondholders within the time limits set out in and containing the information required by that the Conditions.

## CAPITALISATION AND INDEBTEDNESS

The following table sets forth our capitalisation and indebtedness as at 31 December 2016 on an actual basis and on an adjusted basis after giving effect to the issuance of the Bonds after deducting the underwriting discounts and commissions and other estimated expenses payable by us in connection with this offering. The following table should be read in conjunction with the selected consolidated financial information and the consolidated financial statements and related notes included in this offering memorandum.

	As at 31 December 2016			
	Actual		As adjusted	
	RMB	US\$	RMB	US\$
	(audited)		(unaudited)	
	(in thousands)			
Short-term Borrowings <sup>(1)</sup>				
– Interest bearing loans .....	3,713,620	534,873	3,713,620	534,873
– Bonds within one year .....	3,456,778	497,880	3,456,778	497,880
– Bonds to be issued.....	–	–	[●]	[●]
Long-term Borrowings <sup>(2)</sup>				
– Interest bearing loans .....	5,770,601	831,139	5,770,601	831,139
– Bonds .....	4,581,996	659,945	4,581,996	659,945
Total Borrowings <sup>(3)</sup> .....	17,522,995	2,523,837	[●]	[●]
Total Equity <sup>(4)</sup> .....	9,723,694	1,400,503	9,723,694	1,400,503
Total Capitalisation <sup>(5)</sup> .....	20,076,291	2,981,587	20,076,291	2,981,587

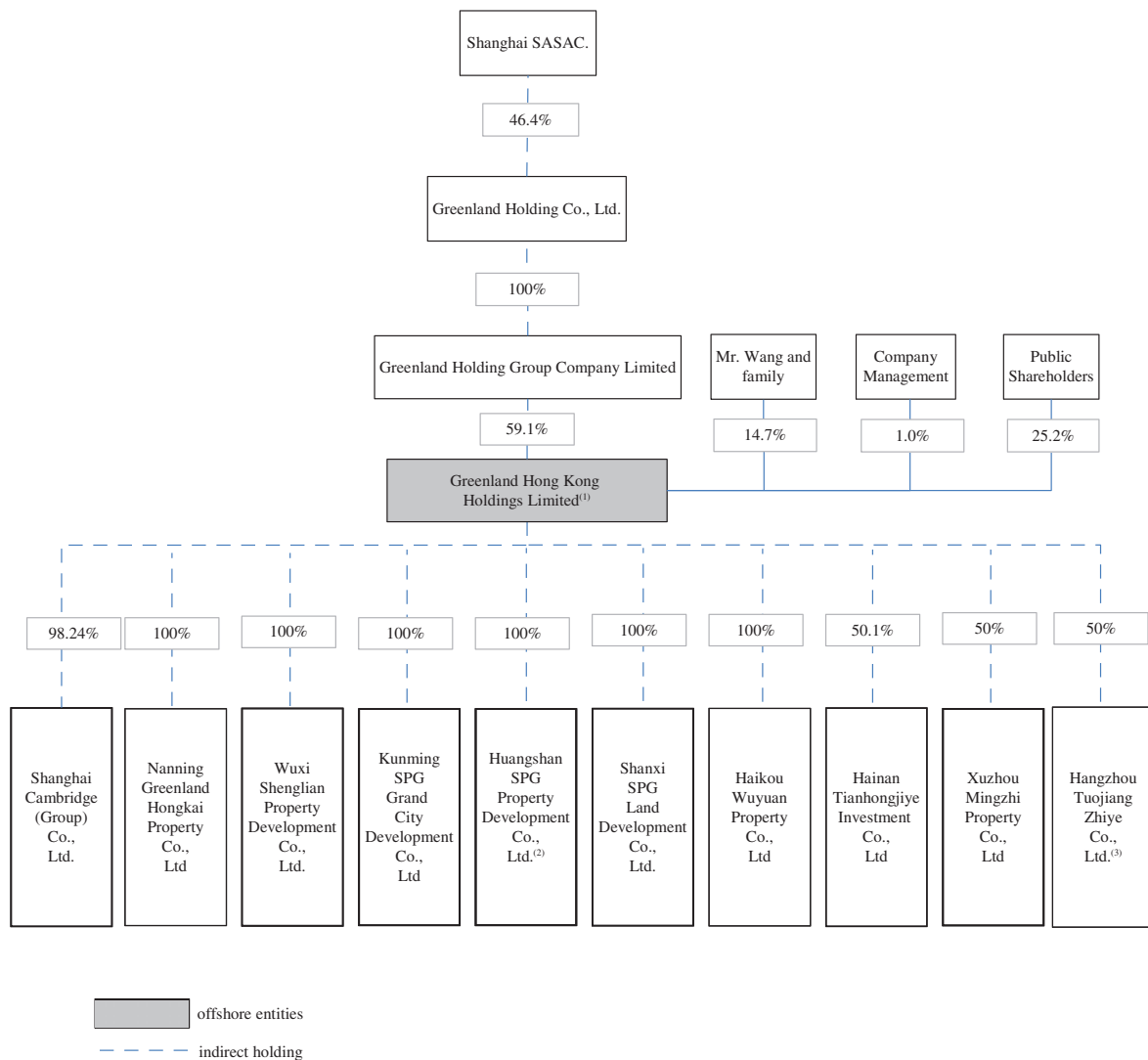
*Notes:*

- (1) Short-term borrowings include the current portion of interest-bearing loans and bonds.
- (2) Long-term borrowings include the non-current portion of interest-bearing loans and bonds.
- (3) Total borrowings includes short-term borrowings and long-term borrowings.
- (4) Total equity includes share capital, share premium, reserves, retained earnings and non-controlling interests.
- (5) Total capitalisation equals total long-term borrowings (excluding the current portion of long-term borrowings) and total equity.

Except as otherwise disclosed above, there has been no material adverse change in our capitalisation and indebtedness since 31 December 2016.

## CORPORATE STRUCTURE

The following chart illustrates our simplified corporate structure as at the date of this offering memorandum:



*Notes:*

1. 100% of the equity interests of Shanghai Wuli Real Estate Development Company Limited, an indirect wholly-owned subsidiary of Greenland Hong Kong Holdings Limited, held by True Thrive Investment Limited, has been pledged to The Hongkong and Shanghai Banking Corporation Limited. The registered capital of Nanning Greenland Xinyuan Real Estate Development Company Limited, an indirect wholly-owned subsidiary of Greenland Hong Kong Holdings Limited have not been fully paid up in accordance with its articles of association.
2. 70% of its equity interests held by its shareholder, SPG Investment Ltd, has been pledged to Jiaoyin Financial Leasing Company Limited.
3. 100% of its equity interests held by its shareholder, Xubao (Hong Kong) Company Limited, has been pledged to Standard Chartered Bank (Hong Kong) Limited.

## BUSINESS

### Overview

We are the only overseas-listed real estate platform of Greenland Holding, a leading property developer in China and an enterprise that the Shanghai State-owned Assets Supervision and Administration Commission (“Shanghai SASAC”) supervises and holds 46.4 per cent of equity interest through subsidiaries. Since Greenland Holding’s acquisition of 60 per cent. of our shares in May 2013, we have been important to Greenland Holding’s strategy and growth.

In recent years, we have experienced significant growth in the scale of our business operation and financial performance. Our revenue and net profit have increased by CAGR of 144 per cent. and 340 per cent., respectively, from RMB2,840.0 million and RMB64.1 million for the year ended 31 December 2014 to RMB16,919.2 million and RMB1,240.6 million for the year ended 31 December 2016, respectively, while our total asset has increased by CAGR of 15 per cent. from RMB41,039.7 million as at 31 December 2014 to RMB54,105.1 million as at 31 December 2016. Our return on equity has increased from 2 per cent. for the year ended 31 December 2014 to 14.0 per cent. for the year ended 31 December 2016. Alongside with the growth in our business operations, we have also expanded our financing channels and have lowered our cost of borrowing. Since 2014, we have issued approximately US\$1,300.0 million of senior notes and completed an aggregate of equivalent to US\$820.0 millions of syndicated loans. In May 2015, we also completed an equity placement that raised US\$223.0 million. Our effective interest cost has decreased by 3.85 per cent. points from 8.2 per cent. as at 31 December 2013 to 4.35 per cent. as at 31 December 2016.

We strive to implement the parallel development of our core business segments, real estate development, internet financing and real estates funds, to expand and diversify our revenue sources and to promote the overall advantages of the Greenland brand in the capital markets and throughout the industries in which we operate.

### *Real Estate Development*

Our real estates development business focuses on the development of quality residential, commercial and hotel properties in China by leveraging on the well-known Greenland platform and brand name. Our projects are mostly located in the Yangtze River Delta region, the Pan-Pearl River Delta region and other provincial capital cities that we believe to have strong growth potential. We have recent acquired land plots located in Suzhou Wujiang, Nanning and Wuxi. As at 31 December 2016, we had a total of 36 projects held for development and sale in 13 cities, of which mostly are located in first-and second-tier cities in the PRC.

### *Internet Financing Business*

We operate our internet financing business through our wholly-owned subsidiary Greenland Financial Information Services Co., Ltd (“Greenland Financial Services”) and our internet financing business focuses on the origination and distribution of real estates financing products by leveraging on the well-recognized Greenland brand name and Greenland Holding’s experience and relationships in the PRC real estate industry. We have entered into strategic cooperation agreements with the Shanghai Lujiazui International Financial Asset Exchange, Zhong An Online P&C Insurance Co. Ltd., China Orient Asset Management (International) Holding Limited and Qihoo 360. 2016 was the first year when our internet financing business generated profit, reaching 120 per cent. of management target.

## ***Real Estates Funds Business***

Our real estates funds business focuses on identifying suitable investment opportunities in real estate fund projects. By leveraging on our low financing costs, we are able to maximize our yield from such investments. The asset-light business model contributes to the favourable results in our real estates fund investment business. In 2016, we signed strategic cooperation agreements with a Kuwaiti strategic investor, Cinda (HK) Holdings Company Limited and Guangxi Railway Investment (Group) Co., Limited. We have also established the Silk Road Integrated Real Estates Fund I L.P. that will focus on investments in top-tier world class real estate in prime locations in major cities globally. See “*Business – Recent Developments – Establishment of a Real Estate Fund*” for more details with respect to the establishment of the Silk Road Integrated Real Estates Fund I L.P..

### **Our Competitive Strengths**

We believe the following are our key competitive strengths to support our sustainable and profitable growth:

#### ***Continuous strong shareholder support from and effective integration with Greenland Holding***

Our majority shareholder, Greenland Holding, is a leading property developer in China and have been listed as one of the “Fortune Global 500” companies since 2014 and was ranked 311 by *Fortune* in the 2016 Fortune Global 500. Greenland Holding is also the second largest enterprise that is supervised by the Shanghai SASAC through subsidiaries and has been receiving strong support from the PRC government. Greenland Holding’s operations cover real estates, finance, infrastructure and consumption, among which the real estates sector is the biggest profit contributor and has accounted for more than 80 per cent. of Greenland Holding’s gross profit since 2012.

We receive continuous and strong shareholder support from Greenland Holding and have been effectively integrated into Greenland Holding’s overall strategy. We benefit from Greenland Holding’s good relationship with the PRC government and are able to obtain land from Greenland Holding at competitive prices, such as the land of our Hangzhou and Kunming projects to expand our overseas development, such as the establishment of the partnership we have with Kuwait Strategic Investor. In recent years, we have successfully completed numerous capital market transactions, including issuances of our US\$700 million, RMB1.5 billion and US\$500 million bonds with the benefit of keepwell deed and the deed of equity interest purchase undertaking from Greenland Holding, a US\$223 million equity placement and equivalent to US\$320 million and US\$500 million of syndicated loans. Our effective interest cost has decreased from 8.2 per cent. as at 31 December 2013 to 4.35 per cent. as at 31 December 2016. We also leverage on Greenland Holding’s brand recognition to develop our asset-light business model in our internet financing business and to develop our real-estates development projects. We also benefit from Greenland Holding’s nationwide marketing network and extensive project experience which increases our operational efficiency and sell-through rates and benefits from the economies of scale which reduces our operating costs with respect to procurement, construction, marketing and other functions. Furthermore, we benefit from Greenland Holding’s comprehensive experiences and local market knowledge in product positioning, sales strategies, design, and market understanding in more than 80 cities in which it has operations in the development of our business and projects.

#### ***Strong contracted sales performance and solid growth with the back of adequate saleable resources***

We have strong contracted sales performances. Our contracted sales for 2014, 2015 and 2016 were RMB12.9 billion, RMB17.4 billion and RMB18.2 billion, respectively, while the contracted GFA for 2014, 2015 and 2016 decreased from 1,700,467 sq.m. to 1,570,736 sq.m. and further to 1,463,411 sq.m. As a result, our contracted average selling price grew from RMB7,602 per sq.m. in 2014 to RMB11,070 sq.m. in 2015 and further to RMB12,450 sq.m. in 2016.

Approximately 96 per cent. of our total contracted sales for 2016 are located in Shanghai, the Yangtze River Delta and Pan-Pearl River Delta regions, consistent with our development strategy focused in first-tier cities and areas with growth potentials. Our contracted sales for 2016 constitute 89 per cent. of residential properties, 6 per cent. of office and 5 per cent. of commercial properties.

***Sizeable, low cost and high quality land bank focusing on the Yangtze River Delta and the Pan-Pearl River Delta regions***

As at 31 March 2017, we had a total land bank of approximately 14 million sq.m., with sites strategically located in key cities in the Yangtze River Delta region, the Pan-Pearl River Delta region. Our average land cost is approximately RMB2,548 per sq.m., which is only about 20 per cent. of our contracted average selling price for 2016 and we have recently acquired several pieces of land site at a significantly lower cost when compared to the land site's premium, including a 178,275 sq.m. land site with a land premium of approximately RMB545 million at RMB2,669 per sq.m. for the development of the Onsheng Project, which remains subject to completion, a 69,217 sq.m. land site with a land premium of RMB1,523 million at RMB8,800 per sq.m. for the development of Suzhou ONE, an 82,640 sq.m. land site with a land premium of RMB1,158 million at RMB4,184 per sq.m. for the development of Greenland Central Plaza, a 74,000 sq.m. land site with a land premium of RMB535 million at RMB1,806 per sq.m. for the development of Greenland West Town International Huadu and a 164,624 sq.m. land site with a land premium of RMB2,527 million at RMB7,281 per sq.m. for the development of Sky Tree. Our land bank is sufficient to support our real estate property development pipeline for the next three to five years and we are on the look out to acquire more quality sites that demonstrate growth potentials by leveraging on Greenland Holding's abundant land resources and their cost-effective financing channels.

***Sound credit profile supported by diversified, low-cost financing channels and prudent financial management***

We are committed to obtaining low cost external capital through diversified financing channels, including syndicated bank loans, bonds and equity issuance, in order to optimize our capital structure and increase our liquidity. Leveraging the credit advantages available to state owned entities such as Greenland Holding, we have obtained overall credit lines with major domestic banks, including the big four state-owned banks, which allow us to acquire low cost financing with relatively long repayment periods. We also further diversify our financing channels by expanding our overseas financing channels. We have completed syndicated loans equivalent to US\$320 million and US\$500 million with major offshore banks from Hong Kong. We have also completed various issuances of offshore bonds and one issuance of offshore perpetual capital securities since 2014 and in May 2015, we completed an equity placement raising US\$223 million in total.

We have benefited greatly from our diversified and low cost financing channels as well as prudent financial management. We actively adjust our liability structure by replacing short-term debts with long-term debts and have replaced foreign currency denominated debt with RMB denominated debt in response to the currency exchange fluctuations in the RMB. Our Renminbi denominated debt increased from RMB5,917 million (representing 31 per cent. of our total debt) as at 31 December 2015 to RMB7,184 million (representing 41 per cent. of our total debt) as at 31 December 2016 and our onshore bank loans also increased from RMB4,581 million (representing 24 per cent. of our total debt) as at 31 December 2015 to RMB5,783 million (representing 33 per cent. of our total debt) as at 31 December 2016. Comparatively, our Hong Kong dollar denominated debt and U.S. dollar denominated debt respectively decreased from RMB1,909 million (representing 10 per cent. of our total debt) and RMB11,261 million (representing 59 per cent. of our total debt) as at 31 December 2015 to RMB1,227 million (representing 7 per cent. of our total debt) and RMB9,112 million (representing 52 per cent. of our total debt) as at 31 December 2016 and our offshore bank loans and offshore bonds have also respectively decreased from RMB5,344 million (representing 28 per cent. of our total debt) and RMB9,162 million (representing 48 per cent. of our total debt) as at 31 December 2015 to RMB3,680 million (representing 21 per cent. of our total debt) and RMB8,061 million (representing 46 per cent. of our total debt) as at December 31 2016. Our prudent financial management has reduced effective interest cost from 8.2 per cent. as at 31 December 2013 to 5.20 per cent. as at 31 December 2014 to 4.80 per cent. as at 31 December 2015 and further to 4.35 per cent. as at 31 December 2016.



### ***Asset-light initiatives to improve profit margin and to expand capital resources to finance business expansion***

We have actively pursued the asset-light initiative, especially in our real estates funds business and our internet financing business, to improve our profit margin and to expand capital resources to finance future business expansions. Since the introduction of the asset-light business model in our businesses, we have made remarkable achievements. Our internet financing business had its first profitable year in 2016 achieving 120 per cent. of management target and Daokun Asset in our real estates funds business was recognized as one of “2016 Top 10 China Real Estate Fund AUM by Growth Rate”.

Since establishing Greenland Financial Services in May 2015 we have endeavoured to build an internet platform that is a one-stop shop covering services including wealth management and investments, social financing and community financing in order to create a robust property-based internet finance ecosystem. We work with institutional distribution channels such as Qihoo 360’s “Your Wealth Platform” and China Pingan Group’s Lu.com, among others and our self-developed mobile internet finance platform. Furthermore, the establishment of Greenland Financial Services has expanded and strengthened our relationship with entities such as real estates developers, public funds, broker asset management companies, private funds and trusts and insurance companies.

### ***Experienced and stable management team and effective corporate governance***

As three of Greenland Holding’s senior management members currently serve as our executive directors, Greenland Holding actively participates in our strategic planning. Mr. Chen Jun, our Chairman and our CEO, also the executive vice president of Greenland Holding, has more than 18 years of experience in the real estate and construction industry with extensive management experience in the industry and joined Greenland Holding in February 2001. Mr. Chen also serves as a deputy of the 11th and 12th People’s Congress of Shaanxi Province, the honorary chairman of Shanghai Chamber of Commerce in Shaanxi and a member of the standing committee of the Shaanxi Youth Federation.

We have adopted a centralized corporate governance structure, which effectively centralizes decision making and integrates resources to ensure efficient operation and governance. We have a Board of Directors, with a Company Secretary and Independent Directors. We have a robust internal control system, including an audit committee, remuneration committee and nomination committee.

## **Our Business Strategies**

2016 was a significant year highlighted by a substantial transformation and outstanding achievements for us. As the Chinese government continues to implement supply-side reforms, we also captured market opportunities despite facing great challenges. In line with the integrated strategy of our majority shareholder Greenland Holding, we have accelerated our pace of corporate restructuring, actively developed innovative business strategies, sought to fully advance our operations in the internet finance industry and have pro-actively explored transforming into the asset-light business model. We striving to develop into a comprehensive industry conglomerate focused on the parallel development of our core business operations in real estate development, internet financing and real estate funds.

### ***Our Integrated Strategy***

As our most important financing platform in Hong Kong, we focus on and carry out the integrated strategy that focuses on promoting innovation, transformation and upgrade of our capital platform and the industries in which we operate to make our business bigger and stronger. At the same time we continue to focus on our core business operations and their management. We will implement parallel development of our core businesses operations to expand and diversify our revenue sources and to promote the overall advantages of the Greenland brand in the capital markets and throughout the industries in which we operate.

### ***Real Estate Development Business Strategy***

Using our powerful insights and a strong capacity for innovation, we continue to create mature product lines and multi-operational-type combinations in our real estate development business operation. Moreover, based on the characteristics of different markets, we strategically invest in first-tier cities in China such as Shanghai as well as other fast-growing second and third-tier cities across China in order to develop large-scale residential properties and high-end properties. We aim to boost our profitability by innovatively integrating the traditional real estate development business operation with our internet finance and real estate funds business operations.

In addition, we will integrate our existing resources such as hotels, golf clubs, travel services, resorts plus medical and health care operations into our customer resources platform via the internet to provide online and offline value-added services for our customers. Relying on our strong customer base, we plan to increase the Greenland brand's popularity as well as deepen customer loyalty to further expand our customer base and achieve 'precision marketing'. In addition, we will utilise the support we have from Greenland Holding and its vast international resources to gain a clearer differentiating advantage over our competitors and to better satisfy our customers' varying needs through our comprehensive products and service offerings and efficient supply chains. By strengthening and expanding both our marketing and service systems, we will ensure faster and better realization of our annual sales target.

### ***Internet Financing Business Strategy***

Since entering the Internet finance industry with the establishment of Greenland Financial Services in May 2015, we have achieved rapid progress in our internet finance business operations, which has formed a distinctive development pattern centered on online wealth management, asset management and data information services business segments.

Looking forward, we will continue to expand on the three business segments and also strive to further develop our internet finance operations in the real estates industry, continue to optimise the online wealth management platform and actively update and enrich platform product lines to maintain competitiveness. Without compromising on the security and health of our asset management business segment, we will diversity our asset sources and accelerate the expansion of our asset management business. We will also fully leveraging our leading technological capabilities to actively develop our data information services business segment and strengthen internal cooperation with various business units to facilitate the establishment of a strong company-wide ecosystem.

### ***Real Estate Fund Business Strategy***

Leveraging our core strengths in of the business of traditional real estate development, we have achieved remarkable results in our real estate funds business operation by actively exploring the transformation into an asset-light business model. In 2016, we signed strategic cooperation agreements with a Kuwaiti strategic investor, Cinda (HK) Holdings Company Limited, and Guangxi Railway Investment (Group) Co., Limited.

We aim to adhere to the development principle of 'light assets and accelerated growth', by identifying suitable investment opportunities in real estate fund projects. We also aim to leverage on our low financing costs to maximize our yield from such investments. We will also maintain a reasonable corporate assets and a healthy cash flow. As we progress toward our goal of becoming a true comprehensive industry conglomerate, we will also promote and strengthen the Greenland brand's advantage in the capital markets and the related industries in which we operate.

## **Recent Developments**

### ***Establishment of a Real Estate Fund***

On 24 March 2017, Jade Fluorite Limited, our wholly owned subsidiary (“Jade Fluorite”), Kuwait Silk Road Integrated Real Estate GP Ltd. (“KSI”) and Silk Road Integrated Real Estate GP Ltd. (“JV”), the joint venture company owned 50 per cent. by Jade Fluorite and 50 per cent. by KSI, entered into a shareholders’ agreement (the “JVA”) in relation to, among others, the establishment of the Silk Road Integrated Real Estate Fund I L.P. (the “Fund”) and the management of the JV. The Fund will primarily focus on (i) investment in top-tier world class real estate; (ii) investment in real estate in prime locations in major cities globally, including cities located within or along the regions covered by China’s “One Belt, One Road” initiative; (iii) investment in diversified property sectors including residential, commercial, office, retail, hospitality and integrated developments; (iv) investment in logistics; (v) making strategic and other investment in real estate; (vi) engaging in real estate financing; (vii) retaining flexibility to invest in real estate projects of various development stages; and (viii) optimizing value across real estate development cycles.

Subject to the terms of the JVA, Jade Fluorite and KSI will advance an unsecured shareholder loan to the JV in an aggregate amount equal to HK\$75 million, with Jade Fluorite to advance a maximum amount of up to 50 per cent. of such shareholder loan. The shareholder loan will be applied by the JV to fund the costs, expenses and liabilities of the organisation, funding, start-up and the operation and activities of the Fund, the JV and their affiliates.

Jade Fluorite and KSI will in aggregate maintain a commitment to invest in the Fund of between HK\$750 million and HK\$1.5 billion, with Jade Fluorite to commit a maximum of 50 per cent. of such investment. The general partner of the Fund, which is a wholly owned subsidiary of the JV, is entitled to receive carried interest of 10 per cent. of the profit of the Fund.

### ***New Property Project – Sky Tree***

In 2017, we started the development of Sky Tree, which is located above the No. 1 subway of Wuxi Guang Cheng Subway Property Development Project in Wuxi. We hold a 90% interest in Sky Tree. Sky Tree is situated in Tai Hu New Town with access to convenient transportation and enjoys good landscape and is equipped with mature infrastructure. Sky Tree will be a mixed development of residential, commercial and office with site area of 164,624 sq.m. and total GFA of 338,000 sq.m. The development is scheduled to be completed in 2019. As of the date of the offering memorandum, we are in the construction stage of the development.

### ***New Property Project – Greenland West Town International Huadu***

In 2017, we started the development of Greenland West Town International Huadu, which is located in the Xingsihu sub-district of Nanning, west of Luowen Avenue and east of Luoxian Avenue. We hold an 18% interest in this development. The development is situated in Nanning’s centre of culture, education and scientific research and development. The development will be a mix of residential and commercial with total site area of 74,000 sq.m. and total GFA of 296,200 sq.m. The development is scheduled to be completed in 2019. As of the date of the offering memorandum, we are in the construction stage of the development.

### ***Acquisition of Property***

On 18 May 2017, we, through our indirectly wholly owned subsidiary Suzhou Lvjie Property Co., Ltd. (蘇州綠傑置業有限公司), entered into an equity transfer agreement with Yingxiang Holdings Group Co., Ltd. (鷹翔控股集團有限公司), pursuant to which we agreed to purchase 99% of equity interest in Wujiang Shenyong Real Estate Development Co., Ltd. (吳江神鷹房地產開發有限公司) (the “Target Company”) and its shareholder loan, which, according to its audited management accounts, amounted to approximately RMB286.8 million as at 30 November 2016. The Target Company holds all of the legal and beneficial interest in three parcels of lands situated at Dongfang venue, Shengzezhen, Wujiang City,

Jiangsu Province, the PRC (中國江蘇省吳江市盛澤鎮東方大街) with a total site area of approximately 178,275 sq.m. and planned GFA of approximately 204,000 sq.m. and the Yingxiang Building with a total site area of approximately 10,266 sq.m. The maximum consideration after adjustments to be paid by us shall not exceed RMB801.4 million. This transaction will further enhance our presence in the Yangtze River Delta and increase our land bank. The completion of this acquisition is subject to the satisfaction of conditions set forth in the equity transfer agreement.

### ***Disposal of Property***

On 25 May 2017, we, through our non-wholly owned subsidiary, Shanghai Cambridge (Group) Co., Ltd. (上海康橋半島(集團)有限公司), entered into a sale and purchase agreement with Shanghai Daoxin Network Technology Co., Ltd (上海道鑫網絡科技有限公司) (the “Purchaser”), pursuant to which the Purchaser agreed to purchase the buildings between two parcels of land with a total gross floor area of approximately 18,884 sq.m. (the “Property”) located in Shanghai. The Property is currently leased out to an independent third party under a tenancy agreement with a term expiring on 31 August 2022 and the current annual rent is approximately RMB17.4 million. As at 31 December 2016, the carrying amount of the Property as extracted from our audited consolidated financial statement for the year ended 31 December 2016 was RMB276 million. We expect to accrue a net gain of RMB9.5 million as a result of the transaction, being the difference between the consideration receivable from the transaction of RMB400 million and the carrying amount of the Property after deduction of the related tax. We intend to use the proceeds from this transaction as general working capital of the Group. The completion of this disposal is subject to the satisfaction of conditions set forth in the sale and purchase agreement.

## **Our Business**

### ***Real Estates Development Business***

Headquartered in Shanghai, the Company is a property developer that is principally engaged in the development of quality residential, commercial and hotel properties. The Company has over 10 years of experience developing quality large scale residential community projects. It began as a residential property developer in Shanghai in 1998 and subsequently diversified its business to include city centre integrated projects and leisure and resort facilities in Shanghai. Leveraging its well established position in Shanghai and accumulated experience in property development, the Company has expanded its business from Shanghai to other cities in the Yangtze River Delta region, including Wuxi, Suzhou and Changshu in Jiangsu Province, and Huangshan in Anhui Province and then to various other provincial capital cities that the Company believes to have strong growth potential, including Kunming in Yunnan Province, Haikou in Hainan Province and Taiyuan in Shanxi Province. The Company further expanded its business to Ningbo in Zhejiang Province, Xuzhou in Jiangsu Province, Hangzhou in Zhejiang Province, Nanning in Guangxi Province and Nanchang in Jiangxi Province.

As at 31 December 2016, the Company had a total of 36 projects held for development and sale in 13 cities in the PRC. As at the date of this offering memorandum, the Company had a land bank with a total GFA of approximately 14 million sq.m., with prime sites strategically located in key cities in the Yangtze River Delta, the Pan-Pearl River Delta region and provincial capital cities with regional economic importance.

We have strategically located over 76 per cent. of our total land bank as at 31 March 2017 in first-tier cities and provincial capital cities which we believe to have strong growth potential and have maintained a diverse portfolio of real estate development projects with a focused on residential properties, with approximately 75 per cent. of our total land bank as residential properties and approximately 17 per cent., 7 per cent. and 1 per cent. as commercial properties, office and hotel, respectively. Approximately 6 per cent. of our total land bank as at 31 March 2017 have been fully completed for sale and self-use, and approximately 32 per cent. is currently under construction while 62 per cent. are held for further developments. A breakdown of our land bank in value by region reflects that our land reserves in Shanghai, Jiangsu, Zhejiang, Haikou, Kunming, Nanning, Jiangxi and others attribute to approximately 29 per cent., 25 per cent., 5 per cent., 14 per cent., 12 per cent., 7 per cent., 7 per cent. and 1 per cent. of our total land bank in value as at 31 March 2017.

The following table sets forth the Company's properties portfolio as at 31 December 2016:

<b>Project Name</b>	<b>Location</b>	<b>Type</b>	<b>Interest<sup>(1)</sup></b>	<b>Site Area</b>	<b>Cumulative Planned GFA<sup>1</sup></b>
			<b>(per cent.)</b>	<b>(sq.m.)</b>	<b>(sq.m.)</b>
Greenland Huangpu Center .....	Shanghai	Residential Commercial Office	100	64,980	245,550
Cambridge Forest New Town .....	Shanghai	Residential Commercial	98.24	1,584,334	1,150,697
Greenland Seaside City .....	Shanghai	Commercial Office	50	69,172	153,213
Holiday Inn Shanghai Pudong Kangqiao.....	Shanghai	Hotel Commercial	100	42,750	59,630
Greenland Yunxiang Tower.....	Shanghai	Commercial Office	100	11,229	28,072
Greenland Xin Du Hui .....	Shanghai	Commercial Office	50	7,479	22,438
Oriental Garden (Cambridge Watertown).....	Shanghai	Residential Commercial	100	304,001	202,629
Tiffany (Cambridge Waters) .....	Shanghai	Residential Commercial	100	439,667	579,696
Global 188.....	Suzhou	Commercial Office Residential	100	14,896	149,308
Triumphal Residential .....	Suzhou	Residential Commercial	50	158,825	551,269
Greenland Jiangnan Huafu .....	Suzhou	Residential	100	204,981	490,000
Suzhou ONE.....	Suzhou	Residential Commercial	100	69,217	172,000
Greenland Xi Shui Dong .....	Wuxi	Residential Commercial	100	248,800	695,400
Greenland Emerald Bay.....	Changshu	Residential	100	107,391	121,325
Greenland La Cas.....	Changshu	Residential	100	158,825	86,728
Greenland Bihu International.....	Ningbo	Residential Commercial	100	90,974	125,691
Greenland Cifi City.....	Hangzhou	Residential Commercial Office	50	58,798	264,551
Greenland Lakeside Villa .....	Xuzhou	Residential Commercial	100	356,629	342,331
China Resource. Greenland Triumph Arch.....	Xuzhou	Residential Commercial	50	86,971	327,284
Greenland Taiping Lake Resort Project .....	Huangshan	Hotel Residential	100	2,283,733	1,141,867
Greenland Shanding Park .....	Taiyuan	Residential	100	429,000	352,900
Greenland City .....	Haikou	Residential Commercial Office	100	2,524,679	4,396,600
Greenland Central Cultural Center ....	Haikou	Residential Commercial Office	100	975,717	3,273,100
Greenland Hai Chang Liu.....	Haikou	Residential Commercial	50.1	339,720	1,000,652
Greenland the Florea .....	Haikou	Residential	100	292,174	252,759
Greenland Yunduhui Square .....	Kunming	Residential Commercial Office	55	59,355	237,418
Greenland Xiang Shu Hua Cheng.....	Kunming	Residential Commercial Office	55	70,800	235,223
Greenland Hai Po Lan Ting.....	Kunming	Residential Commercial	55	155,549	241,656

<sup>1</sup> This includes properties sold, properties completed for sale and properties held for development.

<b>Project Name</b>	<b>Location</b>	<b>Type</b>	<b>Interest<sup>(1)</sup></b>	<b>Site Area</b>	<b>Cumulative Planned GFA<sup>1</sup></b>
			<b>(per cent.)</b>	<b>(sq.m.)</b>	<b>(sq.m.)</b>
The Metropolitan.....	Kunming	Residential Commercial	100	170,806	614,994
Greenland International Huadu.....	Nanning	Residential Commercial	100	98,600	345,000
Nanning Greenland Center .....	Nanning	Commercial Office	100	356,629	314,875
Wuxiang Greenland Center.....	Nanning	Commercial Office	100	23,479	117,396
Greenland Central Plaza.....	Nanning	Residential Commercial	60	82,640	283,600
Chaoyang Center .....	Nanchang	Residential Commercial Office	100	110,189	495,800

*Note:*

(1) Interest attributable to the Company.

The Company derives its revenue largely from the sale of properties and, to a lesser extent, from rental income, property management and other related services, hotel and related services and education services. For the years ended 31 December 2014, 2015 and 2016, the Company delivered a total GFA of approximately 178,875 sq.m., 618,616 sq.m. and 1,233,561 sq.m., respectively, and achieved contracted sales of approximately RMB12,927 million, RMB17,388 million and RMB18,219 million, respectively. The Company recognised revenue from the sale of properties of approximately RMB2,263 million, RMB5,290 million and RMB16,431 million, respectively, for the same periods.

### ***Internet Financing Business***

As the PRC government unveiled the “Internet Plus” action plan in 2015, the Company entered the Internet finance sector and established Greenland Financial Information Services Co., Ltd (“Greenland Financial Services”) in May 2015, with strategic cooperation agreements with three financial institutions, namely Shanghai Lujiazui International Financial Asset Exchange, Zhong An Online P&C Insurance Co. Ltd. and China Orient Asset Management (International) Holding Limited. In late August 2015, a self-developed mobile Internet finance platform app for Greenland Financial Services, the “Greenland Guangcai” (綠地廣財), was launched online. In November 2015, the app was connected to the China Eastern Airlines’ app platform; in the same month, Greenland Financial Services embarked on its strategic cooperation with Qihoo 360’s “Your Wealth Platform” (你財富平臺), on which Greenland Financial Services could release the Internet investment and finance products up to RMB50 billion. In December 2015, Greenland Financial Services expanded its collaboration with Zhong An Online P&C Insurance Co., further securing the safety of the registered users’ capital. In the same month, “Greenland Guangcai” integrated with the Company’s global member platform G-Club and the “Greenland Crowdfunding” specialised platform, which was developed by Greenland Financial Services and the Company’s sales and marketing department, was also launched.

As at 31 December 2016, the number of registered users of “Greenland Guangcai” was over one million, with B2B and B2C platforms’ combined annual product offering size of approximately RMB10.1 billion. Since the launch of Greenland Guangcai in late August 2015 to 31 December 2016, the accumulated asset under management (“AUM”) was RMB7.3 billion. As at 31 December 2016, the existing AUM amounted to RMB6.0 billion. Daokun Asset, one of our funds, was also recognized as one of the “2016 Top 10 China Real Estates Fund AUM by Growth Rate”. Regarding the products, Greenland Financial Services has successfully developed and launched a series of Greenland’s products, including “Dichanbao” (地產寶), “Caifuying” (財富贏) and “Tiantianli” (天天利), covering a wide array of product lines with fixed income and floating income. In 2016, Greenland Financial Services was awarded the “Excellent Brand of Inclusive Finance Service in 2016” by Shanghai Financial Service Summit. The Company will continue to innovate to connect the property business with the finance business, while

Greenland Financial Services will introduce more innovative financial products. In line with the Company’s strategy, the Company will focus on the property business and “Property + Internet + Finance”, aiming to expand sources of revenue brought by the rapid development of Internet, accommodating industry needs and maximising the efficiency of the use of resources.

***Real Estates Funds Business***

Leveraging on our core strength in real estates development, our real estates funds business focuses on the implementation of real estate fund projects with low financing costs. We also intend to actively explore new application models for our real estate funds. The asset-light business model contributes to the favourable results in our real estates fund investment business. The real estates funds business also promotes stronger relationship with entities such as real estates developers, public funds, broker asset management companies, private funds and trusts and insurance companies

In 2016, we signed strategic cooperation agreements with a Kuwaiti strategic investor, Cinda (HK) Holdings Company Limited and Guangxi Railway Investment (Group) Co., Limited. We have also established the Silk Road Integrated Real Estates Fund I L.P. that will focus on investments in top-tier world class real estate in prime locations in major cities globally. See “*Business – Recent Developments – Establishment of a Real Estate Fund*” for more details with respect to the establishment of the Silk Road Integrated Real Estates Fund I L.P..

***Property Development Process***

Our headquarters and project companies work closely in developing our projects. Our headquarters are responsible for making overall strategic decisions about project development while our project companies oversee the day-to-day operations of our project developments. We have established various procedures and policies to manage our property development process.

The following outlines the core elements of our typical project development process:



***Site selection and market research***

We place great emphasis and devote significant management resources on site selection as it is the fundamental step to our success of project development. Our headquarters and project companies work closely on market research to identify potential targets. Our project companies are responsible for conducting research on the potential demand for a property development on such site, determining the market positioning, calculating certain operational and financial ratios based on our internal benchmarks such as the target internal rate of return for a project and then formulating a preliminary project feasibility study report for the approval of our headquarters.

Our major criteria of site selection include:

- our ability to develop a property that fits our growth strategies;
- development potentials in the nearby areas and cities;
- demand for the planned project from nearby connected communities and the neighbourhood;
- potential competition in the region;
- future growth potential and appreciation of the land and potential returns of project development;

- convenience of the site, such as the availability of public transportation and infrastructure support; and
- government existing and future development plans for the area.

### *Preliminary Preparation*

#### Land Acquisition

We acquire a substantial amount of our land for property development from the PRC government through negotiation and discussion with the government prior to the open tender process, which makes it easier for us to win the bid in the open tender process with legally preferential terms due to our brand and high quality projects with designs conforming to the city development plan by the local government. We also acquire land use rights on the secondary market through purchasing projects which have not been completed or acquiring project companies directly from other property developers. We also acquire land in undeveloped area by participating in the development of that area with the government. In addition, we acquire land by cooperation with the government in renovation and urban renewal of old constructions in core area of the city or in construction of ancillary infrastructure. We acquire a small amount of our land by usual public tenders, auctions or listings-for-sale for land use rights in accordance to the Regulations on Granting State-owned Construction Land Use Right 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), promulgated on 28 September 2007 and became effective on 1 November 2007. It provides that the PRC government may only grant land use rights in respect of state-owned land for business, tourism, entertainment and residential commodity property development purposes by way of public tenders, auctions or listings-for-sale. In a public tender, the relevant authorities may assess either solely on tender prices or, alternatively, by references to various factors, including tender prices, credit record of the bidders and quality of the development proposals, in determining to whom such land use right should be granted to. Material investments on land acquisition are assessed and approved by the investment and decision-making committee of our Board in accordance with the authorisation of the Board. For any investment exceeding the amount authorised by the Board, such investment is submitted to the Board for its approval. Where land use rights are granted through auctions or listings-for-sale, the land use rights are normally granted to the highest bidder.

#### Project Planning and Design

We engage reputable domestic and international architectural, interior and landscape design firms selected through tender processes to conduct our project design work. We apply high standards and unique design for our extra-high buildings which are the landmarks in the cities where they are located. The standards we applied in our extra-high buildings usually become the standards commonly adopted by other similar projects in that city.

A significant portion of our commercial buildings are customised to our clients' orders. A client could order an entire office building after we acquire the land. In this case, we could plan and design the building according to our client's requirements. This mode allows us to lock in sales before the pre-sales stage and substantially increases our sell-through rate.

We maintain a dedicated in-house design team and have strong in-house design capabilities. Our in-house design department is responsible for the overall planning and conceptual design of our development projects. Our sales and marketing department will review a design proposal in accordance with its understanding of customers' need and the relevant market research; and our finance and accounting department is also actively involved to provide certain financial and cost testing. Our design department will then adjust and formulate a final design plan. Our in-house design team works closely with external design firms.



## Project financing

We have financed our projects primarily through internal cash flows, including proceeds from pre-sales and sales of our properties, bank loans and trust financing. According to the Guidance on Risk Management of Property Loans of Commercial Banks (商業銀行房地產貸款風險指引) issued by the CBRC on 30 August 2004, no bank loan may be granted to projects which have not obtained the relevant land use rights certificates, construction land planning permits, construction work planning permits and construction work commencement permits. On 25 May 2009, the State Council issued a Notice on Adjusting the Capital Ratio of Fixed Assets Investment Project (關於調整固定資產投資項目資本金比例的通知). The notice provides that the minimum capital requirement for affordable housing and ordinary commodity apartments is 20 per cent., and the minimum capital requirement for other real estate development projects is 30 per cent. Pursuant to the Notice on Adjusting and Improving the Capital System for Fixed Asset Investment Projects (國務院關於調整和完善固定資產投資專案資本金制度的通知) issued by the State Council on 9 September 2015, for real estate development projects, the minimum capital requirement remains unchanged at 20 per cent. for affordable housing and ordinary commodity housing projects, the minimum capital requirement is adjusted from 30 per cent. to 25 per cent. for other real estate projects.

We use proceeds from the pre-sales and sales of our properties to fund part of the construction costs of the relevant projects and to settle bank loans. Proceeds from the pre-sales form the integral source of operating cash inflows during our project development. According to the laws of the PRC, we may pre-sell properties under construction after certain criteria are met and proceeds from the pre-sales are normally used for the construction of such properties. 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.

As at 31 December 2016, our outstanding current and non-current borrowings from banks and other financial institutions amounted to RMB17.5 billion. Our bank loans are primarily provided by major commercial banks in the PRC. We have also financed some of our projects with trust financing. Our ability to finance our projects also depends on the economic and regulatory measures introduced by the central and local governments, which are often intended to stabilise the property market in China. 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.

### *Construction*

#### Appointment of Construction Companies

We engage construction companies for our projects, including Greenland Construction Group and Yunfeng Group, through tender process in accordance with the Law on Tender and Bidding of the PRC (中華人民共和國招標投標法) and the Rules on the Tender Scope and Criteria for Construction Projects (工程建設項目招標範圍和規模標準規定). In order to ensure the quality and workmanship standards of our properties, we apply stringent criteria in the selection of construction companies and conduct detailed due diligence on them during the bidding process. We typically assess the construction companies' professional qualifications, reputation and credentials in the project market, financial conditions, experience, price quoted and technical abilities.

After the tender process, we generally accept the winning bidder's offer and enter into a construction contract with them, under which the construction company is subject to warranties in respect of the quality and construction completion schedule and is obligated to provide periodic progress reports to enable us to closely monitor the construction progress. The construction companies are also required to pay fines in the event of a delay and bear the costs of rectifying any construction defects. Payment to construction contractors by our Group is made in stages in accordance with the terms and conditions stipulated in the construction contracts and the percentage of stage payments varies from case to case. Upon completion of the project, the contractors will receive approximately 85-90 per cent. of the total payment. We will settle the remaining payment at closing and settlement, with 5 per cent. as retention money for a period of two to three years. The retention money is used to cover any contingent expenses incurred as a result of any construction defects.

## Procurement

Our construction contractors, including Shanghai Greenland Construction Engineering Co., Ltd. (上海綠地建築工程有限公司) and Shanghai Greenland Jianshe Gongcheng Company Limited (上海綠地建設工程有限公司), are responsible for procuring general and basic construction materials according to the construction contracts. We have established a centralised procurement process, which plays an essential role in achieving the economies of scale in production and enhancing our bargaining power, ensuring consistent construction material quality and strengthening our cost control. Our procurement department at our headquarters coordinates the procurement of construction materials. We have built stable strategic cooperation with reputable suppliers. We have also set up a stringent bidding process for the selection of suppliers. For construction materials that are particularly important to our projects construction, we seek tenders from various suppliers and assess the quality and price. In addition, pursuant to the Rules on the Tender Scope and Criteria for Construction Projects (工程建設項目招標範圍和規模標準規定) we adopt bidding process for procurement of construction materials whose procurement amount in a single contract exceeding RMB1 million.

## Quality Control and Construction Supervision

We place great emphasis on the quality control and construction supervision of our properties to ensure that they comply with relevant regulations and our quality standards. We have established a standardised, professional and procedural operational system of property development and have formulated various management measures for projects management, cost management, procurement management and contracts management as a constituent part of our quality control system.

In compliance with the relevant PRC laws and regulations, we engage certified construction supervision companies to monitor certain aspects of our construction of projects. They conduct quality and safety control checks on all construction materials and workmanship on-site and also monitor the progress of construction, work site safety and the construction completion schedule. In addition to engage external professionals, our project management team of each project company closely oversees the whole construction processes, particularly the quality and timetable of construction works, as well as the selection of construction materials to ensure that our property developments comply with applicable national quality control standards and our own stringent quality control standards.

## *Sales and marketing*

### Pre-sales

Pre-sales of our properties commence before the completion of a project or a project phase. Under the Law of the PRC on Urban Real Estate Administration (中華人民共和國城市房地產管理法) issued on 1 January 1995 and amended on 27 August 2009, Regulations on Administration of Development and Operations of Urban Real Estate (城市房地產開發經營管理條例) issued on 20 July 1998 and amended on 8 January 2011 and the Measures for the Administration of Pre-sale of Commodity Buildings (城市商品房屋預售管理辦法) issued on 1 January 1995 and amended on 20 July 2004, pre-sales of a property shall meet the following conditions:

- (i) the land premiums have been fully paid and the relevant land use rights certificate has been obtained;
- (ii) the construction work planning permit and the construction work commencement permit have been obtained;
- (iii) funds invested for construction of the project for pre-sale have exceeded 25 per cent. of the total investment for the project and date of completion of the project have been set confirmed; and

- (iv) a pre-sale registration has been made with the competent real estate administration and a permit of advance sales of commodities house has been obtained. Please refer to the section headed “*PRC Regulations*” in the offering memorandum for further details of the applicable PRC laws and regulations. Proceeds from pre-sales are generally deposited in escrow accounts and can only be used for financing the construction of the relevant properties.

We adopt a “quick sales and reasonable pricing” strategy and endeavour to sell at least 60 per cent. of the residential units within the first month of the sale of such properties. We set our selling prices of our properties by taking into account local market trends, development costs, expected investment returns and prevailing supply and demand conditions. We will enter into a standard contract with each of our purchasers, which mainly specifies the GFA of the property to be sold, purchase price, method of payment and the date of delivery of the completed property.

#### Sales and Marketing Plan

We primarily rely on internal resources to sell our properties. Our headquarters are responsible for formulating our annual sales and marketing strategies, in accordance with which our sales and marketing departments of the regional project companies formulate their respective sales and marketing plans. Our sales and marketing personnel at the regional project companies conduct comprehensive and detailed market research and formulate the pre-sales, sales and pricing strategies, which are reviewed and analysed by our headquarters. Our marketing department in our headquarters oversees nationwide marketing activities and provides trainings to our sales teams. Our customer database enables us to collect information in real time and accurately estimate resources required at each stage of the sales process in accordance with the data in the database. All regional divisions share the customer database which increases the efficiency of our sales and marketing. We also set up elite sales teams to support projects with relatively lower sell-through rates.

#### *Completion, Delivery and After-sales Services*

##### Payment Arrangements

Generally, we require purchasers of our properties to pay deposits before entering into formal sale and purchase agreements, which will be forfeited if the purchaser subsequently decides not to purchase the property. Our customers can either pay by one lump sum payment or by mortgage financing. For the customers who choose to settle the purchase price by one lump sum payment, the remaining purchase price balance is typically required to be fully settled no later than six months after the date of the execution of the sale and purchase agreements. For customers purchasing first home who choose to pay by mortgage financing, a down payment of not less than 30 per cent. of the purchase price is required to be paid to us upon signing the sale and purchase agreement and according to the current PRC laws and regulations, they could obtain mortgage loans of up to a maximum of 70 per cent. of the purchase price with a repayment period of up to 30 years for units with a GFA larger than 90 sq.m. These purchasers are required to pay the remaining balance of the portion of the purchase price that is not covered by the mortgage loans prior to the disbursement of the mortgage loans from mortgage banks.

In line with market practice in the PRC, we provide guarantees to the purchasers of our properties for the mortgage loans from mortgagee banks. Under these guarantees, we are jointly responsible for the repayment of principal and interest amount of the mortgage loans by the respective purchasers. If a purchaser defaults under a mortgage loan, we are obligated to repay all debts owed by the purchaser to the mortgagee bank and the mortgagee bank will assign their rights under the loan and the mortgage to us. After the change of mortgagee, we will have the right to the property. These guarantees will be released upon the earliest of:

- (i) the relevant property ownership certificates being obtained and the certificates of other interests with respect to the relevant properties being delivered to the mortgagee banks,

- (ii) two years after the expiry date of the mortgage loan contract, or
- (iii) the settlement of mortgage loans between the mortgagee banks and the purchasers.

#### Delivery of Properties

We closely monitor the construction progress of our properties and endeavour to deliver our properties to purchasers within the time frame stipulated in the respective sale and purchase agreements. Under the current PRC laws and regulations, we are required to obtain a Record of Acceptance Examination Upon Project Completion (《竣工驗收備案證明》) prior to the delivery of properties to the purchasers. Once a property development project has passed the requisite completion and acceptance inspections, we will notify the purchasers in respect of the delivery on a timely basis. However, if we fail to deliver the properties to purchasers on the date of delivery stipulated in the respective sale and purchase agreements, we will be obliged to pay a compensation fee of a certain percentage of the purchase price.

After the delivery of properties, we are required to obtain a general property ownership certificate for each of our projects and we also offer assistance to purchasers in applying for strata-title Building Ownership Certificate (《分戶產權證》) by providing the requisite information to the local title registration office.

#### After-sales Services

Our customer relationship department is responsible for the after-sales customer services. We provide comprehensive after-sales services, including assistance to our customers in obtaining property title certificates. A customer service staff is dedicated to each customer to provide after-sales services. We believe the provision of high quality after-sales services could enhance our brand recognition and goodwill and help to generate new sales and customer referrals for our properties.

#### Property development through our joint ventures

We also develop our properties through our joint ventures established with our partners. Pursuant to the terms of our joint venture contracts, both our joint venture partners and we are required to provide property development funds in proportion to our respective interest in the joint venture. We believe that property development through our joint ventures not only helps us to enter into local market but also enables us to utilise the development funds provided by our partners.

#### ***PRC Real Property Market***

According to the National Bureau of Statistics of China, the total sales revenue of commodity properties in China increased from approximately RMB5,859 billion in 2011 to approximately RMB11,763 billion in 2016 at a CAGR of 15.0 per cent. During the same period, the total GFA of commodity properties sold in China increased from approximately 1,094 million sq.m. in 2011 to approximately 1,573 million sq.m. in 2016 at a CAGR of 7.5 per cent. The average price of commodity properties sold in China increased from RMB5,357 per sq.m. in 2011 to RMB7,476 per sq.m. in 2016, representing a CAGR of 6.9 per cent. The average price of commodity properties sold was calculated by dividing total sales proceeds by the aggregate GFA sold.

The table below sets out selected statistics relating to the PRC property market for the years indicated.

	2011	2012	2013	2014	2015	2016	2011-2016 CAGR (per cent.)
Real estate investment (RMB billion, except CAGR).....	6,180	7,180	8,601	9,504	9,598	10,258	10.7
Investment in real estate development in residential properties (RMB billion, except CAGR).....	4,432	4,937	5,895	6,435	6,460	6,870	9.2
Total GFA of commodity properties sold (million sq.m., except CAGR).....	1,094	1,113	1,306	1,206	1,285	1,573	7.5
Total GFA of residential properties sold (million sq.m., except CAGR).....	965	985	1,157	1,052	1,124	1,375	7.3
Average price of commodity properties (RMB per sq.m., except CAGR) .....	5,357	5,791	6,237	6,324	6,793	7,476	6.9
Average price of residential properties (RMB per sq.m., except CAGR).....	4,993	5,430	5,850	5,933	6,472	7,203	7.6
Total sales revenue of commodity properties (RMB billion, except CAGR).....	5,859	6,446	8,143	7,629	8,728	11,763	15.0
Total sales revenue of residential properties (RMB billion, except CAGR).....	4,820	5,347	6,769	6,241	7,275	9,906	15.5

Source: 2016 CEIC Global Database, National Bureau of Statistics of China

### ***Property Management***

Property management is an important part of our property development and operation business. We place great emphasis on property management as a protective measure of our after-sales services, which we believe could enhance our property value and promote our brand recognition.

We charge our customers management fees on a monthly or quarterly basis. Under the PRC laws, property owners have the right to engage or dismiss a property management service provider with the consent of more than a half of all owners of the building and consent of owners who represent more than 50 per cent. of the interest in the non-communal area of the building in the aggregate. At the date of the offering memorandum, our property management companies have not been dismissed from the management of any properties.

### ***Disposal of Education Operations***

On 4 March 2016, Shanghai Cambridge (Group) Co., Ltd. (“Shanghai Cambridge”), one of our subsidiary, completed the disposal of its 67.14 per cent. equity interest in Shanghai Sipo Education Development Co., Limited (“Sipo”) that carried out all of our education operations. We received RMB348.0 millions in consideration and realized a gain on disposal of RMB246.6 million. Our net cash inflow from the disposal was RMB279.2 million. The proceed generated from the disposal have been applied as our general working capital.

## **Corporate Governance and Legal Compliance**

Our overall corporate governance and legal compliance management is carried out across our integrated organisational structure through the work of (1) the legal department at our headquarters that formulates and monitors the implementation of our corporate governance and compliance standards and (2) all operation departments at our headquarters and our regional project companies that implement such standards. The legal department at our headquarters institutionalises our legal and compliance management, provides legal training to our employees, keeps active communication with the relevant government authorities, improves our legal and regulatory compliance and enhances our corporate governance.

## **Customers and Suppliers**

Our customers for residential properties are primarily individual purchasers in the PRC. Our customers for commercial properties primarily include various types of corporations and other business entities. Our five largest customers during such periods included individuals and corporations for the purchase or lease of our residential properties and commercial properties.

Our major suppliers are construction material and equipment suppliers, construction contractors and design firms. We have access to a wide range of construction contractors and design firms. All of our major contractors and design firms are sizeable, and are properly qualified in respect of the construction and design work contracted to them. We maintain long term business relationships with most of our contractors. Each of our five largest suppliers during such periods is an independent third party of our Group.

## **Awards and Recognition**

Over the past years, we have received widespread recognition. The table below sets out some of the awards we received in respect of our property development and financial services operations:

### ***Shanghai – Greenland Huangpu Center***

Awarded the “Most influential Property Project” by the “Win-win 2016 China Real Estate Shanghai Property Agents Annual Meeting” co-organized by Oriental Morning Post and the Paper

Awarded the “Annual Project – The Outstanding Mansion Award” by “Global Chinese Real Estate Summit 2016” organized by ifeng.com

### ***Wuxi – Greenland Xi Shui Dong***

Awarded the “Annual Potential” by Wuxi Real Estate Association and house.sina.com.cn

Awarded the “Top 10 Superior Mansion in China” by China Real Estate Appraisal

### ***Nanning – Greenland Central Plaza***

Awarded the “2016 Property Project with the most Commercial Value” by Nanning branch of House.QQ.com

Awarded the “Top 10 Commodity Housing Sales Value” of Nanning Real Estate Official Ranking 2016 by the Entertaining Channel of Guangxi TV Station, Nanning Real Estate Association and www.nnfcxx.com

Awarded the “The Outstanding Composite Project” by Nanning Evening Post and Guangxi Radio FM950

Awarded the “Top 5 of Guangxi Composite Project” by “Perfect Property” of Guangxi Science & Education Channel, Leju (China) Enterprise Group – CRIC

### ***Kunming – Greenland Hai Po Lan Ting***

Awarded the “2016 Property Project with Kunming New City Image” by Sohu Focus Net

### ***Xuzhou – China Resources Greenland Triumph Arch***

Awarded the “2016 Star Residence” by leju.com of Xuzhou

### ***Greenland Financial Services***

Awarded the “2016 Outstanding Brand Award in Inclusive Financial Services” in the “2016 Shanghai Financial Services Forum” co-organized by the People’s Government of Huangpu District and Shanghai Modern Services Industry Federation

Awarded the “2016 Top China Inclusive Finance Enterprise Award” by the 2016 China Inclusive Financial Service Innovation Forum & the Second Session of “Golden Bee Award” ceremony

Awarded the “2016 Top 10 Enterprises in Real Estate, Finance and Technology” by the Internet Weekly Magazine

Shanghai Daokun Assets Management Company Limited under the Greenland Financial Services was awarded the “2016 Top 10 Growth Rate of China’s Real Estate Fund Management”

### **Competition**

The property market in China is highly competitive. We compete with other property developers in China in terms of a number of factors, including location, product quality, service quality, price, financial resources, brand recognition and the ability to acquire good quality land reserve. Our existing and potential competitors include major domestic property developers and foreign developers to a lesser extent, such as leading property developers from Hong Kong. We believe that, with our solid and strong national foothold, diversified product portfolio, expertise in extra-high buildings, urban complexes and residential property development, we have demonstrated resiliency to the market changes. Further, given our brand recognition and reputation, product creativity, credibility, quality products and services in the past years, we believe we can react promptly to challenges in the property market in China. Please refer to the section headed “*Risk Factors – Risks Relating to Our Businesses – We face intense competition in the industries where we have businesses, which may adversely affect our business and results of operations.*” in the offering memorandum.

### **Intellectual Property Rights**

Our intellectual property forms an integral basis for our strong brand recognition and is of vital importance to our business. We are the only overseas-listed real estate platform of Greenland Holding and are allowed to use the “Greenland” trademark. As at the date of this offering memorandum, we were not aware of any infringement (i) by us of any intellectual property rights owned by third parties, or (ii) by any third party of any intellectual property rights owned by us.

### **Insurance**

Property developers are not required under applicable PRC laws and regulations to maintain insurance coverage in respect of their property development operations. Consistent with what we believe to be the industry norm for the property development industry in the PRC, we do not maintain insurance coverage against destruction of or damage to our properties, no matter whether they are under development or properties held for sale other than those over which our lending banks have securities interests or for which we are required to maintain insurance coverage under the relevant loan agreements. In addition, we generally do not carry insurance against personal injuries that may occur during property construction. The

construction companies are responsible for quality and safety control during the course of the construction and are required to maintain accident insurance for their construction workers pursuant to PRC laws and regulations. To ensure the construction quality and safety, we have set up a set of standards and specifications which the construction workers must comply with during the property construction. We engage qualified supervision companies to oversee the construction process. Under PRC laws, construction contractors and constructors bear civil liability jointly and severally for personal injuries arising out of the construction. However, they shall not be liable if the injury is caused by the wilful conduct of the injured or third person. If contractors are aware of the deficiency of qualification or work safety maintenance of the constructors, contractors may bear civil liability for personal injuries suffered by construction workers with constructors jointly and severally. In addition, according to our construction contracts, any liability that may arise from tortious acts committed on work sites will be borne by the construction companies.

We believe that our insurance coverage is adequate and our insurance policy is in line with customary industry practice of property developers. However, we could not guarantee that we have sufficient or any insurance coverage for losses, damages and liabilities that may arise in our business operations. Please refer to the section headed “*Risk Factors – Risks Relating to Our Businesses – We are subject to uninsured risks*” in the offering memorandum for details.

### **Environmental Matters**

We are subject to a number of environmental laws and regulations including the Environment Protection Law of the PRC (中華人民共和國環境保護法), the Prevention and Control of Noise Pollution Law of the PRC (中華人民共和國環境噪聲污染防治法), the Prevention of Environmental Pollution by Solid Waste (中華人民共和國固體廢物污染環境防治法), the Environmental Impact Assessment Law of the PRC (中華人民共和國環境影響評價法), and Administrative Regulations on Environmental Protection for Development Projects (建設項目環境保護管理條例). Please refer to the section headed “*PRC Regulations*” in the offering memorandum for details of these environmental laws and regulations. At the date of the offering memorandum, we had not encountered any material issues in passing inspections conducted by the relevant environmental authorities upon completion of our properties.

Our corporate mission is to continue to improve our corporate responsibility and green credentials. We have made active efforts for energy conservation and emission reduction, and to promote green technology.

### **Employees and Safety**

We are subject to various PRC laws and regulations in respect of labour, insurance, accidents, health and safety, including the Labour Law of the PRC (中國人民共和國勞動法), the Social Insurance Law of the People’s Republic of China (中華人民共和國社會保險法), the Labour Contract Law of the PRC (中華人民共和國勞動合同法), the Social Insurance Law of the PRC (中華人民共和國社會保險法), the Interim Regulations on Collection and Payment of Social Insurance Premiums (社會保險費徵繳 暫行條例), the Regulations on Work-related Injury Insurances (工傷保險條例), the Regulations on Unemployment Insurance (失業保險條例), the Trial Procedures for Childbirth Insurance of Enterprise Employees (企業職工生育保險試行辦法), Safety Production Law of the PRC (中國人民共和國安全生產法) and other related regulations, rules and provisions issued by the relevant governmental authorities from time to time.

We are committed to recruiting, training and retaining skilled and experienced employees throughout our operations. We intend to achieve this by offering competitive remuneration packages as well as by focusing on training and career development.

As at 31 December 2016, we have 2,678 employees.

In accordance with the relevant PRC laws and regulations, in addition to the housing fund, we contribute to social welfare insurance for our full-time employees in the PRC, including basic pension insurance, basic medical insurance, unemployment insurance, work-related injury insurance and maternity insurance.



## **Legal Proceedings**

We are involved in legal or other disputes from time to time in the ordinary course of our business. Each of these proceedings is, in our view, immaterial in terms of their impact on the business, financial condition or results of operations of our Group. As at the date of this offering memorandum, we are not aware of any legal proceeding, pending or threatened against us or our Directors, which could be expected to have a material adverse effect on our business, financial conditions and results of operations.

## REGULATION

*Set out below are summaries of certain aspects of PRC laws and regulations, which are material to the business and operations of the Company. These include laws relating to land and real estate development. For a description of the legal risks relating to government regulation of our business see “Risk Factors”.*

PRC property developers must comply with various requirements mandated by PRC laws and regulations, including the policies and procedures established by local authorities designated to implement such laws and regulations.

In particular, the PRC government exerts considerable direct and indirect influence on the development of the PRC property sector by imposing industry policies and other economic measures, such as control over the supply of land for property development, property financing, taxation, foreign exchange and foreign investment. Through these policies and measures, the PRC government may restrict or reduce the 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, such as property tax, impose levies on property sales and restrict foreign investment in the PRC property sector.

Over the past few years, the PRC government has announced a series of measures designed to stabilise the PRC economy and cool down the property market. For example, on 19 May 2010, the PRC government issued policies to enhance the enforcement of the Land Appreciation Tax (the “LAT”). On 29 September 2010, the PBOC and the CBRC jointly issued the Notice on Relevant Issues Regarding the Improvement of Differential Mortgage Loan Policies (中國人民銀行、中國銀行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), which (i) raised the minimum down payment to 30 per cent. for all first residential property purchases with mortgage loans and; (ii) required commercial banks in China to suspend mortgage loans to customers for their third and subsequent residential property purchases or to non-local residents who cannot provide documentation certifying payment of local tax or social security for longer than a one-year period. On 26 January 2011, the General Office of the State Council (中華人民共和國國務院辦公廳) issued new notice to further regulate the property market, which among other measures increased the minimum down payment for second residential property purchases from 50 per cent. to 60 per cent. and levied business tax on ordinary residential properties transferred within five years from the purchase date. Since 1 January 2012, the PBOC has adjusted the benchmark lending rates eight times and the reserve requirement ratio eight times. As of the date of the offering memorandum, the benchmark one-year lending rate and the reserve requirement ratio for commercial banks were 4.35 per cent and 16.5 per cent, respectively. On 19 July 2013, pursuant to the Notice on Further Promoting the Market-Oriented Interest Rate Reform (中國人民銀行關於進一步推進利率市場化改革的通知), PBOC abolished the lower limit of the lending rate for financial institutions. In addition, local governments in certain cities, such as Beijing, Shanghai, Suzhou, Wuxi, Haikou, Tianjin, Chengdu and Wuhan, have promulgated policies to limit the maximum number of residential properties which may be purchased by a family. The PRC government has also launched new property tax schemes on a trial basis in Shanghai and Chongqing. On 26 February 2013, the General Office of the State Council issued the Notice on the Continuous Effective Regulation of the Real Estate Market (國務院辦公廳關於繼續做好房地產市場調控工作的通知), which continues to impose strict commercial housing restriction policy, reiterates the differentiating loan policies and further requires enhancement on the individual income taxation relating to the sales of property by individual owners.

On 29 September 2014, BOC and CBRC promulgated the Circular of the People’s Bank of China and China Banking Regulatory Commission on Further Providing Effective Housing Financial Services (關於進一步做好住房金融服務工作的通知). This circular stipulates that the credit policy for second residential property purchases after settling the mortgage loans of first residential property purchases shall accord with the policy for first residential property, i.e., the minimum down payment is 30 per cent., and the minimum interest rate is 70 per cent. of the benchmark lending rate. In cities which have no restriction of residential property purchases, the banks have discretion on the minimum down payment and loan interest rates for the mortgage loans of third residential property purchases after settling the mortgage loans of former residential property purchases.

On 30 March 2015, the PBOC, the MOHURD and the CBRC jointly issued the Circular on Issues concerning the Residential Housing Mortgage Loan Policies (中國人民銀行、住房城鄉建設部、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) to relax mortgage rules for second home purchasers to address demand for improved housing and lift the sagging housing market, which provides that the minimum down payment for second home purchasers in general have been lowered to 40 per cent., the minimum down payment for second home purchasers using public housing funds has been cut to 30 per cent. if all loans are settled on their first home and for first home purchasers using public housing funds, the minimum down payment has been reduced to 20 per cent. of the home's value.

On 28 June 2015, the MOHURD issued the Notice on Adjustments on the Municipality's Housing Provident Fund Deposit and Loan Interest Rates (住房和城鄉建設部關於按照中國人民銀行規定實施住房公積金存貸款利率調整的通知) to decrease the deposit interest rates and the loan interest rates of the housing provident fund from the date of this notice. Pursuant to such notice, the deposit interest rate for housing provident fund collected in the current fiscal year (當年繳存) remains unchanged at 0.35 per cent., and the deposit interest rate for housing provident fund balance carried forward from previous fiscal year (上年結轉) has been lowered from 1.85 per cent. to 1.60 per cent. In addition, the interest rate on a housing provident fund loan over five years has been decreased from 3.75 per cent. to 3.50 per cent., and the interest rate on a five-year housing provident fund loan or a housing provident loan less than five years has been reduced from 3.25 per cent. to 3.00 per cent. On 27 August 2015, the MOHURD further issued the Notice on Adjustments on the Municipality's Housing Provident Fund Deposit and Loan Interest Rates (住房和城鄉建設部關於按照中國人民銀行規定實施住房公積金存貸款利率調整的通知) (Jian Jin [2015] 126) to further decrease the deposit interest rate for housing provident fund balance carried forward from previous fiscal year (上年結轉) has been lowered from 1.60 per cent. to 1.35 per cent. In addition, the interest rate on a housing provident fund loan over five years has been decreased from 3.50 per cent. to 3.25 per cent., and the interest rate on a five-year housing provident fund loan or a housing provident loan less than five years has been reduced from 3.00 per cent. to 2.75 per cent.

On 27 August 2015, the PBOC, MOHURD and CBRC jointly issued the Notice on the Adjustment on the Down Payment Ratio of the Residential Housing Mortgage Loan (住房和城鄉建設部、財政部、中國人民銀行關於調整住房公積金個人住房貸款購房最低首付款比例的通知) which became effective from 1 September 2015. It is the second time that the authorities have lowered the down payment level in 2015. According to the Notice, the minimum down payment for the second home purchasers using public housing funds has been further reduced from 30 per cent. to 20 per cent. if all loans are settled on their first home. Moreover, the Notice allows Beijing, Shanghai, Guangzhou, and Shenzhen to decide the minimum down payment ratio for the second home purchasers using public housing funds based on both the national policy and their local practices on their discretion.

On 1 February 2016, the PBOC and the 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: (i) 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 per cent., and may be lowered by 5 per cent. 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 per cent.; and (ii) In cities where "housing purchase restriction" measures are implemented, the individual housing loan policies shall remain unchanged.

On 17 February 2016, the PBOC, MOHURD and MOF jointly released the Notice in Regard to Bettering Housing Provident Fund Personal Account Deposit Interest Rate Formation Mechanism (關於完善職工住房公積金帳戶存款利率形成機制的通知), which provides that the deposit rate of personal housing provident fund has been adjusted to the benchmark one-year deposit rate from 21 February 2016.

## **Intra-Group Lending**

According to Section 61 of the General Principles of Loans (貸款通則) promulgated by the PBOC in 1996, lending and capital raising among non-financial institutions is prohibited. There is a risk that intra-Group lending may be deemed not in compliance with the General Principles of Loans, and the PBOC could cancel the certain intra-Group loans and impose a fine equal to one to five times of its interest income accrued from such loans.

## **PRC Regulation on Land Supply**

PRC government regulations and policies may impair the Company's ability to obtain a sufficient number of sites or retain sites suitable for property developments. The Company derives the majority of its revenue from the sale of properties it developed in China. This revenue stream is dependent on the Company's ability to complete and sell its property developments. To grow or maintain its business in the future, the Company will be required to replenish its land reserve with suitable sites for developments. The Company's ability to identify and acquire a sufficient number of suitable sites is subject to a number of factors that are beyond its control.

The PRC government controls substantially all of the country's land supply, and regulates the means by which property developers, including the Company, obtain land sites for property developments. As a result, the PRC government's land supply policies affect the Company's ability to acquire land use rights for sites that the Company identifies and the costs of land acquisition. Although these regulations do not prevent privately held land use rights from being traded in the secondary market, the PRC government's policy to grant state-owned land use rights through a bidding system has caused an increase in the acquisition cost of land reserves in the PRC. If the Company fails to acquire sufficient land reserves in a timely manner and at acceptable prices, or at all, its business prospects, financial condition and results of operations may be materially and adversely affected.

The PRC government has adopted a number of initiatives to control the growth of China's residential property sector and to promote the development of affordable housing. For example: (1) one of these initiatives requires local governments, when approving new residential projects after 1 June 2006, to ensure that at least 70 per cent. of GFA granted for each project consists of units that are smaller than 90 sq.m. (including affordable housing); (2) in a notice made on 30 September 2007 and amended on 3 December 2010, the MLR stated that land supply priority shall be given to ordinary commodity houses at middle to low prices and of medium to small sizes, affordable housing and low-rent housing, and local authorities shall ensure that at least 70 per cent. of annual land supply approved consists of the preceding categories of housing units; (3) pursuant to the Catalogue of Restricted Use of Land (2012 Version) (限制用地項目目錄(2012年本)) issued by the MLR and the NDRC on 23 May 2012, the area of a parcel of land granted for commodity housing development shall not exceed seven hectares in small cities and towns, 14 hectares in medium-sized cities or 20 hectares in large cities; and (4) pursuant to the Notice on Further Strengthening the Administration and Control of Real Estate Land and Construction (關於進一步加強房地產用地和建設管理調控的通知) jointly issued by the MLR and the MOHURD in September 2010, the development and construction of large low-density residential properties should be strictly restricted, and the plot ratio for residential land is required to be more than 1.0. In addition, the PRC central and local governments have implemented various measures to regulate the means by which property developers obtain land use rights for property development. The PRC government also controls land supply through zoning, land usage regulations and other means.

On 31 March 2017, the Shanghai Municipal Bureau of Planning and Land Resources issued the Regulation on Strengthening the Management of the Transfer of Commercial Land of the City (關於加強本市經營性用地出讓管理的若干規定), which was effective on 10 April 2017, to enhance the control over commercial land to cover its supply, acquisition, planning, construction, transfer, operation, registration and mortgage. On 9 May 2017, Shanghai Housing and Urban-rural Development Management Committee, the Shanghai Municipal Bureau of Planning and Land Resources, Shanghai Municipal Development and Reform Commission, Shanghai City Management and Administration Execution Bureau, Shanghai Administration for Industry and Commerce, and Shanghai Financial Services Office further jointly issued

the Opinions to Clean-up the Commercial Office (關於開展商業辦公項目清理整頓工作的意見). This Opinion, among other things, stops the issuance of approval for projects of apartment-style office (公寓式辦公項目). In the commercial office use land transfer contract, it should explicitly forbid to construct the apartment-style office buildings. Commercial office units already sold but not yet delivered to the buyer must be renovated according to the required functions of commercial offices. Otherwise, they are forbidden to be delivered or to go through registration procedures. Commercial office units already delivered and in use will be put under strict management and control, and relevant information will be logged into a registration system. The developer and the owner are required to take joint responsibility for making improvements and ensuring safety and security. Developers are also urged to eliminate potential fire hazards. Owners of commercial office properties are not allowed to receive similar treatment as residential housing owners in terms of permanent residence registration, school enrollment or public utility fees. Some other cities, including Beijing, Guangzhou, Chengdu and Shenzhen have promulgated similar regulatory policies in the control of commercial office projects.

All of these measures further intensify the competition for land in China among property developers. These policy initiatives and other measures adopted by the PRC government from time to time may limit the Company's ability to acquire suitable land for its development or increase land acquisition costs significantly, which may have a material adverse effect on its business, financial condition and results of operations.

### **Land Acquisition Laws**

The Rules Regarding the Grant of State-Owned Land Use Rights by Way of Tender, Auction and Listing-for-sale (招標拍賣掛牌出讓國有土地使用權規定) issued by the MLR ("Circular 11") provide that, from 1 July 2002, land use rights for the purposes of commerce, tourism, entertainment and commodity residential property development in China shall be granted by the government only through public tender, auction or listing-for-sale. When deciding to whom land use rights are granted through a tender bidding, the relevant authorities will consider not only the tender price, but also the credit history, qualifications and tender proposal of the tenderer according to the criteria for the bidding. These measures will result in a more transparent land grant process, which will enable developers to compete more effectively.

On 5 June 2003, the PBOC published the Notice on Further Strengthening the Administration of Real Estate Loans (中國人民銀行關於進一步加強房地產信貸業務管理的通知). This notice prohibits commercial banks from advancing loans to fund the payments of land premiums. As a result, real estate developers may only use their own funds to pay for land premiums.

In September 2007, the MLR further promulgated the Regulations on the Grant of State-owned Construction Land Use Rights through Public Tender, Auction and Invitation for Bidding (招標拍賣掛牌出讓國有建設用地使用權規定) to amend Circular 11, requiring that land for industrial use, except land for mining, must also be granted by public tender, auction and invitation for bidding. Only after the grantee has paid the land premium in full under the land grant contract can the grantee apply for the land registration and obtain the land use right certificates. Furthermore, land use rights certificates may not be issued in proportion to the land premium paid under the land grant contract.

In November 2009, the MOF, the MLR, the PBOC, the PRC Ministry of Supervision and the PRC National Audit Office jointly promulgated the Notice on Further Enhancing the Revenue and Expenditure Control over Land Grant (關於進一步加強土地出讓收支管理的通知). This Notice raises the minimum down payment for land premium to 50 per cent. and requires the land premium to be fully paid within one year after the signing of a land grant contract, subject to limited exceptions.

The MLR promulgated the Notice on Problems Regarding Strengthening Control and Monitoring of Real Estate Land Supply (關於加強房地產用地供應和監管有關問題的通知) (the "Notice") on 8 March 2010. According to the Notice, the land provision for affordable housing, redevelopment of slum districts and small/medium residential units for occupier owner should be no less than 70 per cent. of total land supply, and the land supply for large residential units will be strictly controlled and land supply for villa projects will be banned. The Notice also requires that the lowest land grant price should not be less than

70 per cent. of the basic land price of the place where the granted land is located and the real estate developer's bid deposit should not be less than 20 per cent. of the lowest grant price. The land grant agreement must be executed within ten working days after the land transaction is confirmed. The minimum down payment of the land premium should be 50 per cent. and must be paid within one month after the execution of the land grant agreement. The balance should be paid in accordance with the agreement, but no later than one year. If the land grant agreement is not executed in accordance with the requirement above, the land shall not be handed over and the deposit will not be returned. If no grant premium is paid after the execution of the agreement, the land must be withdrawn.

On 21 September 2010, the MLR and the MOHURD issued the Notice on Further Strengthening the Administration and Control of the Lands for Real Estates and the Construction of Real Estates (國土資源部住房和城鄉建設部關於進一步加強房地產用地和建設管理調控的通知) to tighten the examination of qualifications of land bidders. It specifies that when the bidders take part in the bidding or auction of the transferred land, the competent authority of land and resources shall, in addition to requiring proof of identity documents and payment of the bid security, require an undertaking letter stating that the bid security is not from any bank loan, shareholders' borrowing, on-lending or raised funds and the credit certificate issued by commercial financial institutions. If the bidders are found to have conducted any of the following illegal or irregular activities, the competent authority of land and resources shall forbid the bidders and their controlling shareholders from participating in land bidding activities: (1) committing crimes such as forgery of instruments with an aim to illegally sell the land; (2) conducting illegal activities such as illegal transfers of land use right; (3) where the land is idling for a period of more than one year due to the enterprises' reasons; or (4) where the development and construction enterprise develops and takes advantage of the land in contravention of the conditions as agreed in the transfer contract. The relevant authorities of land and resources at all levels are required to strictly implement the regulations.

On 13 May 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製度的意見), 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 of the gross floor area 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; (v) improvement in the contracts for land transfer through tender, auction and listing. As a result, property developers are not allowed to bid for a large piece of land, make partial payment, and then apply for a land use rights certificate for the corresponding portion of land in order to commence development, which had been the practice in many Chinese cities. The implementation of such regulation requires property developers to maintain a higher level of working capital, which may have a material adverse effect on our cash flow position, financial condition and business plans.

On 19 July 2012, the MLR and the MOHURD issued the Urgent Notice on Further Tightening Real Estate Land Management and Consolidating Achievements in Real Estate Market Regulation (關於進一步嚴格房地產用地管理鞏固房地產市場調控成果的緊急通知), which reiterated the stringent land policies stated above. On 8 April 2013, the MLR issued the Notice on Issuance of Technical Code on Valuation for Land Grant Premium of State-owned Construction Land Use Rights (Trial) (關於發布《國有建設用地使用權出讓地價評估技術規範(試行)》的通知). The notice provides that, the competent local land authority must conduct valuation process to determine the basic price of state-owned lands for grant, which shall be determined based on a valuation report on the land in consistent with the technical code issued. The ultimate land premium reached between the land authority and the grantee shall not be less than the basic price of the land determined previously.

On 25 March 2015, the MLR and the MOHURD issued the Notice on Optimizing the Housing and Land Supply Structure in 2015 and Promoting Stable and Sound Development of Real Estate Market (國土資源部、住房城鄉建設部關於優化2015年住房及用地供應結構促進房地產市場平穩健康發展的通知), pursuant to which if the real estate enterprises have conducted serious illegal or irregular activities in the land development and transaction, the competent authorities of land and resources have the power to restrict or forbid the real estate enterprises from participating in new land bidding activities.

In order to control and facilitate the procedure of obtaining land use rights, several local governments have stipulated standard provisions for land grant contracts. Such provisions usually include terms such as use of land, land premium and manner of payment, building restrictions including site coverage, total gross floor area and height limitations, construction of public facilities, submission of building plans and approvals, deadlines for completion of construction, town planning requirements, restrictions against alienation before payment of premium and completion of prescribed development and liabilities for breach of contract. Any change requested by the land user in the specified use of land after the execution of a land grant contract will be subject to approvals from the relevant local land bureau and the relevant urban planning department, and a new land use contract may have to be signed and the land premium may have to be adjusted to reflect the added value of the new use. Registration procedures must then be carried out immediately.

Under current regulations, grantees of land use rights are generally allowed to dispose of the land use rights granted to them in the secondary market. Subject to the terms of the land use right grant and relevant registration requirements, the Company may choose to acquire land from such third parties.

### **Government Approvals**

A PRC property developer must hold a valid qualification certificate to develop property. In addition, at various stages of project development, a PRC property developer must also obtain or renew various licences, certificates, permits and approvals from the relevant PRC administrative authorities, including land use right certificates, planning permits, construction permits, pre-sale permits and certificates or confirmation of completion.

According to the Provisions on Administration of Qualifications of Real Estate Developers (房地產開發企業資質管理規定) issued on 29 March 2000 and amended on 4 May 2015 by MOHURD, a newly established property developer must first apply for a provisional qualification certificate with a one-year validity, which can be renewed annually for not more than two consecutive years. If, however, the newly established property developer fails to commence a property development project within the one-year period following the issue of the provisional qualification certificate, it will not be allowed to extend the term of its provisional qualification certificate. Developers with longer operating histories must submit their qualification certificates to relevant construction administration authorities for review annually. Government regulations require developers to fulfil all statutory requirements before they may obtain or renew their qualification certificates.

The Company conducts its property developments through project companies. These project companies must hold valid qualification certificates to conduct their businesses. There can be no assurance that the Company's project companies will continue to be able to obtain or renew the necessary qualification certificates in a timely manner, or at all. If any of the Company's project companies do not obtain or renew the necessary qualification certificates in a timely manner, or at all, the Company's prospects, business, results of operations and financial condition may be materially and adversely affected.

Pursuant to the Measures for the Administration of Qualifications of Property Service Enterprises (物業服務企業資質管理辦法), which became effect on 1 May 2004 and revised on 26 November 2007 and 4 May 2015 respectively, entities engaged in property management are required to obtain qualification certificates before they commence their business operations. The Company's property management subsidiaries are primarily engaged in the management of the residential and commercial properties that the Company has developed. If any property management companies are unable to meet the relevant requirements and therefore unable to obtain or maintain the qualification certificates, the business and financial condition of the Company could be materially and adversely affected.

## Land Use Rights

The land use rights in respect of the Company's land reserves will not be formally vested in the Company until it has received the relevant formal land use right certificates and failure to obtain or comply with land use rights could lead to confiscation of its land by the PRC government. Under current PRC land grant policies, the relevant authorities generally will not issue formal land use right certificates until the developer (i) has paid the land premium in full; and (ii) is in compliance with other land grant conditions. The land use rights in respect of the projects and the land that the Company may acquire in the future will not be formally vested in it until it has received the corresponding formal land use right certificates.

If a developer fails to develop the project according to the terms of the land grant contract, the relevant government authorities may issue a warning to, or impose a penalty on, the developer or confiscate the land use rights. Any violation of the land grant contract may also restrict a developer's ability to participate, or prevent it from participating, in future land bidding. Specifically, pursuant to the Measure on Disposal of Idle Land (閒置土地處置辦法) which was promulgated by MLR on 28 April 1999, as amended on 22 May 2012 and became effective on 1 July 2012, if a developer fails to commence development for more than one year from the commencement date stipulated in the land grant contract, the relevant PRC land bureau may serve a warning notice on such developer and impose an idle land fee of up to 20 per cent. of the land premium, unless the delay in the development is caused by government actions or force majeure. If a developer fails to commence the development for more than two years from the commencement date stipulated in the land grant contract, the land use rights are subject to forfeiture to the PRC government unless the delay in development is caused by government actions or force majeure. On 21 March 2013, the MLR promulgated the Notice on the Issuance of Model Legal Instrument of Disposal of Idle Land and Case Table of Disposal of Idle Land (關於印發《閒置土地處置法律文書示範文本》和《閒置土地處置案卷表》的通知) to further standardise the process of the investigation, identification and disposal of idle lands.

On 29 September 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), which required commercial banks to cease to grant loans for new development projects and renewal of loans to property developers that have records of violation of laws and regulations as a result of, among other things, rendering the land idle, changing the use and nature of land, delaying the construction commencement and completion and refusing to sell the properties. On 26 January 2011, the General Office of the State Council promulgated the Notice on Further Improving the Real Estate Market Regulation and Work-related Issues (關於進一步做好房地產市場調控工作有關問題的通知), which stipulates that the PRC government will confiscate land use rights and impose an idle land fee of up to 20 per cent. 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. On 26 February 2013, the General Office of the State Council issued the Notice on the Continuous Effective Regulation of the Real Estate Market (關於繼續做好房地產市場調控工作的通知), which provides that land developers that hold idle land shall be prohibited from participating in land bidding, acquiring loans from commercial banks for new residential project, obtaining relevant approvals from CSRC for public listings, refinancing and major assets restructuring and relevant approvals from CBRC for trust financing. There can be no assurance that there will not be delays in the authorities' issuance of the land use right certificates or the construction permits in respect of the Company's projects.

## Financing Regulation

The property development business is capital intensive; measures intended to cool the PRC property market could impair the Company's ability to finance the acquisition and development of its properties. The Company finances its property developments primarily through a combination of pre-sales and sales proceeds, borrowings and equity contributions from shareholders. The Company's ability to maintain adequate working capital and external financing for land acquisitions or property developments on commercially acceptable terms depends on a number of factors that are beyond the Company's control.



The PRC government has in the past taken a number of policy initiatives to tighten financing to property developers. Both the Circular on Further Strengthening the Management of Loans for Property Business (關於進一步加強房地產信貸業務管理的通知) issued by the PBOC on 5 June 2003 and the Guidance on Risk Management of Property Loans of Commercial Banks (商業銀行房地產貸款風險管理指引) issued by CBRC on 30 August 2004 specified the requirements for banks providing loans for the purposes of property development. These requirements include: (1) that loans from commercial banks to real estate enterprises may be granted only as property development loans and it is strictly forbidden to extend such loans as current capital loans for property development projects or other purposes. No lending shall be granted to enterprises which have not obtained the relevant land use right certificates, construction land planning permits, construction work planning permit and construction commencement work permits; and (2) that commercial banks may not grant loans to property developers to finance land premium payments. On 27 September 2007, PBOC and CBRC issued the Notice on Strengthening the Credit Management of Commercial Real Estate (關於加強商業性房地產信貸管理的通知), which further required that loans from commercial banks could only be utilised in the projects of local area subject to limited exclusions, and commercial banks shall not accept commercial houses that have been left idle for more than three years as mortgage for loans.

The fiscal and other measures adopted by the PRC government from time to time may limit the flexibility and ability of the Company to use bank loans to finance its property developments and therefore may require the Company to maintain a relatively high level of internally-sourced cash. In November 2009, the MOF, the MLR, the PBOC, the PRC Ministry of Supervision and the PRC National Audit Office jointly promulgated the Notice on Further Enhancing the Revenue and Expenditure Control over Land Grant (關於進一步加強土地出讓收支管理的通知) which provided that raised the minimum down payment on land premium to 50 per cent. of the total premium and requires the land premium to be fully paid within one year after the signing of a land grant contract, subject to limited exceptions. In March 2010, the PRC government further tightened this requirement by setting the minimum price for land granted to be equal to at least 70 per cent. of the benchmark price for land in the surrounding locality and the bidding deposit to be equal to at least 20 per cent. of the applicable minimum land grant price. Additionally, a land grant contract is required to be entered into within ten working days after the land grant deal is closed and the down payment of 50 per cent. of the land premium (including any deposits previously paid) is required to be paid within one month of signing the land grant contract, with the remaining amount to be paid in full within one year of the date of the land grant contract in accordance with provisions of such land grant contract. These new requirements increase the Company's need for cash to facilitate land acquisitions and construction.

### **Property Development Financing Laws**

On 25 May 2009, the State Council issued the Notice on the Adjustment of the Invested Capital Ratio regarding Investment in Fixed Assets (國務院關於調整固定資產投資項目資本金比例的通知), according to which, for the development of an indemnificatory housing project and a general commodity housing project, the minimum registered capital shall be no less than 20 per cent. of the total investment of the fixed assets development project, and for other property development projects, the minimum registered capital shall be no less than 30 per cent. of the total investment. Therefore, the Company shall use its own funds to fulfil the requirement of the minimum registered capital and could only get such external funding as bank loans for the financing of the remaining capital needs.

Pursuant to the Notice on Adjusting and Improving the Capital System for Fixed Asset Investment Projects (國務院關於調整和完善固定資產投資專案資本金制度的通知) issued by the State Council on 9 September 2015, for real estate development projects, the minimum capital requirement remains unchanged at 20 per cent. for affordable housing and ordinary commodity housing projects, the minimum capital requirement is adjusted from 30 per cent. to 25 per cent. for other real estate projects.

## Pre-Sale Regulations

The Company faces contractual and legal risks relating to the pre-sale of properties, including the risk that property developments may not be completed and the risk that changes in laws and regulations in relation to the pre-sales of properties may materially and adversely affect its business, cash flow, financial condition and results of operations. The Company faces contractual risks relating to the pre-sales of properties. For example, if the Company fails to meet the completion time as stated in the pre-sale contracts, purchasers of pre-sold units have the right to claim damages under the pre-sale contracts. Pursuant to Interpretations on Certain Issues Concerning the Application of Law in Trying Cases Involving Disputes over Contracts on Purchase and Sale of Commodity Premises by Supreme People's Court (最高人民法院關於審理商品房買賣合同糾紛案件適用法律若干問題的解釋) enacted on 28 April 2003 and enforced on 1 June 2003, if the Company still fails to deliver the properties to the purchasers within the grace period stipulated in the pre-sale contracts, the purchasers have the right of termination.

According to Administrative Measures for the Sale of Commodity Houses (商品房銷售管理辦法) issued by Ministry of Construction on 4 April 2001 and enforced on 1 June 2001, if the actual GFA of a completed property delivered to purchasers deviates by more than 3 per cent. from the GFA originally stated in the pre-sale contracts, purchasers have the right of termination or the right to claim damages. There can be neither assurance that the Company will not experience delays in the completion and delivery of its projects, nor that the GFA for a delivered unit will not deviate more than 3 per cent. from the GFA set out in the relevant contract. Any termination of the purchase contract as a result of the Company's late delivery of properties will have a material and adverse effect on its business, financial condition and results of operations.

Proceeds from the pre-sales of the Company's properties are an important source of funds for the Company's property developments and have an impact on its liquidity position. On 5 August 2005, the PBOC recommended in a report entitled "2004 Real Estate Financing Report" (2004年中國房地產金融報告) that the practice of pre-selling uncompleted properties be discontinued, on the ground that it creates significant market risks and generates transactional irregularities. On 24 July 2007, an economic research institution under the NDRC proposed to change the existing system for sale of forward delivery housing into one for sale of completed housing. Such recommendation has not been adopted by any PRC governmental authority and has no mandatory effect. In April 2010, the MOHURD issued the Notice on Further Strengthening the Supervision of Real Estate Market and Improving the Pre-Sale system of Commodity 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). The notice urged local governments to enact regulations on the sale of completed residential properties in light of local conditions and encouraged property developers to sell residential properties when they are completed. There can be no assurance that the PRC governmental authorities will not ban or impose material limitations on the practice of pre-selling uncompleted properties in the future. Future implementation of any restrictions on the Company's ability to pre-sell its properties, including any requirements to increase the amount of up-front expenditure the Company must incur prior to obtaining the pre-sale permit, would extend the time required for recovery of its capital outlay and would force it to seek alternative means to finance the various stages of its property developments. This, in turn, could have a material and adverse effect on the business, cash flow, financial condition and results of operations of the Company.

According to the Notice of Further Regulation on the Real Estate Market (國務院辦公廳關於繼續做好房地產市場調控工作的通知) issued by the General Office of the State Council on 26 February 2013, since 2013, local governments shall raise the threshold of commodity housing pre-sales, strengthen the licence management such as construction investment, and delivery time period, guide real estate developers to price the commodity housing rationally, and steadily promote the reform of the pre-sale system of commodity housing. The local government may refuse to issue the pre-sale certificate to: (1) the development project of which the pre-sale price is unreasonably high and the developer refuses to accept the direction of relevant government authority; and (2) the commodity housing project of which the developer does not accept supervision on the pre-sale capital of the relevant project.

## **PRC Regulation on Real Estate Advertisements**

On 24 December 2015, the AIC promulgated the Provisions on Distribution of Real Estate Advertisements (房地產廣告發布規定), which has become effective on 1 February 2016. According to the Provisions, (1) real estate advertisements referred to in the Provisions shall mean advertisements distributed by real estate development enterprises, holders of real estate rights and real estate intermediary service organisations for pre-sale, pre-lease, sale and lease of real estate projects, project transfer and other real estate projects; (2) real estate advertisements shall be true, legitimate, scientific and accurate, and shall not defraud or mislead consumers; (3) real estate advertisements and information of housing sources shall be true; and (4) the area advertised in real estate advertisements shall be stated as floor area or indoor floor space. In addition, the Provisions also specified other requirements related to the contents of the real estate advertisements.

## **PRC Regulation on Foreign-Invested Property Development Enterprises**

Pursuant to the Foreign Investment Industrial Guidance Catalogue (2007 Revision) (外商投資產業指導目錄(2007年修訂)) jointly promulgated by MOFCOM and NDRC on 31 October 2007, the development and construction of ordinary residential houses were moved from the category of industries in which foreign investment is encouraged to the category of industries in which foreign investment is permitted. In addition, the category of industries in which foreign investment is subject to restrictions (the “Restricted Category”) has been adjusted to include the following: the development of large-scale land, which shall be operated only by sino-foreign joint ventures or sino-foreign cooperative ventures; the construction and operation of upscale hotels, villas, premium office buildings and international conference centres; and the secondary property market and housing agents or brokerages. Pursuant to the new Foreign Investment Industrial Guidance Catalogue (2011 Revision) (外商投資產業指導目錄(2011年修訂)) jointly promulgated by MOFCOM and NDRC on 24 December 2011, the development and construction of villas were moved from the Restricted Category to the category of industries in which foreign investment is prohibited (the “Prohibited Category”). On 10 March 2015, MOFCOM and NDRC jointly issued the new Foreign Investment Industrial Guidance Catalogue (2015 Revision) (外商投資產業指導目錄(2015年修訂)) to revise the 2011 Revision. The 2015 Revision removed all industries of real estate previously specified in the Restricted Catalogue of 2011 Revision and the operation of villas and golf courses previously specified in the Prohibited Category of the 2011 Revision.

Pursuant to the Circular on Standardizing the Admittance and Administration of Foreign Capital in the Real Property Market (關於規範房地產市場外資準入和管理的意見) (“Circular 171”) jointly promulgated and implemented by MOHURD, MOFCOM, NDRC, PBOC, SAIC and SAFE on 11 July 2006, the admittance and administration of foreign capital in the property market must comply with the following requirements: (1) an overseas investor that has not obtained an approval certificate of foreign-invested enterprises or a business license shall not engage in any development or operation of property; (2) for a foreign-invested property enterprise with an investment amount of at least US\$10 million, its registered capital shall not be less than 50 per cent. of its investment amount; and (3) where the total investment is less than US\$10 million, its registered capital shall be governed by the existing provisions.

Pursuant to the Circular of the General Office of the Ministry of Commerce on Relevant Issues Concerning the Implementation of the Opinions Concerning Regulating the Admittance and Administration of Foreign Investment in the Real 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準入和管理的意見》有關問題的通知) (“MOFCOM Circular 192”) promulgated and implemented on 14 August 2006, where the amount of investment of a property enterprise established by foreign investment is not less than US\$10 million, its registered capital shall not be less than 50 per cent. of its amount of investment; if the investment amount is more than US\$3 million but less than US\$10 million, its registered capital shall not be less than 50 per cent. of its amount of investment; if the investment amount is not more than US\$3 million, its registered capital shall not be less than 70 per cent. of its amount of investment. Where an overseas investor merges with a domestic property enterprise through equity transfer or any other means, or an overseas investor acquires equity of the Chinese party of a foreign-invested property enterprise, it shall make appropriate arrangements for the relevant

employees, settle the bank debts and pay the transfer fee with its self-owned capital in a one-off manner within three months as of the date when the business license of the foreign-invested enterprise license is issued (in case of merging domestic enterprises) or the equity transfer agreement comes into force (in case of acquisition of domestic shares of foreign invested enterprises).

On 19 August 2015, the MOHURD, MOFCOM, NDRC, PBOC, SAIC and SAFE jointly issued the Notice Adjusting Policies on the Access and Administration of Foreign Investment in the Real Property 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準入和管理有關政策的通知) (“Notice 122”) to relax the following restrictions on foreign investment in the real estate market which were previously introduced in both Circular 171 and MOFCOM Circular 192: (i) Notice 122 removed the restriction of the ratio between the FIE’s registered capital amount and the amount of total investment required by both Circular 171 and MOFCOM Circular 192. According to Notice 122, real estate FIEs may enjoy the same ratio between the FIE’s registered capital amount and the amount of total investment as other FIEs; (ii) Notice 122 also removed the requirement on full payment of registered capital before a real estate FIE may borrow domestic loans, foreign loans or convert foreign exchange loans into Renminbi; (iii) in addition, previously under Circular 171, only foreign individuals who have been studying or working in China for more than one year are allowed to purchase real estate. Nowadays, Notice 122 lifted such one-year limit and allows foreign individuals to purchase real estate in China for their own use; and (iv) Notice 122 further provides that the MOHURD, MOFCOM, NDRC, PBOC, SAIC and SAFE will continually simplify, optimise and improve the formalities of foreign investment in real estate market and allows real estate FIEs to directly complete relevant SAFE registrations with competent banks according to relevant SAFE regulations. Apart from the abovementioned adjustments specified in Notice 122, Circular 171 and MOFCOM Circular 192 still remain effective.

The Notice Concerning Further Strengthening and Regulating the Examination, Approval and Supervision of Direct Foreign Investment in Property (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) jointly issued and implemented by MOFCOM and SAFE on 23 May 2007 and amended on 28 October 2015, provides stricter control measures, as follows: foreign investment in the property sector in the PRC relating to upscale properties should be strictly controlled; where an established foreign-invested enterprise intends to enter an existing property development or operation business or engage in a new property development or operation project, it shall apply to the examining and approving organ for extending its business scope or enlarging its business scale in accordance with the relevant laws and regulations governing foreign investment; the merger of or investment in domestic property enterprises by way of return on investment (including the same actual controller) shall be placed under strict control. No overseas investor may avoid by means of changing the actual controller of any domestic property enterprise.

Pursuant to the Notice on Proper Handling of Archival Documents for Foreign Investment in the Property Industry (商務部關於做好外商投資房地產業備案工作的通知) issued by MOFCOM on 18 June 2008, the local branches of MOFCOM are authorised to verify the materials for archiving as submitted by the foreign-invested property enterprise. MOFCOM together with other departments of the State Council shall conduct spot-checks over the above enterprises.

According to the Administrative Measures for the Verification and Approval and Filing of Foreign Investment Projects (外商投資項目核準和備案管理辦法) issued on 17 May 2014 and revised on 27 December 2014 by the NDRC and the Circular of the State Council on Promulgating the Catalogue of Investment Projects Subject to the Approval of the Government (2016 Version) (政府核準的投資項目目錄(2016年本)), projects with total investment (including capital increase) of US\$300 million or above in the Foreign Investment Industrial Guidance Catalogue (外商投資產業指導目錄) (“Guidance Catalogue”) shall be subject to the approval of the competent investment department under the State Council. Among them, projects with total investment (including capital increase) of US\$2 billion or above shall be reported to the State Council for registration. Restricted projects with total investment (including capital increase) of less than US\$300 million in the Guidance Catalogue shall be subject to the approval of provincial-level governments. Projects not prescribed in the preceding paragraph but included in Articles 1 to 10 of the Circular of the State Council on Promulgating the Catalogue of Investment Projects Subject to the Approval of the Government (2016 Version) (政府核準的投資項目目錄) shall be subject to the approval as specified therein.

Pursuant to the Circular on Issues Concerning the Authorization for the Review and Approval of Foreign Investment (關於下放外商投資審批權限有關問題的通知) promulgated by MOFCOM on 10 June 2010, the establishment and change of registration of foreign-invested enterprises with a total investment not exceeding US\$300 million within the encouraged or permitted category, and with a total investment of no more than US\$50 million within in the restricted category may be examined and approved by the competent authorities of MOFCOM at the provincial level.

On 24 June 2014, MOFCOM and SAFE jointly issued the Notice on Improving Handling of Archival Documents for Foreign Investment in the Property Industry (關於改進外商投資房地產備案工作的通知) (“Circular 340”) which became effective on 1 August 2014, with the aim to streamline the archiving process. According to Circular 340, the hard copy materials for archiving submitted by the foreign-invested real property enterprise to provincial MOFCOM authorities will be reviewed and archived by provincial authorities, and the information of the enterprises will be transmitted to the MOFCOM in electronic form. MOFCOM will conduct routine spot-check of those enterprises which have fulfilled the archiving procedure; list of foreign-invested real property enterprises which pass the examination (or have yet been examined) will be publicly announced, while a blacklist of enterprises and relevant local authorities which fail to comply with relevant laws and regulations will also be published.

On 6 November 2015, the MOFCOM and SAFE jointly issued the Notice on Further Improvements to Filing for Real Estate Investments of Foreign Investors (商務部、國家外匯管理局關於進一步改進外商投資房地產備案工作的通知) (“Circular 895”), which further simplifies administration of foreign-funded real estate enterprises and removes the filing announcement procedures on the MOFCOM website. Pursuant to Circular 895, upon completion of the aforesaid workflow, foreign-funded real estate enterprises may complete the registration formalities for foreign exchange under direct foreign investment with the banks pursuant to the relevant foreign exchange control provisions. In addition, according to Circular 895, for the purpose of post-event regulation, the MOFCOM shall conduct a random inspection of foreign-funded real estate enterprises quarterly, and the provincial commerce authorities shall submit the examination and approval materials of the randomly-selected enterprises to the MOFCOM within five working days from receipt of the notice on random inspection. Both the foreign-funded real estate enterprises which violate the provisions and their investors shall be punished pursuant to the law, “blacklisted”, and announced on the MOFCOM website.

#### **LAT Tax (土地增值稅)**

Under PRC tax laws and regulations such as the requirements of the Provisional Regulations of the PRC on Land Appreciation Tax (土地增值稅暫行條例) enacted on 13 December 1993 and amended on 8 January 2011, the Company’s properties developed for sale are subject to LAT, which is collectible by the local tax authorities. All income from the sale or transfer of state-owned land use rights, buildings and their ancillary facilities in the PRC is subject to LAT at progressive rates ranging from 30 per cent. to 60 per cent. on the appreciation of land value, which is calculated based on the proceeds from the sale of properties less deductible expenditures as provided in the relevant tax laws. Certain exemptions may be available for the sale of ordinary residential properties developed by the taxpayer itself if the appreciation of land value does not exceed 20 per cent. of the total deductible items as provided in the relevant tax laws. However, sales of commercial properties are not eligible for this exemption. Real estate developers are required to prepay LAT monthly at rates set by local tax authorities after commencement of pre-sales or sales. In May 2010, the SAT issued the Notice on Strengthening the Collection of Land Appreciation Tax (關於加強土地增值稅徵管工作的通知) that requires that the minimum LAT prepayment rate must be no less than 2 per cent. for provinces in eastern China, 1.5 per cent. for provinces in central and north-eastern China and 1 per cent. for provinces in Western China. If the LAT is calculated based on the authorised taxation method (核定徵收), the minimum taxation rate shall be 5 per cent. in principle. There can be no assurance that the local tax authorities will not further increase LAT prepayment rates in the future. In the event that the prepayment rates applicable to the Company increase, its cash flow and financial position will be adversely affected. On 19 May 2010, the SAT issued Notice on Issues concerning the Settlement of Value-Added Tax on Land (關於土地增值稅 清算有關問題的通知). The notice clarifies settlement methods of LAT, specifying the scope and conditions of deductible items when calculating the appreciation value of land. The Notice on the Effective Collection of Land Appreciation Tax (國家稅務總局關於進一步做好土地增值稅徵管工作的 通知) issued by the SAT on 20 June 2013, further emphasises that the scopes of the authorised taxation method and deductible items shall not be expanded arbitrarily.

The SAT's Notice on the Administration of the Settlement of Land Appreciation Tax of Property Development Enterprises (關於房地產開發企業土地增值稅清算管理有關問題的通知) requires real estate developers to settle the final LAT payable in respect of their development projects that meet certain criteria, such as (i) 85 per cent. of a development project having been pre-sold or sold, or where this proportion is below 85 per cent., the building area has been leased or for self-used; (ii) the sales are not completed upon the expiration of three years since the day when the sales (or pre-sale) permits have been obtained; (iii) the taxpayer has applied for writing-off tax registration fees but has not gone through the formalities for the settlement of the land appreciation tax yet; or (iv) other circumstances as prescribed by the provincial tax authorities. Local provincial tax authorities are entitled to formulate detailed implementation rules in accordance with this notice in consideration of local conditions. The Company cannot predict when the PRC tax authorities will require it to settle the full amount of LAT applicable to the Company. If the implementation rules promulgated in the cities in which the Company's projects are located require the Company to settle all unpaid LAT or if any or all of its LAT provisions are collected by the PRC tax authorities, its business, financial condition, results of operations and prospects could be materially and adversely affected.

On 25 April 2016, the MOF and SAT jointly promulgated the Notice on Issues Relating to Tax Computation Bases for Deed Tax, Real Estate Tax, Land Appreciation Tax and Individual Income Tax following Implementation of the Pilot Scheme of Levying VAT in place of Business Tax, effective on 1 May 2016, which provides that (1) income derived by taxpayer of LAT for transfer of real estate shall be income excluding valued added tax ("VAT"); (2) VAT input tax pertaining to deductible items of LAT stipulated in the Provisional Regulations of the PRC on Land Appreciation Tax (中華人民共和國土地增值稅暫行條例), which is allowed to be deducted from the output tax, shall be excluded from the deductible items; and (3) where it is not allowed to be deducted from the output tax, it may be included in the deductible items.

In addition, there can be no assurance that the tax authorities will agree with the Company's estimation or the basis on which the Company calculates its LAT obligations. In the event that the tax authorities assess the Company with LAT in excess of the provisions the Company has made for the LAT and the Company is unable to successfully challenge such assessments, the Company's net profits after tax may be adversely affected. There can be no assurance that the LAT obligations it is to assess and provide for in respect of the properties that it develops will be sufficient to cover the LAT obligations which the local tax authorities ultimately impose on it.

### **Levying VAT in place of Business Tax**

Pursuant to the Interim Regulations on Business Tax of the People's Republic of China (中華人民共和國營業稅暫行條例) enacted by the State Council on 10 November 2008 and enforced on 1 January 2009 and its Detailed Implementation Rules on the Provisional Regulations on Business Tax of the People's Republic of China (中華人民共和國營業稅暫行條例實施細則) issued by the MOF and SAT on 15 December 2008 and amended on 28 October 2011, the tax rate on transfer of immovable properties is 5 per cent.

The MOF and the SAT promulgated the Pilot Proposals for Levying the Value-added Tax in Lieu of Business Tax (營業稅改徵增值稅試點方案) on 16 November 2011 pursuant to which, the pilot work of the value-added tax in lieu of business was carried out in some industries on a national scale since 1 January 2012. Pursuant to this pilot plan and relevant subsequent notices, from 1 January 2012, VAT gradually replaced business tax in the transport and post industry, telecom industry and some of the modern service industries in China. Under the pilot plan, a VAT rate of 6 per cent. applies to certain modern service industries. On 23 March 2016, the MOF and SAT promulgated the Circular on Comprehensively Promoting the Pilot Program of the Collection of Value-Added Tax to Replace Business Tax (Cai Shui [2016] No. 36) (關於全面推開營業稅改徵增值稅試點的通知), which provides that, starting from 1 May 2016, the VAT pilot program will cover construction industry, real estate industry, finance industry and life service industry on a nation-wide basis.

On 31 March 2016, the SAT promulgated the Announcement on Promulgation of the Provisional Measures on Administration of Levying and Collection of Value-added Tax on Sale of Real Estate Projects by Real Estate Development Enterprises Which Develop Such Projects (《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》) pursuant to the Notice of the Ministry of Finance and the State Administration of Taxation on Full Launch of the Pilot Scheme on Levying Value-added Tax in Place of Business Tax (Cai Shui [2016] No. 36) (關於全面推開營業稅改徵增值稅試點的通知), and the relevant prevailing VAT provisions.

On 10 November 2016, the SAT promulgated the Announcement of the State Administration of Taxation on Several Provisions on Collection and Administration of Land Appreciation Tax following the Implementation of Levying of VAT in place of Business Tax (國家稅務總局關於營改增後土地增值稅若干徵管規定的公告), which provides that (1) Following the implementation of levying VAT in place of business tax, the income from transfer of real estate, which is subject to land appreciation tax, shall exclude VAT; (2) Where a taxpayer uses its development products for staff welfare, incentives, external investments, distribution to shareholders or investors, debt setoff, exchange for non-monetary assets of other organisations and individuals etc., the transfer of ownership shall be deemed as sale of real estate, and the income thereof shall comply with the provisions of Article 3 of the SAT's Notice on Administration of Settlement of Land Appreciation Tax of Property Development Enterprises (關於房地產開發企業土地增值稅清算管理有關問題的通知). Where a taxpayer arranges for resettlement of households, the verification of taxable income and deductibles for the resettlement housing shall comply with the provisions of Article 6 of the SAT's Notice on Issues concerning the Settlement of Value-added Tax on Land (關於土地增值稅清算有關問題的通知).

On 21 December 2016, the Ministry of Finance and the State Administration of Taxation issued the Circular 140, which has been retroactively effective since 1 May 2016. The Circular 140 further clarified that VAT is applicable to investment returns on contracts which undertake for fully recoverable principal, but is not applicable to the non-principal-protected gains from investments in financial products.

#### **Completion Acceptance Examination (竣工驗收)**

The Company's business and property sales may be affected if it fails to obtain records of acceptance examination for its completed projects. According to the Regulations on Administration of Development of Urban Real Estate (城市房地產開發經營管理條例) enacted by the State Council and effective on 20 July 1998 and amended on 8 January 2011, the Regulation on the Quality Management of Construction Projects (建設工程質量管理條例) enacted and enforced by the State Council on 30 January 2000, the Administrative Measures for Reporting Details Regarding Acceptance Examination Upon Completion of Buildings and Municipal Infrastructure (房屋建築工程和市政基礎設施工程竣工驗收備案管理暫行辦法) enacted by the MOHURD on 7 April 2000 and amended on 19 October 2009 and the Provisions on Acceptance Examination Upon Completion of Buildings and Municipal Infrastructure (房屋建築工程和市政基礎設施工程竣工驗收規定) enacted and revised by the MOHURD and effective on 2 December 2013, after completion of work for a project, a real estate developer shall apply to the government property development authority at or above the county level for a record of acceptance examination upon project completion.

There can be no assurance that the Company will be able to obtain records of acceptance examination for its completed projects in a timely manner, or at all. In such event, the business, property sales and financial condition of the Company may be materially and adversely affected. The Company may be liable to its customers for damages if it fails to deliver individual property ownership certificates in a timely manner.

## **Individual Property Ownership Certificate (房產證)**

Pursuant to Interpretations on Certain Issues Concerning the Application of Law in Trying Cases Involving Disputes over Contracts on Purchase and Sale of Commodity Premises by Supreme People's Court passed on 24 March 2003 and enforced on 1 June 2003 (最高人民法院關於審理商品房買賣合同糾紛案件適用法律若干問題的解釋), property developers are required to deliver to purchasers the relevant individual property ownership certificates within 90 days after delivery of a pre-sold property or 90 days after execution of sale agreement of a ready-built property or, within a time frame set out in the relevant sale agreement, unless the agreement provides otherwise. Property developers, including the Company, generally elect to specify a deadline for the delivery of the individual property ownership certificates in the sale agreements to allow sufficient time for the application and approval processes.

Under current regulations, the Company is required to submit the requisite governmental approvals in connection with its property developments, including land use rights documents planning permits, construction permits and records of acceptance examination, to the local bureau of land resources and housing administration for the relevant properties and apply for the general property ownership certificate in respect of these properties. According to Administrative Measures for the Pre-Sale of Commercial Housing in Urban Areas (2004 Revision) (城市商品房預售管理辦法) (2004年修正), the Company shall go through the formalities for registration and record-filing of a contract of pre-sale of commercial housing with the competent Real Estate Authority and the relevant land administration of the people's government at the city or county level within 30 days after the date of execution of the contract and the purchasers shall go through the procedure of change in registration of land use right and registration of individual property ownership within 90 days after delivery of a pre-sold property to obtain the individual property ownership certificates in respect of the properties purchased by the purchasers. According to Administrative Measures for the Sale of Commodity Houses issued by the MOHURD on 4 April 2001 (商品房銷售管理辦法), the Company is required to submit related documents to the bureau for purchaser's application of ownership certificate within 60 days after the delivery of property. The company is mandated to assist property purchasers to go through related land use right alteration and house ownership registration procedures. Nevertheless, delays by the various administrative authorities in reviewing the application and granting approval and certain other factors may affect timely delivery of the general and individual property ownership certificates. Therefore, the Company may not be able to deliver individual property ownership certificates to purchasers on time as a result of delays in the administrative approval processes or for any other reason beyond its control, which may result in it having to pay default payments and, in the case of a prolonged delay, the purchaser terminating the sales agreement. If the Company becomes liable to a significant number of purchasers for late delivery of the individual property ownership certificates, its business, financial condition and results of operations may be materially and adversely affected.

## **Environmental Laws**

Potential liability for environmental problems could result in substantial costs and delay in the development of the Company's projects. The Company is subject to a variety of laws and regulations concerning environmental protection. The local environmental laws and regulations applicable to any development site vary greatly according to the site's location and environmental condition, the present and former uses of the site and the nature of the adjoining properties. Compliance with environmental laws and conditions may result in delays in development schedules, may cause the Company to incur substantial compliance and other costs and may prohibit or severely restrict project development activity in environmentally-sensitive regions or areas.

The PRC environmental regulations including the Environmental Protection Law (2014 Revision) (中華人民共和國環境保護法 (2014年修訂)), the Prevention and Control of Noise Pollution Law (中華人民共和國環境噪聲污染防治法), the Prevention of Environmental Pollution by Solid Waste (中華人民共和國固體廢物污染環境防治法) being effective on 7 November 2016, the Environmental Impact Assessment Law (中華人民共和國環境影響評價法) and the Administrative Regulations on Environmental Protection for Development Projects (建設項目環境保護管理條例) provide that each project developed by a property developer is required to undergo an environmental assessment. Unless otherwise provided by the relevant



laws, a property developer is required to submit an environmental impact report, an environmental impact analysis table or an environmental impact registration form to the relevant government authorities for approval before commencement of construction. If the Company fails to comply with these requirements, the local environmental authority may order it to suspend construction of the project until the development environmental impact assessment report is submitted to and approved by the local environmental authority. The local environmental authority may also impose on the Company a fine of RMB50,000 to RMB200,000 in respect of a project if the Company commences construction prior to obtaining such approval from the local environmental authority. There can be no assurance that the Company will be able to complete environmental assessment procedures for its future projects and that the relevant environmental authorities will not order it to suspend construction of these projects or will not impose a fine on it. In the event that there is a suspension of construction or imposition of a fine, this may adversely affect the business and financial condition of the Company.

In addition, PRC regulations require environmental protection facilities included in a property development to pass the inspection by the environmental authorities in order to obtain completion approval before commencing operations. The residential and commercial property projects of the Company have environmental protection facilities that are subject to this requirement. If the Company fails to comply with this requirement, the local environmental authorities may order it to suspend construction or prohibit the use of the facilities, which may disrupt its operations and adversely affect its business. Environmental authorities may also impose a fine of up to RMB100,000 on the Company in respect of a project which is required to have environmental protection facilities but fails to do so. The Company is currently applying for the completion approval of environmental protection facilities for some projects. There can be no assurance that the Company can obtain such approvals in a timely manner or at all. In the event that such completion approvals cannot be obtained or if a fine is imposed on the Company, its business and financial condition may be materially and adversely affected.

### **SAFE Regulation**

The Company's ability to satisfy its obligations under the Bonds mainly depends upon the ability of its PRC subsidiaries to obtain and remit sufficient foreign currency to pay dividends to them and, if applicable, to repay shareholder loans. The PRC government imposes controls on the convertibility of Renminbi into foreign currencies and, in certain cases, the remittance of currency to jurisdictions outside China. Under existing PRC foreign exchange regulations, payments of certain current account items can be made in foreign currencies without prior approval from the local branch of the SAFE, by complying with certain procedural requirements. However, except as otherwise specified by laws and regulations, approval from the appropriate government authorities is usually required where Renminbi is to be converted into foreign currency and remitted to a jurisdiction outside China to pay capital expenses such as the repayment of bank loans denominated in foreign currencies. The PRC government may also, at its discretion, restrict access to foreign currencies for current account transactions in the future. The Company's PRC subsidiaries must present certain documents to the SAFE, its authorised 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 tax record procedure has been completed and, in the case of shareholder loans, evidence of the registration of the loan with the SAFE. Prior to payment of interest and principal on any shareholder loan that the Company makes to its PRC subsidiaries, the relevant PRC subsidiary must also present evidence that the relevant registration procedure relating to the withholding tax on the interest payable of such shareholder loan has been completed. If the PRC foreign exchange control system prevents the Company from obtaining sufficient foreign currency, or if the Company's PRC subsidiaries for any reason fails to satisfy any of the PRC legal requirements for remitting foreign currency payments, such PRC subsidiary will be unable to pay the Company dividends or interest and principal on shareholder loans, which may affect the Company's ability to satisfy their obligations under the Bonds.

#### ***SAFE Regulation on Current Account RMB Remittance***

Under the applicable PRC foreign exchange control regulations, current account items refer to any transaction for international receipts and payments involving goods, services, earnings and other frequent transfers.

Since April 2009, the PRC has commenced a pilot scheme pursuant to which Renminbi may be used for settlement of imports and exports of goods between approved pilot enterprises in five designated cities in the PRC including Shanghai, Guangzhou, Dongguan, Shenzhen and Zhuhai and enterprises in designated offshore jurisdictions including Hong Kong and Macau. On 17 June 2010, the PRC government promulgated the Circular on Issues concerning the Expansion of the Scope of the Pilot Programme of Renminbi Settlement of Cross-Border Trades (關於擴大跨境貿易人民幣結算試點有關問題的通知). In August 2011, the PRC government promulgated the Circular on Expanding the Regions of Cross-border Trade Renminbi Settlement (關於擴大跨境貿易人民幣結算地區的通知) to further expand Renminbi cross-border trade settlement nationwide. In February 2012, the PRC government further promulgated the Notice on Matters Relevant to the Administration of Enterprises Engaging in Renminbi Settlement of Export Trade in Goods (關於出口貨物貿易人民幣結算企業管理有關問題的通知).

Pursuant to the circulars mentioned above, (i) Renminbi settlement of import and export of goods and of services and other current account items became permissible, (ii) the list of designated pilot districts were expanded to cover all provinces and cities in the PRC, (iii) the restriction on designated offshore districts has been lifted and (iv) any enterprise qualified for the export and import business is permitted to use Renminbi as settlement currency for export of goods, provided that the relevant provincial government has submitted to PBOC and five other PRC authorities (the “Six Authorities”) a list of key enterprises subject to supervision and the Six Authorities have verified and published such list (the “Supervision List”).

Accordingly, offshore enterprises are entitled to use Renminbi to settle import of goods and services and other current account items between them and qualified PRC enterprises. Renminbi remittance for export of goods from the PRC may be effected by (a) enterprises with the foreign trading right and incorporated in a province which has already submitted the Supervision List (for the avoidance of doubt, that PRC enterprise does not necessarily need to be included in the Supervision List) or (b) enterprises that have been approved as a pilot enterprise for using Renminbi for exports if the relevant province has not submitted the Supervision List.

#### ***SAFE Regulation on Capital Account RMB Remittance***

Under the applicable PRC foreign exchange control regulations, capital account items include cross-border transfers of capital, direct investments, securities investments, derivative products and loans. Except as otherwise specified by laws and regulations, capital account payments are generally subject to approval or registration of the relevant PRC authorities.

Settlements for capital account items are generally required to be made in foreign currencies. For instance, foreign investors (including any Hong Kong investors) are required to make any capital contribution to foreign invested enterprises in a foreign currency in accordance with the terms set out in the relevant joint venture contracts and/or articles of association as approved by the relevant authorities. Foreign invested enterprises or relevant PRC parties are also generally required to make capital item payments including proceeds from liquidation, transfer of shares, reduction of capital, interest and principal repayment to foreign investors in a foreign currency. That said, the relevant PRC authorities or the qualified banks may grant approval or registration for a foreign entity to make a capital contribution or a shareholder’s loan to a foreign invested enterprise with Renminbi lawfully obtained by it outside the PRC and for the foreign invested enterprise to service interest and principal repayment to its foreign investor outside the PRC in Renminbi on a trial basis. The foreign invested enterprise may be required to complete a registration and verification process with the relevant PRC authorities or the qualified banks before such Renminbi remittances.

On 7 April 2011, SAFE promulgated the Circular on Issues Concerning the Capital Account Items in connection with Cross-Border Renminbi (國家外匯管理局綜合司關於規範跨境人民幣資本項目業務操作有關問題的通知) (the “SAFE Circular”), which became effective on 1 May 2011. According to the SAFE Circular, in the event that foreign investors intend to use cross-border Renminbi (including offshore Renminbi and onshore Renminbi held in the capital accounts of non-PRC residents) to make a contribution to an onshore enterprise or make payment for the transfer of equity interest of an onshore enterprise by

a PRC resident, such onshore enterprise shall be required to submit the relevant MOFCOM's prior written consent to the relevant local branches of SAFE of such onshore enterprise and register for a foreign invested enterprise status. Further, the SAFE Circular clarifies that the foreign debts borrowed, and the external guarantee provided by onshore entities (including financial institutions) in Renminbi shall, in principle, be regulated under the current PRC foreign debt and external guarantee regime.

On 12 October 2011, MOFCOM promulgated the Circular on Issues in relation to Crossborder Renminbi Foreign Direct Investment (商務部關於跨境人民幣直接投資有關問題的通知) (the "MOFCOM RMB FDI Circular"). In accordance with the MOFCOM RMB FDI Circular, MOFCOM and its local counterparts are authorised to approve Renminbi Foreign Direct Investment ("Renminbi FDI") in accordance with existing PRC laws and regulations regarding foreign investment, with the following exceptions which require the preliminary approval by the provincial counterpart of MOFCOM and the consent of MOFCOM: (i) Renminbi FDI with the capital contribution in Renminbi of 300 million or more; (ii) Renminbi FDI in financing guarantee, financing lease, micro financing or auction industries; (iii) Renminbi FDI in foreign invested investment companies, venture capital or equity investment enterprises; or (iv) Renminbi FDI in cement, iron & steel, electrolytic aluminium, shipbuilding or other policy sensitive sectors. In addition, Renminbi FDI in the real estate sector is allowed following the existing rules and regulations of foreign investment in real estate, although Renminbi foreign debt remains unavailable to foreign invested real estate enterprises. The proceeds of Renminbi FDI may not be used towards investment in securities, financial derivatives or entrustment loans in the PRC, except for investments in PRC domestic listed companies through private placements or share transfers by agreement under the PRC strategic investment regime.

On 13 October 2011, PBOC promulgated the Measures for Administration of RMB Settlement Business in Relation to Foreign Direct Investment (外商直接投資人民幣結算業務管理辦法) ("The PBOC Renminbi FDI Measures"), pursuant to which, PBOC special approval for Renminbi FDI and shareholder loans which was required by the PBOC Notice concerning Clarification of Certain Issues on Cross-border Renminbi Settlement (中國人民幣銀行關於明確跨境人民幣業務相關問題的通知) (the "PBOC Notice") promulgated on 3 June 2011 is no longer necessary. The PBOC Renminbi FDI Measures provide that, among others, foreign invested enterprises are required to conduct registrations with the local branch of PBOC within ten working days after obtaining the business licenses for the purpose of Renminbi settlement. Under the measures, a foreign investor is allowed to open a Renminbi preliminary expense account (人民幣前期費用專用存款賬戶) to reimburse some expenses before the establishment of a foreign invested enterprise and the balance in such an account can be transferred to the Renminbi capital account (人民幣資本金專用存款賬戶) of such foreign invested enterprise when it is established. Commercial banks can remit a foreign investor's Renminbi proceeds from distribution (dividends or otherwise) by its PRC subsidiaries out of the PRC after reviewing certain requisite documents. If a foreign investor intends to use its Renminbi proceeds from distribution (dividends or otherwise) by its PRC subsidiaries, the foreign investor may open a Renminbi re-investment account (人民幣再投資專用賬戶) to pool the Renminbi proceeds, and the PRC parties selling stock in domestic enterprises to foreign investors can open Renminbi accounts and receive the purchase price in Renminbi paid by foreign investors. The PBOC Renminbi FDI Measures also state that the foreign debt quota of a foreign invested enterprise constitutes its Renminbi debt and foreign currency debt from its offshore shareholders, offshore affiliates and offshore financial institutions, and a foreign invested enterprise may open a Renminbi account (人民幣一般存款賬戶) to receive its Renminbi proceeds borrowed offshore by submitting the Renminbi loan contract to the commercial bank and make repayments of principal of and interest on such debt in Renminbi by submitting certain documents as required to the commercial bank.

On 14 June 2012, the PBOC promulgated the Notice concerning Clarification of Renminbi Settlement in relation to Foreign Direct Investment (關於明確外商直接投資人民幣結算業務操作細則的通知) (the "PBOC Notice 2012"), which provides more detailed requirements with respect to all accounts concerning capital injection, payment of purchase price in the merger and acquisition of PRC domestic enterprises, remittance of dividends and distribution, as well as Renminbi denominated cross-border loans. Foreign investors, foreign-invested enterprises and domestic shareholders must check and clarify all the existing Renminbi accounts and provide supplementary documents to open an account or modify the information within three months after the promulgation of the PBOC Notice 2012. For those who have

more than one preliminary expense account (前期費用專用存款賬戶), capital account (資本金專用存款賬戶), merger and acquisition account (併購專用存款賬戶) or equity transfer account (股權轉讓專用存款賬戶), they are required to choose one of them and close all of the other accounts. The funds in the accounts for Renminbi capital and Renminbi denominated cross-border loan (資本金專用存款賬戶及人民幣境外借款一般存款賬戶) shall not be used for investment in securities, financial derivatives, entrusted loans, financial products or properties of non-self-use. In addition, the foreign-invested non-investment enterprises shall not use the funds in the Renminbi capital account and Renminbi denominated cross-border loan account (資本金專用存款賬戶及人民幣境外借款一般存款賬戶) for re-investment in the PRC.

On 11 May 2013, SAFE promulgated the Provisions on Foreign Exchange Administration over Direct Investment Made by Foreign Investors in China (外國投資者境內直接投資外匯管理規定) (the “Circular”), which became effective on 13 May 2013. According to the SAFE Provisions, a foreign-invested Enterprise that needs to remit funds abroad due to capital reduction, liquidation, advance recovery of investment, profit distribution, etc. may purchase foreign exchange and make external payment with the relevant bank after going through corresponding registration.

On 3 December 2013, MOFCOM promulgated the Announcement on Issues in relation to Cross-border Renminbi Foreign Direct Investment (關於跨境人民幣直接投資有關問題的公告) (the “Announcement”), which became effective and implemented from 1 January 2014. According to the Announcement, foreign-invested enterprises shall not use the capital invested through Renminbi FDI to directly or indirectly invest in securities, financial derivatives (except for strategic invest in listed companies) or entrustment loans in the PRC. The MOFCOM RMB FDI Circular ceased to be effective on the same date of the implementation of the Announcement.

On 10 January 2014, SAFE promulgated the Notice of the State Administration of Foreign Exchange on Further Improving and Adjusting the Policies on Capital Account Foreign Exchange Administration (關於進一步改進和調整資本項目外匯管理政策的通知) which allows a domestic enterprise to lend to overseas enterprises with equity affiliation, provided that the domestic enterprise shall register the quotas of overseas lending with SAFE branch, and the cumulative overseas loan amount may not exceed 30 per cent. of its equity; if the loan amount exceed the said percentage, the SAFE branch shall decide on a case by case basis.

On 13 February 2015, the SAFE promulgated Circular 13 to simplify foreign exchange rules for cross-border investments. According to Circular 13, foreign exchange registration for foreign direct investment and outbound direct investment will be exempted from the approval by the SAFE and the registration rights will be delegated from the SAFE to the qualified banks from 1 June 2015. Under the Circular 13, foreign investors could open foreign exchange accounts in qualified banks directly after providing the banks with registration documents, with no need to obtain separate government approval. By Circular 13, such qualified banks will administer foreign exchange transactions according to the registration information provided by the parties and the SAFE will indirectly supervise foreign exchange registration by verifying and inspecting the qualified banks.

Before 2014, Foreign Investment Enterprises (“FIEs”) can only convert the foreign exchange in their capital accounts into RMB and withdraw the converted funds on an as-needed basis and there are also stringent rules on the purpose for which the converted RMB may be used.

According to the Circular on the Relevant Operating Issues concerning the Improvement of the Administration of Payment and Settlement of Foreign Currency Capital of Foreign-funded Enterprises issued by the General Affairs Department of the SAFE (國家外匯管理局綜合司關於完善外商投資企業外匯資本金支付結匯管理有關業務操作問題的通知) (“Circular 142”) on 29 August 2008, for each conversion and withdrawal, an FIE is required to provide various supporting documents evidencing the authenticity of the transaction to relevant bank for review and verification. Also the converted RMB should only be used by FIEs in line with their business scope as approved by the examination and approval authorities, for example, for acquiring equipment and real property for self-use. Except for special type of FIEs such as venture capital and private equity enterprises, ordinary FIEs are generally prohibited from

using the RMB converted from their capital account balance to make equity investments in other companies in China. And except for foreign-funded real estate enterprises, foreign-funded enterprise shall not use the RMB converted from their capital account balance to purchase domestic real estate for any purpose other than its own use.

In February 2014, SAFE's Shanghai Branch promulgated the Circular on the Supporting the Construction of Foreign Exchange Control in the Shanghai Free Trade Zone (國家外匯管理局上海市分局關於印發支援中國(上海)自由貿易試驗區建設外匯管理實施細則的通知) ("Circular 26") and SAFE issued the Approval for the Implementation Rules on Foreign Exchange Control in the Shanghai Free Trade Zone (國家外匯管理局關於中國(上海)自由貿易試驗區外匯管理實施細則的批覆) to approve the Circular 26. Circular 26 introduces certain liberalisation measures relaxing the above restrictions on companies incorporated in the Shanghai Free Trade Zone ("Shanghai FTZ"). On 16 December 2015, SAFE's Shanghai Branch further promulgated the Implementation Rules on the Further Promotion of Foreign Exchange Reform and Trial in the Shanghai Free Trade Zone (國家外匯管理局上海市分局關於印發《進一步推進中國(上海)自由貿易試驗區外匯管理改革試點實施細則》的通知) ("Circular 145"), which abolished Circular 26 and introduced further relaxations in foreign exchange settlement and payment.

On 4 July 2014, SAFE issued the Circular on Relevant Issues Concerning the Pilot Reform in Certain Areas of the Administrative Method of the Conversion of Foreign Exchange Funds by Foreign-Invested Enterprises (關於在部分地區開展外商投資企業外匯資本金結匯管理方式改革試點有關問題的通知) ("Circular 36"). The issuance of Circular 36, which mirrors Circular 26 implemented in the Shanghai FTZ since February 2014, is seen as a step to further relax capital account settlement in more locations across China. Circular 36 applies to 16 designated industrial parks, including Zhongguancun Science Park, Suzhou Industrial Park, Tianjin Binhai New Area, Shenzhen Qianhai, Hengqin New Area, Chongqing Liangjiang New Area, and Shenyang Economic Zone ("Pilot Areas").

On 30 March 2015, the SAFE promulgated the Circular of the SAFE on Relevant Issues Concerning the Reform of the Administrative Method of the Conversion of Foreign Exchange Funds by Foreign-invested Enterprises (國家外匯管理局關於改革外商投資企業外匯資本金結匯管理方式的通知) ("Circular 19"), which will relax the capital account settlement for all foreign invested enterprises across the nation from 1 June 2015. According to Circular 19, Circular 142 and Circular 36 will cease to be effective on the same date of the implementation of Circular 19. On 9 June 2016, the SAFE further promulgated the Circular of the SAFE on Relevant Issues Concerning the Reform and Regulation of the Administrative Policies of the Conversion under Capital Items (國家外匯管理局關於改革和規範資本專案結匯管理政策的通知) ("Circular 16"). According to Circular 16, in case of any discrepancy between Circular 19 and Circular 16, Circular 16 shall prevail. Circular 16 allows all foreign invested enterprises across the PRC to convert 100 per cent. (subject to future adjustment at discretion of SAFE) of the foreign currency capital (which has been processed through the SAFE's equity interest confirmation procedure for capital contribution in cash or registered by a bank on the SAFE's system for account-crediting for such capital contribution) into Renminbi at their own discretion without providing various supporting documents. However, to use the converted Renminbi, a foreign invested enterprise still needs to provide supporting documents and goes through the review process with the banks for each withdrawal. A negative list with respect to the usage of the capital and the Renminbi proceeds through the aforementioned settlement procedure is set forth under the Circular 16.

In addition, pursuant to the Notice of State Administration of Foreign Exchange 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) (the "Circular 3") promulgated on 26 January 2017, when conducting outward remittance of a sum equivalent to more than US\$50,000 for a domestic institution, the bank shall, under the principle of genuine transaction, check the profit distribution resolution made by the board of directors (or profit distribution resolution made by partners), original of tax filing form and audited financial statements, and stamp with the outward remittance sum and date on the original of tax filing form. In addition, the domestic institution shall make up its losses of previous years with accordance to laws. On 24 March 2017 and 27 April 2017, the SAFE respectively posted two series of questions and answers on its official website, in order to further explain the Circular 3.

## CIT and Withholding Tax

Under the Corporate Income Tax Law, the Company may be classified as a “resident enterprise” of China. Such classification could result in unfavourable tax consequences to it and its non-PRC Noteholders. Under the CIT Law, an enterprise established outside of China with a “de facto management organisation” located within China will be considered a “resident enterprise,” and consequently will be treated in a manner similar to a Chinese enterprise for CIT purposes. The implementing rules of the CIT Law including 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 (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) promulgated on 22 April 2009 and amended on 13 July 2013 and 29 January 2014 define “de facto management” as “substantial and overall management and control over the production and operations, personnel, accounting, and properties” of the enterprise. On 27 July 2011, the SAT issued, and then on 17 April 2015 revised, the Measures on Administration of Chinese-Controlled Enterprises Registered Abroad Income Tax ((for Trial) (境外註冊中資控股居民企業所得稅管理辦法(試行))), in order to further regulate and strength the administration of the Chinese-controlled enterprises registered abroad on the basis of their body of actual management. However, it is still unclear how the PRC tax authorities will determine whether an entity will be classified as a “resident enterprise.” If the PRC tax authorities determine that the Company is a “resident enterprise” for PRC enterprise income tax purposes, a number of unfavourable PRC tax consequences could follow. The Company would generally be subject to CIT at a rate of 25 per cent. on its worldwide taxable income as well as PRC CIT reporting obligations. In the present case, this would mean that income such as interest from any investment of any portion of the offering proceeds and other income sourced outside of the PRC would be subject to PRC CIT at a rate of 25 per cent. If the Company is considered a “resident enterprise”, interest payable to certain “non-resident enterprise” holders of the Bonds may be treated as income derived from sources within China and be subject to PRC withholding tax at a rate of 10 per cent., and capital gains realised by such holders of the Bonds may be treated as income derived from sources within China and be subject to a 10 per cent. PRC tax, in each case subject to the provisions of any applicable tax treaty. Furthermore, if the Company is considered a “resident enterprise,” interest payable or gains earned by non-resident individual holders of the Bonds may be treated as income derived from sources within China and be subject to PRC income tax (which in the case of interest may be withheld at source) at a rate of 20 per cent., in each case subject to the provisions of any applicable tax treaty.

There are significant uncertainties under the CIT Law relating to the withholding tax liabilities of the Company’s PRC subsidiaries. Under the CIT Law, the profits of a foreign invested enterprise generated in 2008 and onwards which are distributed to its immediate holding company outside the PRC will be subject to a withholding tax rate of 10.0 per cent. or a lower treaty rate as contained in any income tax treaty or agreement to which China is a party. Pursuant to a special arrangement between Hong Kong and the PRC, such rate is lowered to 5.0 per cent. if a Hong Kong resident enterprise owns 25 per cent. or more equity interest in a PRC company. Some of the Company’s PRC subsidiaries are currently wholly owned by Hong Kong subsidiaries. According to the Circular of the SAT on Printing and Issuing the Administrative Measures for Non-resident individuals and Enterprises to Enjoy the Treatment Under Taxation Treaties (Trial) (非居民享受稅收協定待遇管理辦法) (試行), which became effective on 1 October 2009, the 5 per cent. withholding tax rate does not automatically apply and approvals from competent local tax authorities are required before an enterprise can enjoy any benefits under the relevant tax treaties. However, on 27 August 2015, the SAT promulgated the Administrative Measures for Tax Treaties Treatment for Non-resident Taxpayers (非居民納稅人享受稅收協定待遇管理辦法), which became effective on 1 November 2015 and replaced the previous circular, cancelled the pre-approval for non-resident taxpayers when claiming tax benefits for dividends, interest, royalties and capital gains. This means that taxpayers may determine whether they are qualified for the tax benefits by themselves and enjoy the preferential tax rates under the tax bureau’s afterwards supervision and management. The taxpayers may either choose to claim the benefits on their own or finish the application procedures with a tax withholding agent. Moreover, according to a tax circular issued by the SAT in February 2009, if the main purpose of an offshore arrangement is to obtain a preferential tax treatment, the PRC tax authorities have the discretion to adjust the preferential tax rate for which an offshore entity would otherwise be eligible. The PRC tax authorities might not grant approvals on the 5 per cent. withholding tax rate on dividends received by the Company’s subsidiaries in Hong Kong from the Company’s PRC subsidiaries.

## **Foreign Debt Laws**

Under PRC regulations, the Company may not be able to transfer to the Company's PRC subsidiaries proceeds from this offering, which could impair their respective ability to make timely payments of interest and principal under the Bonds. Under PRC rules and regulations relating to supervision of foreign debt, including policies of the SAFE, restrictions on the incurrence of foreign debt (including intercompany debt that would be owed to the Company by the Company's PRC subsidiaries) will require that the proceeds of this offering and other funding the Company provides to the Company's PRC subsidiaries that will be used for land acquisitions and developments in China may only be transferred to the Company's PRC subsidiaries as equity investments and not as loans. Equity contributions by the Company to the Company's PRC subsidiaries will require approvals from the PRC governmental authorities, such as the approvals from the commerce department of the local government and filing with MOFCOM and the local branch of the SAFE, which may take considerable time and delay the actual contribution to the PRC subsidiaries. This may adversely affect the financial condition of the PRC subsidiaries and may cause delays to the development undertaken by such PRC subsidiaries. There can be no assurance that the Company has obtained or will obtain in a timely manner or at all relevant necessary approval certificates or filings for all its operating subsidiaries in the PRC to comply with this regulation.

## DIRECTORS AND MANAGEMENT OF THE COMPANY

Our Board currently consists of eight Directors, comprising five executive Directors and three independent non-executive Directors. Our Board is responsible and has general powers for the management and conduct of our business. The table below shows certain information in respect of the members of our Board as of the date of this offering memorandum:

<u>Name</u>	<u>Age</u>	<u>Role(s)</u>
CHEN Jun (陳軍) .....	42	Executive Director, Chairman of the Board, Chief Executive Officer and the Chairman of the Nomination Committee
WANG Weixian (王偉賢) .....	53	Executive Director and Honorary Chairman
HOU Guangjun (侯光軍) .....	45	Executive Director and Chief Operating Officer
WANG Xuling (王煦菱) .....	56	Executive Director
WU Zhengkui (吳正奎) .....	43	Executive Director
CHEONG Ying Chew, Henry (張英潮) .....	69	Independent Non-Executive Director
FONG Wo, Felix (方和) .....	66	Independent Non-Executive Director Independent Non-Executive Director, Chairman of the Audit Committee and the Remuneration Committee
KWAN Kai Cheong (關啟昌) .....	67	Committee

### Directors

#### *Executive Directors*

**CHEN Jun (陳軍)**, 42, is the Executive Director, Chairman of the Board and Chief Executive Officer of the Company. Mr. Chen Jun is responsible for the overall planning, formulation of strategies and overall daily operations of the Company. Mr. Chen Jun is also the executive vice president of Greenland Holding. He has more than 18 years of experience in the real estate and construction industry, with extensive management experience in the industry. Since he joined the Greenland Holding in February 2001, Mr. Chen has served as project manager, assistant general manager and deputy general manager of the Business Divisions of Greenland Holding. Mr. Chen also serves as a deputy of the 11th and 12th People's Congress of Shaanxi Province, the honorary chairman of Shanghai Chamber of Commerce in Shaanxi and a member of the standing committee of the Shaanxi Youth Federation. Mr. Chen obtained a bachelor's degree in industrial and civil architecture from the College of Architecture and Engineering of Nanjing University of Technology, a master's degree in architectural and civil engineering from Xi'an University of Architecture and Technology and an EMBA degree from Tsinghua University School of Economics and Management. He is currently a PhD candidate majoring in national economics at the Graduate School of Chinese Academy of Social Sciences. Mr. Chen joined the Company in August 2013.

**WANG Weixian (王偉賢)**, 53, is the Executive Director, Honorary Chairman and founder of the Company. Mr. Wang Weixian has over 20 years of experience in finance, construction, and property investment and development. Mr. Wang Weixian graduated from South China University of Technology with a Bachelor degree in Building Materials and University of Technology, Sydney (Australia) with a Bachelor degree of Commerce. He is also a councillor of the Shanghai Soong Ching Ling Foundation and a standing member of the Shanghai Overseas Exchange Association.



**HOU Guangjun (侯光軍)**, 45, is the Executive Director and Chief Operating Officer of the Company. Mr. Hou Guangjun has over 20 years of experience in the real estate and construction industry, with extensive management experience in the industry. Since he joined Greenland Holding in November 1996, Mr. Hou Guangjun has held the posts of engineer, project manager, assistant general manager, deputy general manager and general manager of the Business Divisions of Greenland Holding. Before joining Greenland Holding, he worked for Shanghai Railway Sub-administration. Mr. Hou Guangjun also serves as a member of the People's Political Consultative Conference of Jinan, Shandong Province, China. Mr. Hou Guangjun graduated from Tongji University with a bachelor's degree in materials engineering. Mr. Hou joined the Company in August 2013.

**WANG Xuling (王煦菱)**, 56, is the Executive Director of the Company. Ms. Wang Xuling graduated from Ji'nan University (Guangzhou). Prior to joining the Company, Ms. Wang was the executive director and deputy general manager of Mission Hills Golf Club ("Mission Hills Group"), responsible for sales and marketing of properties. Before joining Mission Hills Group, Ms. Wang Xuling had about 12 years of experience in the news and media business. Ms. Wang Xuling joined the Company as an Executive Director in 2007.

**WU Zhengkui (吳正奎)**, 43, is the Executive Director of the Company. Mr. Wu Zhengkui is also the deputy general manager of the Finance Department of Greenland Holding. Mr. Wu Zhengkui graduated from Fudan University with a master's degree in accounting. He also has the professional title of intermediate accountant. Mr. Wu Zhengkui has over 13 years of experience in the real estate and construction industry, with extensive experience in financial management within the industry. Since he joined Greenland Holding in January 2002, Mr. Wu Zhengkui has served as finance manager, director and supervisor of the subsidiaries of Greenland Holding and assistant general manager of the Finance Department of Greenland Holding. Mr. Wu Zhengkui joined the Company in August 2013.

#### **Independent Non-executive Directors**

**CHEONG Ying Chew, Henry (張英潮)**, 69, has been an Independent Non-Executive Director of the Company since 2006. He holds a Bachelor of Science degree in Mathematics and a Master of Science degree in Operational Research and Management. He is also an independent non-executive director of each of Cheung Kong (Holdings) Limited, Cheung Kong Infrastructure Holdings Limited, Hutchison Telecommunications Hong Kong Holdings Limited, New World Department Store China Limited, TOM Group Limited, CNNC International Limited, Creative Energy Solutions Holdings Limited, all being listed in Hong Kong. He is also an independent director of BTS Group Holdings Public Company Limited, a company listed in Thailand, and an Executive Director and the Deputy Chairman of Worldsec Limited, a company listed in London. He is also a Member of the Securities and Futures Appeals Tribunal and a Member of the Advisory Committee of the Securities and Futures Commission, and was previously a member of the Disciplinary Panel (Panel A) of the Hong Kong Institute of Certified Public Accountants. He was an independent non-executive director of Hong Kong Jewelry Holding Limited (formerly known as Excel Technology International Holdings Limited), a listed company in Hong Kong, up until 3 July 2012.

**FONG Wo, Felix (方和)**, BBS, JP, 66, is an Independent Non-Executive Director of the Company since 2006, a practicing solicitor in Hong Kong and is also qualified in Canada and England. He is appointed by the Ministry of Justice of China as one of the China-Appointed Attesting Officers in Hong Kong. Mr. Fong is a consultant and the founding partner of the Hong Kong law firm, King & Wood (formerly known as Arculli Fong & Ng), and has practiced law for over 30 years, including eight years in Toronto. Mr. Fong is an independent non-executive director of a number of listed companies, namely Guangdong Land Holdings Limited (formerly known as Kingway Brewery Holdings Limited), Evergreen International Holdings Limited, China Investment Development Limited (formerly known as Temujin International Investments Limited) and Sheen Tai Holdings Group Company Limited, whose shares are listed on the Hong Kong Stock Exchange, and also China Oilfield Services Limited, whose shares are listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange. Mr. Fong is a member of the Guangdong Provincial Committee of Chinese People's Political Consultative Conference (9th and 10th Sessions), a director of the China Overseas Friendship Association, a director of the Shanghai Chinese

Overseas Friendship Association and an executive director of the Guangdong Overseas Friendship Association. He is also the chairman of the Advisory Council on Food and Environmental Hygiene, a member of the Hong Kong Communications Authority and a director of the Hong Kong Basic Law Institute. Mr. Fong is a member of the first Selection Committee for the purposes of electing the Chief Executive for Hong Kong Special Administrative Region, a founding member of the Canadian International School of Hong Kong, a member of the Board of Advisers for the Faculty of Business of the University of Victoria, British Columbia, Canada and a visiting professor of the School of Law of Sun Yat-sen University, China.

**KWAN Kai Cheong (關啟昌)**, 67, is an Independent Non-Executive Director of the Company since 2006, holds a Bachelor of Accountancy (Honors) degree from the University of Singapore and is a member of the Institute of Chartered Accountants in Australia. He is also a fellow of the Hong Kong Institute of Directors. Mr. Kwan is presently the president of Morrison & Company Limited, a business consultancy firm.

## Senior Management

The table below sets forth certain information concerning our other senior management members:

Name	Age	Role(s)
YANG Xiaodong (楊曉冬).....	55	Executive Vice President
GU Minqi (顧敏琦).....	41	Vice President
GU Guanghui (顧光輝).....	31	General Manager of Investment Development Department
LEI Yu, Rain (雷雨).....	44	General Manager of Legal and Risk Control Center
SUN Yu (孫昱).....	41	General Manager of Technology Research and Development Department
LI Qiang (李強).....	42	General Manager of Cost Management Department
LI Peng (李鵬).....	34	General Manager of Marketing Management Department
HE Yunfei (何雲飛).....	46	General Manager of Operations Management Department
JIANG Hualian (蔣華聯).....	46	Office Director and Executive Deputy General Manager of Human Resources Department
GE Hao Long (葛浩龍).....	43	General Manager of a property company

**YANG Xiaodong (楊曉冬)**, 55, is the Executive Vice President of the Company and President of Shanghai Greenland Financial Information Services Limited (上海綠地金融信息服務有限公司). Mr. Yang studied at College of Electrical Engineering, Shenyang University and obtained a master's degree in computer engineering from Northeastern University. Mr. Yang Xiaodong was previously the president of Fidelity Investments in China, standing director and chief information officer of Fidelity International, Asia Pacific and vice president of Fidelity Investments Group and held various senior management positions. He has over 20 years of experience in the international financial and investment sector and was awarded the "Best Leader of Fidelity Investments" and one of the "Top 10 Economic Personalities in Dalian in 10 Years" and "Top 10 Economic Personalities in Dalian of the Year". Mr. Yang Xiaodong joined Greenland Holding and the Company in April 2015 and was recognised as an "Outstanding Operator and Manager of Greenland Group for 2015".

**GU Minqi (顧敏琦)**, 41, is the Assistant General Manager of the Company and General Manager of the Guangxi Company. Mr. Gu Minqi obtained a bachelor's degree in industrial and civil architecture from Zhengzhou University. He is a senior engineer with the qualifications of National First Class Registered Architect and National Supervision Engineer. With 20 years of experience in the real estate industry and strong multi-project management capability, he held senior management positions with several renowned property developers in Henan and Shanghai for a long period of time. Mr. Gu Minqi joined Company at the end of 2013 and was recognised as the "Model Staff of Greenland Group for 2014". Mr. Gu Minqi also serves as a member of the People's Political Consultative Conference of Nanning, Guangxi Zhuang Autonomous Region.

**GU Guanghui (顧光輝)**, 31, is the General Manager of the Investment Development Department of the Company. Mr. Gu Guanghui graduated from Shanghai University of Finance and Economics with a bachelor's degree in management studies. He has nearly 8 years of experience in the real estate industry. Mr. Gu Guanghui joined Greenland Group in 2009 and was the General Manager of Xining/Urumqi companies under the Northwest Business Division of Greenland Group. Mr. Gu Guanghui joined Greenland Hong Kong in November 2016.

**LEI Yu, Rain (雷雨)**, 44, is the General Manager of Legal and Risk Control Center of the Company. Mr. Lei Yu, Rain, graduated from Fudan University with a bachelor's degree in law and a master's degree in public administration. He also obtained a master's degree in business administration from China Europe International Business School. Mr. Lei is a qualified lawyer in the PRC and has over 16 years of working experience in compliance and internal risk control of listed companies, mergers, acquisitions and reorganisation of companies, project investment and financing and contract negotiation, etc. Prior to joining the Company in May 2003, Mr. Lei Yu, Rain, worked at Grandall Law Firm (Shanghai), where he was mainly engaged in corporate mergers and acquisitions and IPO projects. Mr. Lei Yu, Rain, was recognised as the "2014 Industrial Honorary Role Model of Greenland Group" and "Outstanding Manager of Greenland Hong Kong for 2015".

**SUN Yu (孫昱)**, 41, is the General Manager of Technology Research and Development Department of the Company. Mr. Sun Yu graduated from Dalian University of Technology with a master's degree in architecture. He has 13 years of experience in architectural design. Prior to joining Greenland Holding in 2010, Mr. Sun Yu worked in East China Architectural Design & Research Institute and was responsible for the management of various large-scale ultra-high-rise urban complex projects, such as Changsha Greenland Center, Wuhan Greenland Center, Greenland AD 1860 and Greenland Gu Cun Park Business Plaza. Mr. Sun Yu joined the Company in November 2013.

**LI Qiang (李強)**, 42, is the General Manager of Cost Management Department of the Company. Mr. Li Qiang graduated from Tongji University with a bachelor's degree in project management and is an intermediate engineer. With nearly 19 years of experience in cost and budget management, Mr. Li Qiang is seasoned in dynamic cost calculation and control throughout the entire process of a project. After joining Greenland Holding in 2006, he has served as the Cost Director of the Shandong Sales Department, Deputy Cost Manager of the Property Operations II Department and Deputy Cost Manager of the Commercial Group. Previously, he worked at Shimao Group and Widnell Ltd. Mr. Li Qiang joined the Company in February 2015.

**LI Peng (李鵬)**, 34, is the General Manager of Marketing Management Department of the Company. Mr. Li Peng joined the Northwest Business Division of Greenland Holding in 2007 and has 9 years of experience in real estate marketing. He was awarded the Champion for Annual Sales of Weimar Mansion of 2008, the Top Market Manager of 2010 and the One-Star Market Manager of "Benteng Award" in 2010. In 2011, the team led by Mr. Li was also awarded the Champion for Annual Project Sales of the Year – Northwest Business Division. In 2012, Mr. Li was recognised as the "Business Role Model" of the Year of Greenland Holding. Mr. Li Peng joined the Company in November 2013.

**HE Yunfei (何雲飛)**, 46, is the General Manager of Operations Management Department of the Company. Mr. He Yunfei graduated from Shanghai Urban Construction College with a bachelor's degree in urban construction. He is an intermediate engineer and second-class architect. Prior to joining the Company, he acted as the project general manager and director of the project management department of Sino-Ocean Land, general manager of the sales department of Vanke Property and branch person-in-charge of Shanghai Construction Group No. 5 Co., Ltd. Mr. He Yunfei joined Company in January 2015 and was recognised as an "Outstanding Manager of Greenland Hong Kong for 2015".

**JIANG Hualian (蔣華聯)**, 46, is the office director and Executive Deputy General Manager of the Human Resources Department of the Company. Ms. Jiang Hualian graduated from East China Normal University with an intermediate title. Ms. Jiang Hualian joined Greenland Hong Kong in September 2016. Previously, she worked as Deputy Director of Shanghai Jingan Special Education Guidance Center and Vice Principal of Nanyang School, assistant to director and head of Business Development Department of Shanghai Youth Activity Center of Shanghai Communist Youth League Committee, a Party Committee member of Shanghai Youth Activity Center and secretary of the party branch of Shanghai Youth Culture Center. Since March 2016, Ms. Jiang Hualian has been a Committee Member of the Jingan Committee of Shanghai.

**GE Hao Long (葛浩龍)**, 43, is the General Manager of a property company of the Company. Mr. Ge Hao Long is a standing member of Shenzhen Property Management Association, a member of the Discipline Inspection Committee of the association, and a visiting professor of Shenzhen Real Estate and Property Management Advanced Training College. Prior to joining the Company, he worked in China Vanke and Shenzhen Poly Property. Mr. Ge Hao Long joined the Company in April 2010.

## **Board Committees**

### *Audit Committee*

The Board established the audit committee on 19 September 2006 with specific written terms of reference which deal clearly with its authority and responsibilities.

The committee is responsible for formulating and reviewing the financial and internal control principles of the Company. The committee is also responsible for making recommendation to the Board on the appointment, re-appointment and removal of the external auditors, approving the remuneration and terms of engagement of the external auditors and considering any questions of resignation or dismissal of such auditors. The committee can seek independent professional advice to complement its own resources to discharge its duties.

The committee comprises all the independent non-executive Directors, namely Messrs. CHEONG Ying Chew, Henry, FONG Wo, Felix, JP. and KWAN Kai Cheong. Mr. KWAN Kai Cheong is the chairman of the committee.

### *Remuneration Committee*

The Board established the remuneration committee on 19 September 2006 with specific written terms of reference which deal clearly with its authority and responsibilities.

The committee is responsible for formulating and reviewing the remuneration policy and specific remuneration packages of all executive Directors. In formulating the remuneration policy, the committee takes into consideration factors such as salaries paid by comparable companies, employment conditions and responsibilities, and individual performance of the Directors, senior management, and the general staff. The committee can seek independent professional advice to complement its own resources to discharge its duties.

The remuneration committee currently comprises Mr. CHEN Jun, Ms. WANG Xuling and all the independent non-executive Directors namely Messrs. CHEONG Ying Chew, Henry, FONG Wo, Felix, JP. and KWAN Kai Cheong. Mr. KWAN Kai Cheong is the chairman of the committee.

### *Nomination Committee*

The Company established a nomination committee on 1 April 2013 in compliance with the CG Code. The nomination committee is responsible for nomination and selection of Directors. Proposed new Directors are selected based on skills and experience that will enable them to make positive contributions to the performance of the Board. The nomination committee is chaired by Mr. CHEN Jun and has specific written terms of reference which deal clearly with its authority and responsibilities and posted on the respective websites of the Company and the Stock Exchange. The principal functions of the nomination committee include:

- to review the structure, size and composition (including the skills, knowledge and experience) of the Board and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nomination for directorships;
- to assess the independence of independent non-executive Directors; and
- to make recommendations to the Board on the appointment or reappointment of Directors and succession planning for Directors, in particular chairman and chief executive.

The nomination committee currently comprises two executive Directors, namely Messrs. CHEN Jun and HOU Guangjun; and all the independent non-executive Directors, namely Messrs. CHEONG Ying Chew, Henry, FONG Wo, Felix, JP. and KWAN Kai Cheong. Mr. CHEN Jun is the chairman of the committee.

## RELATED PARTY TRANSACTIONS

The following discussion describes certain material related party transactions between our consolidated subsidiaries and our directors, executive officers and principal shareholders and, in each case, the companies with whom they are affiliated. Each of our related party transactions was entered into in the ordinary course of business, on fair and reasonable commercial terms, in our interests and the interests of our shareholders.

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.

During the year ended 31 December 2016, the Group entered into the following transactions and arrangements with persons who constituted “connected persons” which were required to be disclosed for the purposes of the Listing Rules:

On 22 January 2016, 上海康橋半島(集團)有限公司 (Shanghai Cambridge (Group) Co., Ltd.\*), a subsidiary of the Company, entered into a Shanghai property transaction contract to sell to 上海新華發行集團有限公司 (Shanghai Xinhua Publishing Group Company Limited\*) 67.14% of the equity interest in, and the shareholder’s loan to, 上海思博教育發展有限公司 (Shanghai Sipo Education Development Company Limited\*) for a total consideration of approximately RMB349 million.

On 2 March 2016, 海口綠地鴻翔置業有限公司 (Haikou Greenland Hongxiang Properties Limited\*), an indirect wholly-owned subsidiary of the Company, entered into a cooperation framework agreement with 海口市市政管理局 (Haikou Municipal Authority\*), to incorporate together with 上海綠地建築工程有限公司 (Shanghai Greenland Construction Co., Ltd.\*) a joint venture company for the purpose of financing and carrying out a re-construction project in relation to the land situated in Haikou District, Hainan Province of the PRC, for a total investment sum of approximately RMB600 million.

On 21 April 2016, 徐州南部房地產開發有限公司 (Xuzhou Southern Development Property Development Co., Ltd.\*), a wholly-owned subsidiary of the Company, entered into a main contractor Agreement with 上海綠地建築工程有限公司 (Shanghai Greenland Construction Co., Ltd.\*) (“Shanghai Greenland”), to appoint Shanghai Greenland as the main contractor to undertake all civil construction, installation works and ancillary engineering works in respect of the real estate development project to be constructed in Tongshan District, Xuzhou City, Jiangsu Province of the PRC. The total contract sum was approximately RMB95.97 million.

On 22 June 2016, 蘇州綠傑置業有限公司 (Suzhou Lvjie Property Co., Ltd\*), a wholly-owned subsidiary of the Company, entered into a main contractor agreement with Shanghai Greenland, to appoint Shanghai Greenland as the main contractor to undertake all civil construction, installation works and ancillary engineering works in respect of the residential development project to be constructed in Wujiang District, Suzhou City, Jiangsu Province of the PRC. The total contract sum was approximately RMB196.27 million.

Details of the above agreements were set out in the announcements of the Company dated 22 January 2016, 2 March 2016, 21 April 2016 and 22 June 2016 and the circular of the Company dated 18 February 2016.

On 21 April 2016, the Company entered into a cooperation framework agreement with Greenland Group Senmao Landscape Engineering Co., Ltd (綠地集團森茂園林有限公司) (“Senmao”) to engage Senmao to undertake the landscape construction and greening works (“Landscape Greening Works”) to be provided pursuant to the cooperation framework agreement in respect of the real estate development projects of the Group in the PRC.

The annual aggregate contracted amount payable for the Landscape Greening Works to be provided by Senmao for the three years ending 31 December 2018 shall not exceed the amounts set out below:

For the year ending 31 December 2016: RMB199.09 million;

For the year ending 31 December 2017: RMB61.82 million; and

For the year ending 31 December 2018: RMB9.24 million.

*\* for identification purposes only*

## TAXATION

*The following summary of certain Cayman Islands, Hong Kong and PRC tax consequences of the purchase, ownership and disposition of the Bonds is based upon applicable laws, regulations, rulings and decisions in effect 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 Bonds and does not purport to deal with consequences applicable to all categories of investors, some of which may be subject to special rules. Persons considering the purchase of the Bonds should consult their own tax advisors concerning the tax consequences of the purchase, ownership and disposition of the Bonds, including such possible consequences under the laws of their country of citizenship, residence or domicile.*

### **Cayman Islands**

Under the laws of the Cayman Islands, payments of interest and principal on the Bonds will not be subject to taxation and no withholding will be required on the payment of interest and principal or premium to any holder of the Bonds, as the case may be, nor will gains derived from the disposal of the Bonds 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.

No stamp duty is payable in respect of the issue of the Bonds. An instrument of transfer in respect of a Bond 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 (1999 Revision). In accordance with the provision of section 6 of The Tax Concessions Law (1999 Revision), the Governor in Cabinet undertakes with the Company:

- a. That no law which is thereafter 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;
- b. 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 Company's shares, debentures or other obligations, 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 (1999 Revision); and
- c. These concessions shall be for a period of 20 years from 2 May 2006.

### **Hong Kong**

#### ***Withholding Tax***

No withholding tax is payable in Hong Kong in respect of payments of principal, premium (if any) or interest in respect of the Bonds or in respect of any capital gains arising from the sale of the Bonds.

#### ***Profits Tax***

Hong Kong profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Interest on the Bonds may be deemed to be profits arising in or derived from Hong Kong from a trade, profession or business carried on in Hong Kong in the following circumstances:

- (i) interest on the Bonds is derived from Hong Kong and is received by or accrues to a company carrying on a trade, profession or business in Hong Kong;



- (ii) interest on the Bonds is derived from Hong Kong and is received by or accrues to a person, other than a company (such as a partnership), carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business; or
- (iii) interest on the Bonds is received by or accrues to a financial institution (as defined in the Inland Revenue Ordinance (Cap. 11) of Hong Kong) and arises through or from the carrying on by the financial institution of its business in Hong Kong.

Sums received by or accrued to a financial institution by way of gains or profits arising through or from the carrying on by the financial institution of its business in Hong Kong from the sale, disposal and redemption of Bonds will be subject to Hong Kong profits tax.

Sums derived from the sale, disposal or redemption of Bonds will be subject to Hong Kong profits tax where received by or accrued to a person, other than a financial institution, from the carrying on of a trade, profession or business in Hong Kong and the sum has a Hong Kong source. The source of such sums will generally be determined by having regard to the manner in which the Bonds are acquired and disposed of.

If the Bonds are short or medium term debt instruments (as defined in the Inland Revenue Ordinance), profits tax will be assessable at one-half of the standard profits tax rate.

#### ***Stamp Duty***

No Hong Kong stamp duty will be chargeable upon the issue or transfer of a Bond (for so long as the register of holders of the Bonds is maintained out-side Hong Kong).

#### ***Estate Duty***

No Hong Kong estate duty is payable in respect of the Bonds.

### **PRC**

The following summary describes certain PRC tax consequences of ownership and disposition of the Bonds by beneficial owners who, or which, are not residents of mainland China for PRC tax purposes. These beneficial owners are referred to as non-PRC Bondholders in this “*Taxation – PRC*” section. In considering whether to invest in the Bonds, investors should consult their own tax advisors with regard to the application of PRC tax laws to their particular situations as well as any tax consequences arising under the laws of any other tax jurisdiction.

Pursuant to the CIT Law and its implementation regulations including 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 (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) promulgated on 22 April 2009 and amended on 13 July 2013 and 29 January 2014, enterprises that are established under laws of foreign countries and regions (including Hong Kong, Macau and Taiwan) but whose “de facto management organisations” are within the territory of China are treated as PRC tax resident enterprises for the purpose of the CIT Law and must pay PRC enterprise income tax at the rate of 25 per cent. in respect of their taxable income. Although the rules are not entirely clear, dividends from a PRC tax resident enterprise should be excluded from the taxable income of a recipient that is also a PRC tax resident enterprise. If relevant PRC tax authorities decide, in accordance with applicable tax rules and regulations, that the “de facto management organisation” of the Company is within the territory of PRC, the Company may be treated as a PRC tax resident enterprise for the purpose of the CIT Law, and the Company may be subject to PRC enterprise income tax at the rate of 25 per cent. on its taxable income. At the date of the offering memorandum, the Issuer has not been notified or informed by the PRC tax authorities that it is considered to be a PRC tax resident enterprise for the purpose of the CIT Law.

However, there is no assurance that the Issuer will not be treated as a PRC tax resident enterprise under the CIT Law and related implementation regulations in the future. Pursuant to the CIT Law and its implementation regulations, any non-resident enterprise without an establishment within the PRC or whose income has no connection to its establishment inside the PRC must pay enterprise income tax on income sourced within the PRC, and such income tax must be withheld at source by the PRC payer. Accordingly, if the Company is treated as a PRC tax resident enterprise by the PRC tax authorities, the Company may be required to withhold income tax from the payments of interest in respect of the Bonds to any non-PRC Bondholder, and gain from the disposition of the Bonds may be subject to PRC tax, if the income or gain is treated as PRC-source. The tax rate is generally 10 per cent. for non-resident enterprise Bondholders and 20 per cent. in the case of non-resident individuals, in each case, subject to the provisions of an applicable tax treaty. If the Company is required under CIT Law to withhold PRC tax on payments it makes on the Bond, it will be required to pay additional amounts to Bondholders, subject to certain exceptions, so that they would receive the full amount of the scheduled payment, as further set out in the Terms and Conditions of the Bonds.

### *VAT*

On 23 March 2016, the MOF and SAT issued the Circular 36, which confirms that business tax will be completely replaced by VAT from 1 May 2016. Since then, the income derived from the provision of financial services which attracted business tax has been completely replaced by, and subject to, VAT. According to Circular 36, entities and individuals providing services within China are subject to VAT. The services are treated as being provided within China where either the service provider or the service recipient is located in the PRC. The services subject to VAT include the provision of financial services such as the provision of loans. It is further clarified under Circular 36 that the term “loans” refers to the activity of lending capital for another’s use and receiving the interest income thereon. The issuance of the Bonds may be regarded as financial services by Bondholders and interest payments on the Bonds may be subject to withholding of VAT if the Company is a PRC resident enterprise for PRC tax purposes at a rate of 6 per cent. plus related surcharges.

On 21 December 2016, the Ministry of Finance and the State Administration of Taxation issued the Circular 140, which has been retroactively effective since 1 May 2016. The Circular 140 further clarified that VAT is applicable to investment returns on contracts which undertake for fully recoverable principal, but is not applicable to the non-principal-protected gains from investments in financial products. As there is no definition of non-principal-protected gains under Circular 36 or Circular 140, there is uncertainty as to whether the Bonds shall be deemed to be a financial product that provides for non-principal-protected-gain investment.

As the circulars pertaining VAT are relatively new, the interpretation and enforcement of such laws and regulations involve uncertainties. Therefore, the applicability of VAT if either the seller or buyer of the Bonds is located inside the PRC is uncertain. In particular, where a Bondholder who is an individual resells the Bonds, VAT may be exempted according to Circular 36 if the resale of Bonds is treated as resale of financial products. Where a Bondholder who is an entity located outside of the PRC resells the Bonds to an entity or individual located outside of the PRC and derives any gain, VAT does not apply since neither the service provider nor the service recipient is located in the PRC. However, where a Bondholder who is an entity resells the Bonds, there is uncertainty as to the applicability of VAT if either the seller or buyer of Bonds is located inside the PRC.

Circular 36 has been issued quite recently and the above statement may be subject to further change upon the issuance of further clarification rules and/or different interpretation by the competent tax authority. There is uncertainty as to the application of Circular 36.

## SUBSCRIPTION AND SALE

The Company has entered into a subscription agreement with Credit Suisse (Hong Kong) Limited, The Hongkong and Shanghai Banking Corporation Limited, China Everbright Bank Co., Ltd., Hong Kong Branch, Haitong International Securities Company Limited and UBS AG Hong Kong Branch (together, the “Joint Lead Managers”) dated [●] 2017 (the “Subscription Agreement”) pursuant to which and subject to certain conditions contained in the Subscription Agreement, the Company agreed to sell to the Joint Lead Managers, and the Joint Lead Managers have agreed to severally, but not jointly, subscribe and pay for the aggregate principal amount of the Bonds set forth opposite its name below:

<b>Joint Lead Managers</b>	<b>Principal Amount of the Bonds to be Subscribed</b>
	(US\$)
Credit Suisse (Hong Kong) Limited .....	[●]
The Hongkong and Shanghai Banking Corporation Limited .....	[●]
China Everbright Bank Co., Ltd., Hong Kong Branch.....	[●]
Haitong International Securities Company Limited .....	[●]
UBS AG Hong Kong Branch .....	[●]
<b>Total</b> .....	<b>[●]</b>

The Subscription Agreement provides that the Company will indemnify the Joint Lead Managers and their affiliates against certain liabilities in connection with the offer and sale of the Bonds. The Subscription Agreement provides that the obligations of the Joint Lead Managers are subject to certain conditions precedent and entitles the Joint Lead Managers to terminate it in certain circumstances prior to payment being made to the Company.

The Joint Lead Managers and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities (“Banking Services or Transactions”). The Joint Lead Managers and their respective affiliates may have, from time to time, performed, and may in the future perform, various Banking Services and/or Transactions with the Company for which they have received, or will receive, fees and expenses.

In connection with the offering of the Bonds, the Joint Lead Managers and/or their respective affiliates, or affiliates of the Company, may place orders, receive allocations and purchase Bonds for their own account (without a view to distributing such Bonds). Such entities may hold or sell such Bonds or purchase further Bonds for their own account in the secondary market or deal in any other securities of the Company, and therefore, they may offer or sell the Bonds or other securities otherwise than in connection with the offering. Accordingly, references herein to the Bonds being ‘offered’ should be read as including any offering of the Bonds to the Joint Lead Managers and/or their respective affiliates, or affiliates of the Company for their own account. Such entities are not expected to disclose such transactions or the extent of any such investment, otherwise than in accordance with any legal or regulatory obligation to do so. Furthermore, it is possible that only a limited number of investors may subscribe for a significant proportion of the Bonds. If this is the case, liquidity of trading in the Bonds may be constrained (see “Risk Factors – The liquidity and price of the Bonds following this offering may be volatile.”). The Company and the Joint Lead Managers are under no obligation to disclose the extent of the distribution of the Bonds amongst individual investors.

Some of the Joint Lead Managers and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Company. The Joint Lead Managers have received, or may in the future receive, customary fees and commissions for these transactions.

In the ordinary course of their various business activities, the Joint Lead Managers and their respective affiliates 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, and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Company, including the Bonds. Certain of the Joint Lead Managers or their affiliates that have a lending relationship with the Company routinely hedge their credit exposure to the Company consistent with their customary risk management policies. Typically, such Joint Lead Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the Company's securities, including potentially the Bonds offered hereby. Any such short positions could adversely affect future trading prices of the Bonds offered hereby. The Joint Lead Managers and their affiliates may make investment recommendations and/or publish or express independent research views (positive or negative) in respect of the Bonds or other financial instruments of the Company, and may recommend to their clients that they acquire long and/or short positions in the Bonds or other financial instruments.

In connection with the issue of the Bonds, each of Credit Suisse (Hong Kong) Limited and The Hongkong and Shanghai Banking Corporation Limited (each a "Stabilising Manager") or any person acting on behalf of the Stabilising Manager may, to the extent permitted by applicable laws and directives, over allot the Bonds or effect transactions with a view to supporting the price of the Bonds at a level higher than that which might otherwise prevail, but in so doing, the Stabilising Manager or any person acting on behalf of the Stabilising Manager shall act as principal and not as agent of the Company. However, there is no assurance that the Stabilising Manager or any person acting on behalf of the Stabilising Manager will undertake stabilisation action. Any loss or profit sustained as a consequence of any such over allotment or stabilisation shall be for the account of the Joint Lead Managers.

## **General**

None of the Company or any Joint Lead Manager has made any representation that any action will be taken in any jurisdiction by the Joint Lead Managers or the Company that would permit a public offering of the Bonds, or possession or distribution of the offering memorandum (in preliminary, proof or final form) or any other offering or publicity material relating to the Bonds (including roadshow materials and investor presentations), in any country or jurisdiction where action for that purpose is required. No Joint Lead Manager is authorised to make any representation or use any information in connection with the issue, subscription and sale of the Bonds other than as contained in, or which is consistent with, the final offering memorandum or any amendment or supplement to it.

## **United States**

The Bonds have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered or sold within the United States. The Bonds are being offered and sold outside of the United States in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering of the Bonds, an offer or sale of Bonds within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

## **United Kingdom**

Each Joint Lead Manager has represented, warranted and agreed that:

- (a) (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Bonds other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Bonds would otherwise constitute a contravention of Section 19 of the FSMA by the Company;

- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated 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”)) received by it in connection with the issue or sale of the Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Company; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

## **The PRC**

Each Joint Lead Manager has represented, warranted and agreed that the Bonds are not being offered or sold and may not be offered or sold, directly or indirectly, in the People’s Republic of China (for such purposes, not including Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by the securities laws of the People’s Republic of China.

## **Hong Kong**

Each Joint Lead Manager has represented, warranted and agreed that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Bonds other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Bonds, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

## **Singapore**

Each Joint Lead Manager has acknowledged that the offering memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Joint Lead Manager has represented, warranted and agreed that it has not offered or sold any Bonds or caused such Bonds to be made the subject of an invitation for subscription or purchase and will not offer or sell such Bonds or cause such Bonds to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, the offering memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Bonds, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Bonds 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 (as defined in Section 239(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 Bonds pursuant to an offer made under Section 275 of the SFA, except:

- (i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 32 of the Securities and Futures (Offer of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

### **Japan**

The Bonds have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No.25 of 1948, as amended, the "Financial Instruments and Exchange Act"). Accordingly, each Joint Lead Manager has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Bonds 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 organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

### **Cayman Islands**

No offer or invitation whether directly or indirectly may be made to the public in the Cayman Islands to subscribe for the Bonds.

## **RATINGS**

We have been assigned a long-term corporate rating of Ba2 with a negative outlook by Moody's and a long-term corporate credit rating of BB- with a negative outlook by S&P. 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.

## GENERAL INFORMATION

1. **Clearing Systems:** The Bonds have been accepted for clearance through Euroclear and Clearstream with Common Code 163465884 and ISIN XS1634658840 for the Bonds.
2. **Authorisation:** The Company has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of its obligations under the Bonds, the Trust Deed and the Agency Agreement. The issue of the Bonds was authorised by resolutions of the board of directors of the Company on 1 June 2017. PRC counsel to the Company and the Joint Lead Managers have advised that no approvals or consents are required from any regulatory authorities or other relevant authorities in the PRC for the Company to engage in the transaction.
3. **No Material Adverse Change:** Except for those as disclosed in this offering memorandum, there has been no material adverse change in the financial or trading position or prospects of the Company since 31 December 2016.
4. **Litigation:** None of the Company or any other member of the Group is involved in any litigation or arbitration proceedings that the Company believes are material in the context of the Bonds, the Company is not aware that any such proceedings are pending or threatened.
5. **Available Documents:** Copies of the Company's audited financial statements for the years ended 31 December 2015 and 2016, the Trust Deed, the Agency Agreement and the Articles of Association of the Company will be available for inspection from the Issue Date at No. 111 Xiehe Road, Shanghai, China, 200335, during normal business hours, so long as any of the Bonds is outstanding. The Company prepares its annual financial statements each year.
6. **Financial Statements:** The audited consolidated financial statements of the Company as at and for the years ended 31 December 2014, 2015 and 2016 which were included in the Company's audited consolidated financial statements for the year ended 31 December 2015 and 2016 have been audited by Deloitte Touche Tohmatsu, Hong Kong Certified Public Accountants, as stated in the reports appearing herein, are included elsewhere in this offering memorandum. The consolidated financial statements of the Company are prepared and presented in accordance with the IFRS.
7. **Listing:** Application will be made to the Hong Kong Stock Exchange for the listing of the Bonds by way of debt issues to Professional Investors only as described in this Offering Memorandum. The Hong Kong Stock Exchange takes no responsibility for the correctness of any statements made on opinions or reports contained in this Offering Memorandum. Admission of the Bonds to the official list of the Hong Kong Stock Exchange is not to be taken as an indication of the merits of the Bonds or us. If the application to the Hong Kong Stock Exchange to list the Bonds is approved, such Bonds listed on the Hong Kong Stock Exchange will be traded on the Hong Kong Stock Exchange in a board lot size of at least HK\$500,000 (or its equivalent in other currencies). It is expected that dealing in, and listing of, the Bonds on the Hong Kong Stock Exchange will commence on [●].



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<sup>1</sup> The accountants' report on the Group's consolidated financial statements for the years ended 31 December 2015 and 2016 set out herein are reproduced from the Group's annual reports for the years ended 31 December 2015 and 2016 respectively. Page references referred to in the above named reports refer to pages set out in such annual reports.

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

**Deloitte.**  
德勤

**TO THE SHAREHOLDERS OF GREENLAND HONG KONG HOLDINGS LIMITED**  
*(Incorporated in Cayman Islands with limited liability)*

### OPINION

We have audited the consolidated financial statements of Greenland Hong Kong Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as “**the Group**”) set out on pages 121 to 265, which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2016, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (“**IFRSs**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“**HKSAs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (“**the Code**”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

致綠地香港控股有限公司股東

(於開曼群島註冊成立的有限公司)

### 意見

本行已審核載列於第121至265頁綠地香港控股有限公司(「**貴公司**」)及其子公司(統稱「**貴集團**」)的綜合財務報表，其包括於二零一六年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面利潤表、綜合權益變動表及綜合現金流量表、以及綜合財務報表的附註(包括重大會計政策概要)。

本行認為，綜合財務報表已根據國際財務報告準則(「**國際財務報告準則**」)真實而公平地反映 貴集團於二零一六年十二月三十一日的綜合財務狀況以及其截至該日止年度的綜合財務表現及綜合現金流量，並已按照香港公司條例的披露規定妥為編製。

### 意見的基準

本行已根據香港會計師公會(「**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。本行在該等準則下的責任已於本報告「核數師就審計綜合財務報表須承擔的責任」一節中作進一步闡述。根據香港會計師公會頒佈的專業會計師道德守則(以下簡稱「**守則**」)，本行獨立於 貴集團，並已履行守則中的其他道德責任。本行相信，本行所獲得的審計憑證能充足及適當地為本行的審計意見提供基礎。

### 關鍵審計事項

關鍵審計事項為根據本行的專業判斷，認為對本期間綜合財務報表的審計最為重要的事項。該等事項於本行審計整體綜合財務報表及出具意見時處理，而本行不會對該等事項提供獨立的意見。

INDEPENDENT AUDITOR'S REPORT (Continued)  
獨立核數師報告(續)**Key audit matter****關鍵審計事項****Valuation of investment properties****投資物業估值**

We identified the valuation of investment properties as a key audit matter due to the key management judgement is required in determining the fair value and also the significance of investment properties to the financial statements as a whole.

Management has estimated the fair value of investment properties to be at approximately RMB8,216 million at 31 December 2016, with a revaluation gain of approximately RMB688 million recorded in the consolidated statement of profit or loss for the year ended 31 December 2016.

我們識別了投資物業估值為關鍵審計事項，原因是釐定公允價值時涉及主要管理人員的判斷，以及投資物業對整體財務報表的重要性。

於二零一六年十二月三十一日，管理層已估計投資物業的公允價值為約人民幣8,216,000,000元，重估收益約為人民幣688,000,000元，記錄於截至二零一六年十二月三十一日止年度的綜合損益表內。

**How our audit addressed the key audit matter****我們的審計如何處理關鍵審計事項**

Our procedures in relation to the valuation of investment properties among others:

- Understanding management's process for reviewing and challenging the work of the Valuers.
- Evaluating the appropriateness of the Valuers' scope and assessed whether the Valuers had sufficient expertise and resource.
- Obtaining the valuation report issued by the Valuers for all investment properties and interviewed the Valuers to evaluate valuation approach appropriate for use in determining the carrying amount of investment properties.

我們有關投資物業估值進行的程序如下：

- 了解管理層審視和質疑估值師工作的過程。
- 評估估值師工作範疇的合適性以及評定估值師有否足夠專業知識及資源。
- 取得估值師就所有投資物業出具的估值報告，並與估值師進行會面，以評估釐定投資物業賬面值方面適合採用的估值方法。

INDEPENDENT AUDITOR'S REPORT (Continued)  
獨立核數師報告(續)

**Key audit matter**  
關鍵審計事項

**How our audit addressed the key audit matter**  
我們的審計如何處理關鍵審計事項

**Valuation of investment properties (Continued)**  
投資物業估值(續)

The Group has hired independent external valuers, Debenham Tie Leung Limited ("DTZ") (the "Valuers"), in assisting the management's estimation of the fair value of investment properties.

As disclosed in Note 22, fair value of investment properties under development are determined using direct comparison approach and fair value of completed investment properties are determined using income capitalisation approach. The revaluations are dependent on certain key input that require significant management judgement, including capitalisation rates, average unit market rent and average market unit price.

貴集團已聘請獨立外部估值師戴德梁行有限公司(「戴德梁行」)(「估值師」)協助管理層估計投資物業的公允價值。

誠如附註22所披露，開發中投資物業的公允價值乃採用直接比較法釐定，而已建成投資物業的公允價值乃採用收益資本化法釐定。估值乃取決於若干涉及管理層作出重大判斷的主要輸入數據，包括資本化比率、平均單位市場租金及平均單位市場價格。

- Discussing with the Valuers on the key assumptions included within the valuations, analysed and evaluated the key assumptions, the namely reversionary yield, including market unit rent rate, market unit price and the rationale behind all significant movement during the year on a property by property basis.
- Comparing the valuations on samples of properties to our independently formed expectation with the assistance of our internal valuation specialist.
- 與估值師討論估值包含的主要假設，分析和評估主要假設，即復歸收益率，包括單位市場租金、單位市場價格及年內所有重大變動的理據(逐一物業說明)。
- 在我們內部估值專家的協助下，將物業樣本的估值，與獨立形成的預期進行比較。

INDEPENDENT AUDITOR'S REPORT (Continued)  
獨立核數師報告(續)**Key audit matter****關鍵審計事項****Land appreciation tax provision****土地增值稅撥備**

We identified the Land Appreciation Tax ("LAT") provision as a key audit matter due to the significant management judgement exercised by the Group in respect its provision in accordance with the People's Republic of China ("PRC") tax laws and regulations.

As disclosed in note 4, the Group is subject to LAT in the PRC. The calculation of LAT are highly dependent on the appropriateness of the rates used, which are determined by the appreciation of land value. The appreciation of land value is determined with reference to proceeds of the properties less the estimated deductible expenditures, including the cost of land use rights and all property development expenditures. The Group estimated the deductible expenditures according to the understanding of the relevant PRC tax laws and regulations. The final tax outcome could be different from the amounts that were initially recorded, and these differences will impact the income tax expense and the related income tax provisions in the periods in which such tax is finalised with local tax authorities.

As at 31 December 2016, the LAT payable amounted to RMB645 million and the LAT recognised in the consolidated profit and loss and other comprehensive income statement amounted to RMB324 million for the year ended 31 December 2016.

我們識別土地增值稅(「土地增值稅」)撥備為關鍵審計事項，原因是 貴集團根據中華人民共和國(「中國」)稅務法律及法規作出撥備，當中涉及管理層作出的重大判斷。

誠如附註4所披露，貴集團須繳納中國土地增值稅。土地增值稅的計算十分視乎所用比率是否合適，而所用比率乃按土地價值的增加釐定。土地價值的增加乃參考物業所得款項減估計的可扣減開支釐定，包括土地使用權的成本及所有物業開發開支。貴集團根據中國相關稅務法律法規估計可扣減開支。最終稅務結果可能與初步記錄的有所不同，而差額將影響與地方稅局確定稅項當期內所得稅開支及相關所得稅撥備。

於二零一六年十二月三十一日，應付土地增值稅為人民幣645,000,000元，而截至二零一六年十二月三十一日止年度綜合損益及其他全面利潤表內確認的土地增值稅為人民幣324,000,000元。

**How our audit addressed the key audit matter****我們的審計如何處理關鍵審計事項**

Our audit procedures in relation to the LAT provision among others:

- Understanding the design and implementation of controls in respect of the principal assumptions and judgements made in arriving at the provision for LAT;
- Engaging tax specialist to evaluate LAT provision and potential exposures as at 31 December 2016;
- Assessing the Group's assumptions and judgements through our knowledge of the tax circumstances and tax regulation in the PRC and by examining tax filing records and review of correspondence with tax authorities;
- Assessing the adequacy and appropriateness of the disclosures in respect to the provision for LAT.

我們有關土地增值稅撥備的審計程序其中包括：

- 就計算土地增值稅撥備所用主要假設及判斷方面，了解監控措施的設計和實施；
- 委聘稅務專家評估二零一六年十二月三十一日的土地增值稅撥備及潛在風險；
- 通過我們對中國的稅務狀況及稅務法規的認識，以及藉著查核與稅務當局之間的報稅記錄及信函，評定 貴集團的假設及判斷；
- 評定土地增值稅撥備方面作出的披露的充足性及合適性。

INDEPENDENT AUDITOR'S REPORT (Continued)  
獨立核數師報告(續)

## OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

## RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs 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.

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

## 其他資料

貴公司董事須對其他資料負責。其他資料包括年報內所載的資料，但不包括綜合財務報表及本行載於其中的核數師報告。

本行對綜合財務報表的意見並不涵蓋其他資料，本行亦不對該等其他資料發表任何形式的保證結論。

就本行對綜合財務報表的審計，本行的責任乃細閱其他資料，在此過程中，考慮其他資料與財務報表或本行在審計過程中所知悉的情況是否存在重大抵觸或看似存在重大錯誤陳述。基於本行已執行的工作，倘本行認為其他資料存在重大錯誤陳述，本行需要報告該事實。本行就此並無任何事項須報告。

## 董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據國際財務報告準則及香港公司條例的披露規定編製真實而公平的綜合財務報表，並對董事認為為使綜合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。

在編製綜合財務報表時，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的事項，以及使用持續經營為會計基礎，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。

治理層須負責監督 貴集團的財務報告過程。

INDEPENDENT AUDITOR'S REPORT (Continued)  
獨立核數師報告(續)

## 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 solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 judgment and maintain professional skepticism throughout the audit. We also:

- (a) 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.
- (b) 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.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

## 核數師就審計綜合財務報表須承擔的責任

本行的目標乃對綜合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，並出具包括本行意見的核數師報告，並按照協定的委聘條款僅向閣下(作為整體)報告，除此之外本報告別無其他目的。本行概不就本報告的內容對任何其他人士負責或承擔責任。合理保證為高水平的保證，但不能保證按照香港審計準則進行的審計總能發現重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果合理預期其單獨或匯總起來可能影響綜合財務報表使用者依賴綜合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。

作為根據香港審計準則進行審計其中一環，本行在整個審核過程中運用專業判斷，保持專業懷疑態度。本行亦：

- (a) 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對該等風險，以及獲取充足及適當的審計憑證，作為本行意見的基礎。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出現重大錯誤陳述的風險高於未能發現因錯誤而導致出現重大錯誤陳述的風險。
- (b) 瞭解與審計相關的內部控制，以設計在有關情況下屬適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- (c) 評估董事所採用會計政策的適當性以及作出會計估計及相關披露的合理性。

INDEPENDENT AUDITOR'S REPORT (Continued)  
獨立核數師報告(續)

- |  |   |
|--|---|
| <p>(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.</p> | <p>(d) 對董事採用持續經營會計基礎的適當性作出結論，並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。倘本行認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則修訂本行的意見。本行的結論乃基於直至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業務。</p> |
| <p>(e) 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.</p>   | <p>(e) 評估綜合財務報表的整體列報方式、結構及內容(包括披露)事項以及綜合財務報表是否公平反映相關交易及事項。</p>  |
| <p>(f) 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.</p>  | <p>(f) 就 貴集團內實體或業務活動的財務資料獲取充足適當的審計憑證，以便對綜合財務報表發表意見。本行負責 貴集團審計的方向、監督及執行。本行為審計意見承擔全部責任。</p>   |

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

本行與治理層溝通審計的計劃範圍及時間以及重大審計發現等，其中包括本行在審計中識別出內部控制的任何重大不足之處。



INDEPENDENT AUDITOR'S REPORT *(Continued)*  
獨立核數師報告 (續)

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in the independent auditor's report is Wong Tin Chak, Samuel.

本行亦向治理層提交聲明，表明本行已符合有關獨立性的相關專業道德要求，並與彼等溝通可能合理被認為會影響本行獨立性的所有關係及其他事項以及在適用的情況下相關的防範措施。

從與治理層溝通的事項中，本行確定該等對本期間綜合財務報表的審計最為重要的事項，因而構成關鍵審計事項。本行在核數師報告中闡釋該等事項，除非法律或規例不允許公開披露該等事項，或在極端罕見的情況下，合理預期倘於本行之報告中註明某事項造成的負面後果超過產生的公眾利益，則本行決定不應在報告中註明該事項。

出具獨立核數師報告的審計項目合夥人為王天澤。

**Deloitte Touche Tohmatsu**

*Certified Public Accountants*

Hong Kong

27 March 2017

**德勤•關黃陳方會計師行**

*執業會計師*

香港

二零一七年三月二十七日

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面利潤表

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

		NOTES 附註	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
<b>Revenue</b>	<b>收益</b>	5	<b>16,919,188</b>	5,687,953
Cost of sales	銷售成本		<b>(14,091,196)</b>	(4,647,388)
<b>Gross profit</b>	<b>毛利</b>		<b>2,827,992</b>	1,040,565
Other income, gains and losses	其他收入、收益及虧損	7	<b>197,969</b>	176,430
Selling and marketing costs	銷售及市場推廣成本		<b>(415,567)</b>	(318,911)
Administrative expenses	行政費用		<b>(499,687)</b>	(428,641)
Other operating expenses	其他經營開支	8	<b>(839,181)</b>	(729,161)
Write-down of completed properties held for sale	已建成待售物業之撇減		<b>(4,892)</b>	(158,031)
Net gain on disposal of interests in subsidiaries	出售子公司權益之收益淨額		<b>228</b>	590
<b>Results from operating activities</b>	<b>來自經營活動的業績</b>		<b>1,266,862</b>	(417,159)
Finance income	融資收入	11	<b>70,574</b>	58,947
Finance expenses	融資成本	12	<b>(135,088)</b>	(199,114)
<b>Net finance expenses</b>	<b>融資成本淨額</b>		<b>(64,514)</b>	(140,167)
Share of profit (loss) of an associate	應佔一間聯營公司溢利(虧損)		<b>370</b>	(1,007)
Share of profits of joint ventures	應佔合營企業溢利		<b>195,015</b>	4
Revaluation gain on investment properties	投資物業重估收益	22	<b>687,638</b>	1,115,249
<b>Profit before income tax</b>	<b>除所得稅前溢利</b>		<b>2,085,371</b>	556,920
Income tax expenses	所得稅開支	13	<b>(1,024,852)</b>	(540,664)
Profit for the year from continuing operations	來自持續經營業務的 年內溢利		<b>1,060,519</b>	16,256
<b>Discontinued operations</b>	<b>終止經營業務</b>			
Profit for the year from discontinued operations	來自終止經營業務的 年內溢利	47	<b>180,063</b>	15,389
<b>Profit and total comprehensive income for the year</b>	<b>年度溢利及全面收入總額</b>		<b>1,240,582</b>	31,645
<b>Attributable to:</b>	<b>以下人士應佔：</b>			
Owners of the Company	本公司擁有人		<b>1,112,543</b>	220,240
Non-controlling interests	非控股權益		<b>128,039</b>	(188,595)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Continued)  
 綜合損益及其他全面利潤表(續)

For the year ended 31 December 2016  
 截至二零一六年十二月三十一日止年度

		NOTES 附註	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
<b>Earnings per share:</b>	<b>每股盈利：</b>			
From continuing and discontinued operations	來自持續及終止經營業務			
Ordinary share (basic and diluted)	普通股(基本及攤薄)	17	<b>0.39</b>	0.08
Convertible preference share (basic and diluted)	可轉換優先股(基本及攤薄)	17	<b>N/A 不適用</b>	0.08
From continuing operations	來自持續經營業務			
Ordinary share (basic and diluted)	普通股(基本及攤薄)	17	<b>0.33</b>	0.08
Convertible preference share (basic and diluted)	可轉換優先股(基本及攤薄)	17	<b>N/A 不適用</b>	0.08

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

As at 31 December 2016  
於二零一六年十二月三十一日

			2016	2015
		NOTES	二零一六年	二零一五年
		附註	RMB'000	RMB'000
			人民幣千元	人民幣千元
<b>ASSETS</b>	<b>資產</b>			
<b>Non-Current Assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	18	1,282,241	1,546,906
Intangible assets	無形資產	19	1,341	1,386
Land use rights	土地使用權	20	24,608	74,738
Other financial assets	其他金融資產	21	174,567	174,567
Investment properties	投資物業	22	8,216,000	7,246,000
Properties under development	發展中物業	23	15,082,454	15,587,580
Interests in an associate	於一家聯營公司權益	26	-	-
Interests in joint ventures	合營企業權益	27	541,203	296,187
Deferred tax assets	遞延稅項資產	32(iv)	210,427	269,727
<b>Total non-current assets</b>	<b>非流動資產總額</b>		<b>25,532,841</b>	25,197,091
<b>Current Assets</b>	<b>流動資產</b>			
Properties under development	發展中物業	23	3,928,278	8,716,805
Completed properties held for sale	已建成待售物業	24	9,707,441	4,885,603
Trade, other receivables and advance deposits	應收賬款、其他應收款項及預付按金	28	7,809,166	4,917,358
Tax recoverable	可收回稅項	29	466,079	297,292
Other financial assets	其他金融資產	21	866,059	143,000
Restricted cash	受限制現金	30	1,436,984	621,618
Cash and cash equivalents	現金及現金等價物	31	4,358,259	5,207,187
<b>Total current assets</b>	<b>流動資產總額</b>		<b>28,572,266</b>	24,788,863
<b>Total assets</b>	<b>資產總額</b>		<b>54,105,107</b>	49,985,954
<b>EQUITY AND LIABILITIES</b>	<b>權益及負債</b>			
<b>Capital And Reserves</b>	<b>資本及儲備</b>			
Share capital	股本	38	1,132,855	1,132,855
Share premium	股份溢價	39	3,416,546	3,416,546
Reserves	儲備		851,214	829,466
Perpetual securities	永久證券	40	787,823	-
Retained earnings	保留溢利		2,641,360	1,550,565
Total equity attributable to owners of the Company	本公司擁有人應佔權益總額		<b>8,829,798</b>	6,929,432
Non-controlling interests	非控股權益		893,896	758,676
<b>Total equity</b>	<b>權益總額</b>		<b>9,723,694</b>	7,688,108

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)  
綜合財務狀況表(續)

As at 31 December 2016  
於二零一六年十二月三十一日

		NOTES	2016	2015
		附註	二零一六年	二零一五年
			RMB'000	RMB'000
			人民幣千元	人民幣千元
<b>LIABILITIES</b>	<b>負債</b>			
<b>Non-Current Liabilities</b>	<b>非流動負債</b>			
Interest-bearing loans	計息貸款	33	<b>5,770,601</b>	6,577,283
Long-term payable	長期應付款		-	26,494
Bonds	債券	35	<b>4,581,996</b>	4,714,521
Deferred tax liabilities	遞延稅項負債	32(iv)	<b>899,639</b>	875,234
<b>Total non-current liabilities</b>	<b>非流動負債總額</b>		<b>11,252,236</b>	12,193,532
<b>Current Liabilities</b>	<b>流動負債</b>			
Interest-bearing loans	計息貸款	33	<b>3,713,620</b>	3,265,938
Other financial liabilities	其他金融負債	21	<b>329,543</b>	-
Trade and other payables	應付賬款及其他應付款項	34	<b>14,277,517</b>	12,188,018
Pre-sale deposits	預售按金		<b>10,120,297</b>	9,283,538
Tax payable	應付稅項	32(i)	<b>1,231,422</b>	831,413
Bonds within one year	一年內到期的債券	35	<b>3,456,778</b>	4,529,407
Long-term payable within one year	一年內到期的長期應付款		-	6,000
<b>Total current liabilities</b>	<b>流動負債總額</b>		<b>33,129,177</b>	30,104,314
<b>Total liabilities</b>	<b>負債總額</b>		<b>44,381,413</b>	42,297,846
<b>Total equity and liabilities</b>	<b>權益及負債總額</b>		<b>54,105,107</b>	49,985,954
<b>Net current liabilities</b>	<b>流動負債淨額</b>		<b>(4,556,911)</b>	(5,315,451)
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>20,975,930</b>	19,881,640

The consolidated financial statements on page 121 to 265 were approved and authorised for issue by the board of directors on 27 March 2017 and are signed on its behalf by:

第121至265頁的綜合財務報表於二零一七年三月二十七日獲董事會批准及授權刊發，並由以下代表簽署：

**Chen Jun**

陳軍

Chairman of the Board of Directors and Chief Executive Officer  
董事會主席兼行政總裁

**Hou Guangjun**

侯光軍

Chief Operation Officer  
首席營運官

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

	Issued capital	Share premium	Merger reserves	Capital redemption reserve	Shares held for Share Award Scheme	Employee share-based compensation	PRC statutory reserves	Revaluation reserve	Retained earnings	Subtotal	Attributable to non-controlling interests	Total
	已發行股本	股份溢價	合併儲備	贖回儲備	股份獎勵計劃所授股份	僱員股份報酬	法定儲備	重估儲備	保留溢利	小計	非控股權益佔	合計
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>At 1 January 2015</b>	1,068,154	2,362,986	455,392	1,231	153,361	32,089	373,263	25,589	1,353,595	5,618,938	371,648	5,990,586
Profit/loss for the year	-	-	-	-	-	-	-	-	220,240	220,240	188,595	31,645
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	-	-	-	-	-	-	-	-	220,240	220,240	188,595	31,645
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	576,213	576,213
Disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	[590]	[590]
Equity settled share-based transactions	-	-	-	-	-	416	-	-	-	416	-	416
Purchase of shares held for Share Award Scheme (note 38)	-	-	-	-	[37,660]	-	-	-	-	[37,660]	-	[37,660]
Transfer of fully vested shares for Share Award Scheme (note 37)	-	[9,237]	-	-	41,742	[32,505]	-	-	-	-	-	-
Repurchase and logoff shares	[25,255]	[173,301]	-	-	-	-	-	-	-	[200,556]	-	[200,556]
Placing shares issued	89,956	1,238,098	-	-	-	-	-	-	-	1,328,054	-	1,328,054
Transfer to reserves	-	-	-	-	-	-	23,270	-	[23,270]	-	-	-
<b>As at 31 December 2015</b>	1,132,855	3,416,546	455,392	1,231	149,279	-	396,533	25,589	1,550,565	6,929,432	738,676	7,688,108
<b>於二零一五年一月一日</b>	1,068,154	2,362,986	455,392	1,231	153,361	32,089	373,263	25,589	1,353,595	5,618,938	371,648	5,990,586
年度溢利(虧損)	-	-	-	-	-	-	-	-	220,240	220,240	188,595	31,645
其他全面收入	-	-	-	-	-	-	-	-	-	-	-	-
<b>全面收入總額</b>	-	-	-	-	-	-	-	-	220,240	220,240	188,595	31,645
收購子公司	-	-	-	-	-	-	-	-	-	-	576,213	576,213
出售子公司	-	-	-	-	-	-	-	-	-	-	[590]	[590]
以權益結算的股份支付交易	-	-	-	-	-	416	-	-	-	416	-	416
購買股份獎勵計劃所持股份(附註38)	-	-	-	-	[37,660]	-	-	-	-	[37,660]	-	[37,660]
轉發股份獎勵計劃全面歸屬的股份(附註37)	-	[9,237]	-	-	41,742	[32,505]	-	-	-	-	-	-
購回及註銷股份	[25,255]	[173,301]	-	-	-	-	-	-	-	[200,556]	-	[200,556]
已發行配售股份	89,956	1,238,098	-	-	-	-	-	-	-	1,328,054	-	1,328,054
轉撥至撥備	-	-	-	-	-	-	23,270	-	[23,270]	-	-	-
<b>於二零一五年十二月三十一日</b>	1,132,855	3,416,546	455,392	1,231	149,279	-	396,533	25,589	1,550,565	6,929,432	738,676	7,688,108

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)  
綜合權益變動表(續)

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

	Issued capital		Shares premium		Merger reserves		Capital redemption reserve		Shares held for Share Award Scheme		PRC statutory reserves		Revaluation reserve		Perpetual securities		Retained earnings		Subtotal		Attributable to non-controlling interests		Total
	RMB'000	人民幣千元	RMB'000	人民幣千元	RMB'000	人民幣千元	RMB'000	人民幣千元	RMB'000	人民幣千元	RMB'000	人民幣千元	RMB'000	人民幣千元	RMB'000	人民幣千元	RMB'000	人民幣千元	RMB'000	人民幣千元	RMB'000	人民幣千元	
<b>At 1 January 2016</b>	1,132,855	3,416,546	-	-	455,392	1,231	1,231	1,231	49,279	396,533	25,589	-	-	-	-	-	-	1,550,565	6,929,432	738,676	-	-	7,688,108
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,112,543	1,112,543	128,039	-	-	1,240,582
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	1,132,855	3,416,546	455,392	1,231	1,231	1,231	1,231	1,231	49,279	396,533	25,589	-	-	-	-	-	2,663,108	8,041,975	886,715	-	-	8,928,690	
Issue of perpetual securities (note 40)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	787,823	-	-	-	787,823	-	-	-	787,823
Disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(36,319)
Capital contribution from non-controlling shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	43,500
Transfer to reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(21,748)	(21,748)	-	-	-	-	-
<b>As at 31 December 2016</b>	1,132,855	3,416,546	455,392	1,231	1,231	1,231	1,231	1,231	49,279	418,281	25,589	787,823	2,641,360	8,829,798	893,896	-	-	9,723,694					

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
<b>OPERATING ACTIVITIES</b>	<b>經營業務</b>		
Profit for the year	年度溢利	<b>1,240,582</b>	31,645
Adjustments for:	調整項目：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	<b>89,546</b>	111,447
Amortisation of intangible assets	無形資產攤銷	<b>45</b>	45
Amortisation of land use rights	土地使用權攤銷	<b>788</b>	2,186
Change in fair value of investment properties	投資物業公允價值變動	<b>(687,638)</b>	(1,115,249)
Gains from financial assets/liabilities carried at fair value through profit or loss ("FVTPL")	按公允價值列賬於損益(「按公允價值列賬於損益」)的金融資產/負債的收益	<b>(174,834)</b>	-
Foreign exchange loss	匯兌虧損	<b>811,487</b>	642,980
Write-down of properties under development and completed properties held for sale	發展中物業及已建成待售物業之撇減	<b>4,892</b>	158,031
Write-down of impairment of receivables	應收款項減值撇減	<b>13,030</b>	56,220
Net finance expenses	融成本淨額	<b>64,519</b>	142,116
Share of net (gains) losses of associates and joint ventures	應佔聯營公司及合營企業淨(收益)虧損	<b>(195,385)</b>	1,003
Net gain on disposal of interests in subsidiaries	出售子公司權益之淨收益	<b>(246,797)</b>	(590)
Gain on combination of subsidiaries	合併子公司之收益	-	(89,726)
Net loss on disposal of other investments	出售其他投資之淨虧損	-	1,000
Net gain on disposal of an associate	出售聯營公司之收益淨額	-	(546)
Net loss (gain) on disposal of property, plant and equipment	出售物業、廠房及設備之虧損(收益)淨額	<b>118</b>	(76,653)
Equity-settled share-based payment expenses	股權結算的股份支付開支	-	416
Income tax expense	所得稅開支	<b>1,090,365</b>	545,490
<b>Operating profit before changes in working capital</b>	<b>營運資金變動前的經營溢利</b>	<b>2,010,718</b>	409,815
(Increase) decrease in trade, other receivables and advance deposits	應收賬款、其他應收款項及預付按金(增加)減少	<b>(2,001,343)</b>	(117,746)
Decrease (increase) in properties under development and completed properties held for sale and investment properties	發展中物業及已建成待售物業及投資物業減少(增加)	<b>1,127,546</b>	(2,473,961)
Increase in trade, other payables and advance receipts	應付賬款、其他應付款項及預收款項增加	<b>2,007,940</b>	(4,164)
Income tax paid	已付所得稅	<b>(795,832)</b>	(501,099)
<b>Net cash inflow (outflow) from operating activities</b>	<b>經營業務現金流入(流出)淨額</b>	<b>2,349,029</b>	(2,687,155)



CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)  
綜合現金流量表(續)

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

	NOTES 附註	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
<b>INVESTING ACTIVITIES</b>	<b>投資活動</b>		
Proceeds from sale of property, plant and equipment	出售物業、廠房及設備所得款項	348	97,338
Interest received	已收利息	70,574	22,270
Proceeds from disposal of interests in an joint venture	出售合營企業權益所得款項	-	4,149
Proceeds from disposal of interests in Subsidiaries	出售子公司權益所得款項	279,204	-
Proceeds from disposal of financial assets	出售金融資產所得款項	161,547	-
Decrease in restricted cash	受限制現金減少	404,785	90,000
Increase in restricted cash	受限制現金增加	(1,220,151)	(554,925)
Amounts advance to related parties	預付關連人士款項	(1,229,287)	-
Repayment from related parties	關連人士還款	253,631	-
Acquisition of a subsidiary	收購子公司	-	110,078
Capital contribution to a joint venture	向合營企業出資	(50,000)	(19,825)
Capital contribution to an associate	向聯營公司出資	(150)	-
Acquisition of property, plant and equipment	收購物業、廠房及設備	(65,094)	(126,488)
Acquisition of financial assets	收購金融資產	(380,230)	(143,000)
<b>Net cash outflow from investing activities</b>	<b>投資活動現金流出淨額</b>	<b>(1,772,823)</b>	<b>(520,403)</b>
<b>FINANCING ACTIVITIES</b>	<b>融資活動</b>		
Proceeds from interest-bearing loans	計息貸款所得款項	4,827,908	5,902,825
Proceeds from placing shares	配售股份所得款項	-	1,328,054
Proceeds from perpetual securities	永久證券所得款項	787,823	-
Proceeds from issuance of bonds	發行債券所得款項	2,956,815	-
Capital contribution from non-controlling shareholders	非控股股東出資	43,500	-
Proceeds from related parties	來自關連人士所得款項	3,891,514	2,680,236
Repayment to related parties	向關連人士還款	(2,774,050)	(2,688,916)
Repurchase shares to logout	購回股份以註銷	-	(200,556)
Payments for purchase of shares for the Share Award Scheme	就購買股份獎勵計劃之股份付款	-	(37,660)
Repayment of bonds	償還債券	(4,706,715)	-
Repayment of interest-bearing loans	償還計息貸款	(5,505,142)	(2,509,338)
Interest paid	已付利息	(1,006,919)	(1,097,376)
<b>Net cash (outflow) inflow from financing activities</b>	<b>融資活動現金(流出)流入淨額</b>	<b>(1,485,266)</b>	<b>3,377,269</b>
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>現金及現金等價物(減少)增加淨額</b>	<b>(909,060)</b>	<b>169,711</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>年初的現金及現金等價物</b>	<b>5,207,187</b>	<b>5,032,763</b>
Effect of foreign exchange rate changes	匯率變動的影響	60,132	4,713
<b>Cash and cash equivalents at the end of the year</b>	<b>年末的現金及現金等價物</b>	<b>4,358,259</b>	<b>5,207,187</b>
<b>REPRESENTED BY BANK BALANCES AND CASH</b>	<b>由下列項目組成： 銀行結餘及現金</b>	<b>4,358,259</b>	<b>5,207,187</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

### 1. GENERAL INFORMATION

Greenland Hong Kong Holdings Limited ("**The Company**") was incorporated in the Cayman Islands on 13 April 2006 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 2007, as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681 GT, George Town, Grand Cayman, British West Indies. In 2006, the companies comprising the Group underwent a reorganisation (the "**Reorganisation**") to rationalise the Group's structure in preparation for the listing of the Company's shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**"). On 30 June 2006, the Company became the holding company of the subsidiaries now comprising the Group. The Company's shares are listed on the Hong Kong Stock Exchange since 10 October 2006.

On 27 August 2013, the subscription of shares of the Company (the "**Subscribed Shares**") by Gluon Xima International Limited ("**GXIL**") was successfully completed. GXIL is an indirectly wholly-owned subsidiary of Greenland Holdings Corporation Limited ("**Greenland Holdings**"). Greenland Holdings is a state-controlled enterprise group headquartered in Shanghai, with its main business in real estate, energy and finance.

The Subscribed Shares represent approximately 60% of the entire issued share capital of the Company and approximately 60% of the voting rights of the Company as enlarged by the Subscribed Shares. Immediately after the subscription, Greenland Holding Group Company Limited became the ultimate controlling shareholder of the Company. At 30 June 2015, Greenland Holdings become the Ultimate Controlling shareholder of the Group.

The consolidated financial statements are presented in Renminbi ("**RMB**"), which is also the functional currency of the Company.

The Company is an investment holding company. The principal activity of its subsidiaries (together with the Company referred to as the "**Group**") is the development for sale and rental of residential properties in the PRC and the development of hotels.

### 1. 一般資料

綠地香港控股有限公司(「**本公司**」)於二零零六年四月十三日根據開曼群島公司法第22章(二零零七年經合併及修訂的第3條法例)在開曼群島註冊成立為受豁免有限公司。本公司註冊辦事處的地址為Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681 GT, George Town, Grand Cayman, British West Indies。二零零六年，為籌備本公司股份於香港聯合交易所有限公司(「**香港聯交所**」)主板上市，包括在本集團內的公司進行了一項重組(「**重組**」)，以使本集團的架構合理化。於二零零六年六月三十日，本公司成為本集團現時屬下各子公司的控股公司。本公司股份自二零零六年十月十日起在香港聯交所上市。

於二零一三年八月二十七日，格隆希瑪國際有限公司(「**格隆希瑪**」)成功完成認購本公司股份(「**認購股份**」)。格隆希瑪為綠地控股股份有限公司(「**綠地控股**」)的間接全資子公司，而綠地控股為總部位於上海的國有控股企業集團，主營業務包括房地產、能源及金融。

認購股份佔本公司全部已發行股本(指經認購股份擴大後的股本)約60%及本公司表決權約60%。緊隨認購事項完成後，綠地控股集團有限公司成為本公司的最終控股股東。於二零一五年六月三十日，綠地控股成為本集團的最終控股股東。

該等綜合財務報表以人民幣(「**人民幣**」)呈列，人民幣亦為本公司的功能貨幣。

本公司為投資控股公司，其子公司(連同本公司統稱「**本集團**」)的主要業務為在中國開發住宅物業以供銷售及出租以及開發酒店。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

For the year ended 31 December 2016  
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## 2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

### 2.1 Amendments to IFRSs that are mandatorily effective for the current year

In the current year, the Group has applied a number of amendments to IFRSs issued by the International Accounting Standards Board (“IASB”) that are mandatorily effective for an accounting period that begins on or after 1 January 2016.

Amendments to IFRS 10, IFRS 12 and IAS 28	Investment Entities: Applying the Consolidation Exception
Amendments to IFRS 11	Accounting for Acquisitions of Interests in Joint Operations
Amendments to IAS 1	Disclosure Initiative
Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to IAS 16 and IAS 41	Agriculture: Bearer Plants
Amendments to IFRSs	Annual Improvements to IFRSs 2012-2014 Cycle

The application of amendments to IFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

## 2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)

### 2.1 本年度強制生效的國際財務報告準則修訂

於本年度，本集團已採納多項由國際會計準則理事會(「國際會計準則理事會」)所頒佈須於二零一六年一月一日或之後開始的會計期間強制生效的國際財務報告準則之修訂。

國際財務報告準則第10號、國際財務報告準則第12號及國際會計準則28號之修訂	投資實體：實行綜合入賬之例外規定
國際財務報告準則第11號之修訂	收購聯合經營權益的會計處理
國際會計準則第1號之修訂	披露計劃
國際會計準則第16號及國際會計準則第38號之修訂	澄清可接受的折舊及攤銷方法
國際會計準則第16號及國際會計準則第41號之修訂	農業：生產性植物
國際財務報告準則之修訂	國際財務報告準則二零一二年至二零一四年週期的年度改進

於本年度應用國際財務報告準則修訂對本集團於本年度及過往年度之財務表現及狀況及／或此等綜合財務報表所載披露並無重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

## 2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs") (Continued)

### 2.2 New and revised IFRSs in issue but not yet effective:

The Group has not applied the following new and revised IFRSs that have been issued but are not yet effective:

IFRS 9	Financial Instruments <sup>1</sup>
IFRS 15	Revenue from Contracts with Customers and the related amendments <sup>1</sup>
IFRS 16	Leases <sup>2</sup>
IFRIC 22	Foreign Currency Transactions and Advance Consideration <sup>1</sup>
Amendments to IFRS 2	Classification and Measurement of Share-based payment Transactions <sup>1</sup>
Amendments to IFRS 4	Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts <sup>1</sup>
Amendments to IFRS 15	Clarifications to IFRS 15 Revenue from Contracts with Customers <sup>1</sup>
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>
Amendments to IAS 7	Disclosure Initiative <sup>4</sup>
Amendments to IAS 12	Recognition of Deferred Tax Assets for Unrealised Losses <sup>4</sup>
Amendments to IAS 40	Transfers of Investment Property <sup>1</sup>
Amendments to IFRSs	Annual Improvements to IFRS Standards 2014-2016 Cycle <sup>5</sup>

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2018.
- <sup>2</sup> Effective for annual periods beginning on or after 1 January 2019.
- <sup>3</sup> Effective for annual periods beginning on or after a date to be determined.
- <sup>4</sup> Effective for annual periods beginning on or after 1 January 2017.
- <sup>5</sup> Effective for annual periods beginning on or after 1 January 2017 or 1 January 2018, as appropriate.

## 2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

### 2.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則：

本集團尚未應用下列已頒佈但尚未生效的新訂及經修訂國際財務報告準則：

國際財務報告準則第9號	金融工具 <sup>1</sup>
國際財務報告準則第15號	來自客戶合約的收益及其相關修訂 <sup>1</sup>
國際財務報告準則第16號	租賃 <sup>2</sup>
國際財務報告詮釋委員會詮釋第22號	外幣交易及預付代價 <sup>1</sup>
國際財務報告準則第2號之修訂	股份支付交易之分類及計量 <sup>1</sup>
國際財務報告準則第4號之修訂	在國際財務報告準則第4號「保險合約」下應用國際財務報告準則第9號「金融工具」 <sup>1</sup>
國際財務報告準則第15號之修訂	釐清國際財務報告準則第15號來自客戶合約的收益 <sup>1</sup>
國際財務報告準則第10號及國際會計準則第28號之修訂	投資者與其聯營公司或合營企業之間出售或注入資產 <sup>3</sup>
國際會計準則第7號之修訂	披露計劃 <sup>4</sup>
國際會計準則第12號之修訂	確認未變現虧損之遞延稅項資產 <sup>4</sup>
國際會計準則第40號之修訂	轉讓投資物業 <sup>1</sup>
國際財務報告準則之修訂	國際財務報告準則二零一四年至二零一六年週期的年度改進 <sup>5</sup>

- <sup>1</sup> 於二零一八年一月一日或之後開始的年度期間生效。
- <sup>2</sup> 於二零一九年一月一日或之後開始的年度期間生效。
- <sup>3</sup> 於待定期限或之後開始的年度期間生效。
- <sup>4</sup> 於二零一七年一月一日或之後開始的年度期間生效。
- <sup>5</sup> 於二零一七年一月一日或二零一八年一月一日(按適當者)或之後開始的年度期間生效。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

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## 2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)

### 2.2 New and revised IFRSs in issue but not yet effective: (Continued)

#### IFRS 9 Financial Instruments

IFRS 9 introduces new requirements for the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment requirements for financial assets.

Key requirements of IFRS 9:

- all recognised financial assets that are within the scope of IFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading nor contingent consideration recognised by an acquirer in a business combination to which IFRS 3 applies) in other comprehensive income, with only dividend income generally recognised in profit or loss.

## 2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

### 2.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則：(續)

#### 國際財務報告準則第9號金融工具

國際財務報告準則第9號引入有關金融資產、金融負債、一般對沖會計法的分類及計量新要求及金融資產的減值要求。

國際財務報告準則第9號的主要規定：

- 所有屬國際財務報告準則第9號範圍內的已確認金融資產其後均須按攤銷成本或公允價值計量。具體而言，目的是收取合約現金流量的業務模式內持有的債務投資，及合約現金流量僅為償還本金及尚未償還本金利息的債務投資，一般於其後會計期末按攤銷成本計量。倘債務工具乃於同時透過收取合約現金流量及出售金融資產而達到目標的業務模式內持有，而其合約條款於特定日期帶來純粹為本金及尚欠本金額利息付款的現金流，則一般按公允價值列賬於其他全面收入計量。所有其他債務投資及股權投資均於其後會計期末按其公允價值計量。此外，根據國際財務報告準則第9號，實體可作出不可撤回的選擇，以於其他全面收入呈列股權投資(並非持作交易目的，亦非收購方在國際財務報告準則第3號適用的業務合併中確認為或然代價)公允價值的其後變動，而只有股息收入一般於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

**2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)**

**2.2 New and revised IFRSs in issue but not yet effective: (Continued)**

*IFRS 9 Financial Instruments (Continued)*

- with regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of a financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of such changes in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under IAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss.
- in relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

**2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)**

**2.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則：(續)**

*國際財務報告準則第9號金融工具(續)*

- 就指定為按公允價值列賬於損益的金融負債的計量而言，國際財務報告準則第9號規定因金融負債的信貸風險變動以致該負債公允價值變動的金額於其他全面收入呈列，除非在其他全面收入中確認有關變動會導致或擴大損益內的會計錯配。金融負債的信貸風險變動所引致的公允價值變動其後不會重新分類至損益。根據國際會計準則第39號，指定為按公允價值列賬於損益的金融負債的整筆公允價值變動金額在損益呈列。
- 就金融資產減值而言，與國際會計準則第39號項下按已產生信貸虧損模式計算相反，國際財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式規定實體於各報告日期將預期信貸虧損及該等預期信貸虧損的變動入賬，以反映信貸風險自首次確認以來的變動。換言之，毋須再待發生信貸事件即可確認信貸虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度**2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)****2.2 New and revised IFRSs in issue but not yet effective: (Continued)***IFRS 9 Financial Instruments (Continued)*

- the new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in IAS 39. Under IFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an ‘economic relationship’. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity’s risk management activities have also been introduced.

Based on the Group’s financial instruments and risk management policies as at 31 December 2016, application of IFRS 9 in the future may have a material impact on the classification and measurement of the Group’s financial assets. The Group’s available-for-sale investments, including those currently stated at cost less impairment, will be measured as FVTPL.

**2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)****2.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則：(續)***國際財務報告準則第9號金融工具(續)*

- 新一般對沖會計法規定保留根據國際會計準則第39號目前可用的三類對沖會計機制，根據國際財務報告準則第9號，合資格使用對沖會計法的交易類別獲賦予更大靈活性，特別是擴闊合資格作為對沖工具的工具類別以及合資格使用對沖會計法的非金融項目的風險組成部分類別。此外，成效測試已經徹底修改及以「經濟關係」原則取代。對沖成效亦毋須再進行追溯評估。當中亦引入有關實體風險管理活動的強化披露規定。

根據本集團於二零一六年十二月三十一日的金融工具及風險管理政策，於日後應用國際財務報告準則第9號可能對本集團金融資產的分類和計量造成重大影響。本集團的可供出售投資(包括按成本扣除減值列賬者)將以按公允價值列賬於損益的方式計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

For the year ended 31 December 2016  
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## 2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)

### 2.2 New and revised IFRSs in issue but not yet effective: (Continued)

#### IFRS 15 Revenue from Contracts with Customers

IFRS 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related Interpretations when it becomes effective.

The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

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

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when ‘control’ of the goods or services underlying the particular performance obligation is transferred to the customer.

## 2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

### 2.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則：(續)

#### 國際財務報告準則第15號來自客戶合約的收益

國際財務報告準則第15號制定一項單一全面模式供實體用作將來自客戶合約的收益入賬。國際財務報告準則第15號生效後，將會取代國際會計準則第18號收益、國際會計準則第11號建築合約及相關詮釋等現行收益確認指引。

國際財務報告準則第15號的核心原則為實體所確認描述向客戶轉讓已承諾貨品或服務的收益金額，應反映該實體預期就交換該等貨品或服務有權獲得的代價。具體而言，該準則引入確認收益的五個步驟：

- 步驟1：識別與客戶訂立的合約
- 步驟2：識別合約的履約責任
- 步驟3：釐定交易價格
- 步驟4：按合約的履約責任分配交易價格
- 步驟5：當(或於)實體履行履約責任時確認收益

根據國際財務報告準則第15號，實體當(或於)履行履約責任時確認收益，即當特定履約責任的相關貨品或服務的「控制權」轉移至客戶時。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

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## 2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)

### 2.2 New and revised IFRSs in issue but not yet effective: (Continued)

#### IFRS 15 Revenue from Contracts with Customers (Continued)

Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.

In April 2016, the IASB issued Clarifications to IFRS 15 in relation to the identification of performance obligations, principal versus agent considerations, as well as licensing application guidance.

The Group recognises revenue from the following major sources:

- Sale of properties
- Running hotels and servicing fees
- Property management and other related service fee

Revenue will be recognised for each of these performance obligations when control over the corresponding properties and services is transferred to the customer. This is similar to the current identification of separate revenue components under IAS 18. Furthermore, even though IFRS 15 requires the transaction price to be allocated to the different performance obligations on a relative stand-alone selling price basis, the directors do not expect that the allocation of revenue will be significantly different from that currently determined. The timing of revenue recognition of each performance obligations are also expected to be consistent with current practice.

The directors do not intend to early apply the standard and intend to use the full retrospective method upon adoption

## 2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

### 2.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則：(續)

#### 國際財務報告準則第15號來自客戶合約的收益(續)

國際財務報告準則第15號已就特別情況的處理方法加入更明確的指引。此外，國際財務報告準則第15號規定作出詳盡的披露。

二零一六年四月，國際會計準則理事會頒佈對國際財務報告準則第15號的澄清，內容有關識別履約責任、主體對代理代價及發牌的應用指引。

本集團確認下列主要來源的收益：

- 物業銷售
- 經營酒店及服務費
- 物業管理及其他相關服務費

相應物業及服務的控制權轉移至客戶時，將就該等履約責任確認收益。這與根據國際會計準則第18號對獨立收益組成部分的現行分類相類似。此外，即使國際財務報告準則第15號規定將交易價格按相對獨立售價準則分配至不同履約責任，董事預期收益分配與現行釐定者將不會有重大分別。確認各履約責任收益的時間亦預期與現行慣例一致。

董事並無計劃提早應用該準則，並計劃於採用後使用全面追溯法。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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**2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)**

**2.2 New and revised IFRSs in issue but not yet effective: (Continued)**

*IFRS 16 Leases*

IFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. IFRS 16 will supersede the current lease guidance including IAS 17 Leases and the related interpretations when it becomes effective.

IFRS 16 distinguishes leases and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases (off balance sheet) and finance leases (on balance sheet) are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees (i.e. all on balance sheet) except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. Furthermore, the classification of cash flows will also be affected as operating lease payments under IAS 17 are presented as operating cash flows; whereas under the IFRS 16 model, the lease payments will be split into a principal and an interest portion which will be presented as financing and operating cash flows respectively.

In contrast to lessee accounting, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

**2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)**

**2.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則：(續)**

*國際財務報告準則第16號租賃*

國際財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入一個綜合模式。當國際財務報告準則第16號生效時，將取代現有租賃指引，包括國際會計準則第17號租賃及相關詮釋。

國際財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。除短期租賃及低值資產租賃外，經營租賃(資產負債表外項目)及融資租賃(資產負債表內項目)的差異就承租人會計處理移除，並須就承租人的所有租賃(即所有資產負債表內項目)確認使用權資產及相應負債的模式替代。

使用權資產初步按成本計量，並隨後以成本(惟若干例外情況除外)減累計折舊及減值虧損計量，並就租賃負債任何重新計量而作出調整。租賃負債乃按租賃付款(非當日支付)的現值初步計量。隨後，租賃負債就(其中包括)利息及租賃付款以及租賃修訂的影響作出調整。此外，由於國際會計準則第17號項下的經營租賃付款以經營現金流量呈列，現金流量的分類亦將受影響；而根據國際財務報告準則第16號的模式，租賃付款將分配為本金及利息部份，其將分別以融資及經營現金流量呈列。

與承租人會計處理方法相反，國際財務報告準則第16號大致保留國際會計準則第17號內出租人的會計規定，並繼續規定出租人將租賃分類為經營租賃或融資租賃。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

For the year ended 31 December 2016  
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**2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)**

**2.2 New and revised IFRSs in issue but not yet effective: (Continued)**

*IFRS 16 Leases (Continued)*

Furthermore, extensive disclosures are required by IFRS 16.

As at 31 December 2016, the Group has non-cancellable operating lease commitments of RMB114,066,000 as disclosed in Note 44. A preliminary assessment indicates that these arrangements will meet the definition of a lease under IFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of IFRS 16. In addition, the application of new requirements may result changes in measurement, presentation and disclosure as indicated above. However, it is not practicable to provide a reasonable estimate of financial effect until the directors of the Group complete a detail review.

*Amendments to IFRS 2 Classification and Measurement of Share-based Payment Transactions*

The amendments clarify the following:

1. In estimating the fair value of a cash-settled share-based payment, the accounting for the effects of vesting and non-vesting conditions should follow the same approach as for equity-settled share-based payments.
2. Where tax law or regulation requires an entity to withhold a specified number of equity instruments equal to the monetary value of the employee's tax obligation to meet the employee's tax liability which is then remitted to the tax authority, i.e. the share-based payment arrangement has a 'net settlement feature', such an arrangement should be classified as equity-settled in its entirety, provided that the share-based payment would have been classified as equity-settled had it not included the net settlement feature.

**2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)**

**2.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則：(續)**

*國際財務報告準則第16號租賃(續)*

此外，國際財務報告準則第16號亦要求較廣泛的披露。

誠如附註44披露，於二零一六年十二月三十一日，本集團有不可撤銷的經營租賃承擔人民幣114,066,000元。初步評估顯示該等安排將符合國際財務報告準則第16號項下租賃的定義，因此本集團將就所有租賃確認使用權資產及對應負債，除非於應用國際財務報告準則第16號時其符合低值或短期租賃。此外，應用新的規定或會導致上述的計量、呈列及披露變化。然而，在本集團董事完成詳細檢討之前，對財務影響作出合理估計並不切實可行。

*國際財務報告準則第2號股份支付交易之分類及計量之修訂*

該等修訂闡述如下：

1. 於估計以現金結算股份支付的公允價值時，股權結算股份支付的歸屬及非歸屬條件的影響的會計處理應遵循同一方法。
2. 倘稅法或法規規定實體須預扣相當於僱員稅務責任貨幣價值的特定數目股權工具，以履行僱員稅務責任，其後將匯款予稅務機構，即股份支付安排具備「淨額結算特徵」，則該安排將整體分類為以股權結算，倘其並不包含淨額結算特徵，則股份支付將分類為股權結算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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**2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)**

**2.2 New and revised IFRSs in issue but not yet effective: (Continued)**

*Amendments to IFRS 2 Classification and Measurement of Share-based Payment Transactions (Continued)*

3. A modification of a share-based payment that changes the transaction from cash-settled to equity-settled should be accounted for as follows:

- i) the original liability is derecognised;
- ii) the equity-settled share-based payment is recognised at the modification date fair value of the equity instrument granted to the extent that services have been rendered up to the modification date; and
- iii) any difference between the carrying amount of the liability at the modification date and the amount recognised in equity should be recognised in profit or loss immediately.

The amendments are effective for annual reporting periods beginning on or after 1 January 2018 with earlier application permitted. Specific transition provisions apply. The directors of the Company do not anticipate that the application of the amendments in the future will have a significant impact on the Group’s consolidated financial statements as the Group does not have any cash-settled share-based payment arrangements or any withholding tax arrangements with tax authorities in relation to share-based payments.

**2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)**

**2.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則：(續)**

*國際財務報告準則第2號股份支付交易之分類及計量之修訂(續)*

3. 導致交易由現金結算變為股權結算的股份支付的修訂應按以下方式入賬：

- i) 取消確認初始負債；
- ii) 倘於修訂日期前一直提供該等服務，股權結算股份支付將按修訂日期已授出股權工具的公允價值確認；及
- iii) 修訂日期負債的賬面值與於權益中確認的金額之間的差額應立即於損益確認。

該等修訂於二零一八年一月一日或之後開始的年度報告期間生效，並可提早應用。該等修訂設有特定過渡條款。由於本集團並無任何以現金結算股份支付安排或與稅務機關訂有關於股份支付的預扣稅務安排，本公司董事預期，日後應用該等修訂將不會對本集團的綜合財務報表造成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

For the year ended 31 December 2016  
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**2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)**

**2.2 New and revised IFRSs in issue but not yet effective: (Continued)**

*Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent’s profit or loss only to the extent of the unrelated investors’ interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent’s profit or loss only to the extent of the unrelated investors’ interests in the new associate or joint venture.

The effective date of the amendments has yet to be set by the IASB; however, earlier application of the amendments is permitted. The directors of the Company anticipate that the application of these amendments may have an impact on the Group’s consolidated financial statements in future periods should such transactions arise.

**2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)**

**2.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則：(續)**

*國際財務報告準則第10號及國際會計準則第28號投資者與其聯營公司或合營企業之間出售或注入資產之修訂*

國際財務報告準則第10號及國際會計準則第28號之修訂與投資者與其聯營公司或合資公司之間的資產出售或注資的情況有關。特別是，該等修訂訂明，因失去與聯營公司或合營企業(以權益法列賬)的交易中並無包含業務之子公司之控制權而產生之收益或虧損，於母公司損益賬確認且僅以非相關投資者於該聯營公司或合營企業之權益為限。類似地，按於成為聯營公司或合營企業(以權益法列賬)之任何前子公司所保留之投資公允價值重新計量所得盈虧於前母公司損益賬確認且僅以非相關投資者於新聯營公司或合營企業之權益為限。

國際會計準則理事會仍未釐定該等修訂的生效日，但允許提早應用該等修訂。本公司董事預期，倘發生該等交易，應用該等修訂可能會對本集團未來期間的綜合財務報表產生影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

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**2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)**

**2.2 New and revised IFRSs in issue but not yet effective: (Continued)**

*Amendments to IAS 7 Disclosure Initiative*

The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities including both changes arising from cash flows and non-cash changes. Specially, the amendments require the following changes in liabilities to be disclosed: (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair value; and (v) other changes.

The amendments apply prospectively for annual periods beginning on or after 1 January 2017 with earlier application permitted. The application of the amendments will result in additional disclosures on the Group’s financing activities, specifically reconciliation between opening and closing balances in the consolidated statement of financial position for liabilities arising from financing activities will be provided on application. The directors of the Company do not intend to early apply to the amendments.

*Amendments to IAS 12 Recognition of Deferred Tax Assets for Unrealised Losses*

The amendments provide guidance on how an entity determines, in accordance with IFRS 12 Income Taxes, whether to recognise a deferred tax asset in relation to unrealised tax losses of a debt instrument that is classified as an available-for-sale financial asset in accordance with IFRS 39 *Financial Instruments: Recognition and Measurement* under certain specific facts and circumstances.

The amendments apply retrospectively for annual periods beginning on or after 1 January 2017 with earlier application permitted. The directors of the Company do not anticipate that the application of these amendments will have a material impact on the Group’s consolidated financial statements.

**2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)**

**2.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則：(續)**

*國際會計準則第7號披露計劃之修訂*

該等修訂規定實體披露能讓財務報表使用者評估融資活動產生的負債的變動，包括現金流量引致之變動及非現金變動。尤其是，修訂規定披露以下負債變動：(i)來自融資現金流量的變動；(ii)來自取得或失去子公司或其他業務的控制權的變動；(iii)外幣匯率變動的影響；(iv)公允價值變動；及(v)其他變動。

修訂於二零一七年一月一日或之後開始的年度期間前瞻性應用，並可提早應用。應用修訂將導致有關本集團融資活動的額外披露，尤其是融資活動產生的負債於綜合財務狀況表的期初與期末結餘的對賬，將於應用修訂時披露。本公司董事並無計劃提早應用該等修訂。

*國際會計準則第12號確認未變現虧損之遞延稅項資產之修訂*

該等修訂提供指引，讓實體瞭解如何根據國際財務報告準則第12號所得稅，在若干特定事實及情況下決定是否就依據國際財務報告準則第39號金融工具：確認及計量獲分類為可供出售金融資產之債務工具之未變現稅項虧損確認遞延稅項資產。

該等修訂追溯應用至二零一七年一月一日或之後開始的年度期間，並可提早應用。本公司董事預期，應用該等修訂將不會對本集團的綜合財務報表造成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

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### 3. PRINCIPAL ACCOUNTING POLICIES

#### 3.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with the following accounting policies which conform to International Financial Reporting Standards ("IFRSs") issued by IASB. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange of Hong Kong Limited ("Listing Rules") and by the Hong Kong Companies Ordinance ("CO")

#### 3.2 Basis of preparation

As of 31 December 2016, the Group's net current liabilities are approximately RMB4,557 million. The Directors consider the Group is able to operate as a going concern, taken into account the cash flows generated from operating activities, and undrawn loan facilities from banks, amounting approximately RMB8,273 million, to meet its liquidity requirements in the next twelve months. The consolidated financial statements have been prepared on the basis that the Group will continue to operate throughout the next twelve months as a going concern.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments and investment properties, which are measured at fair values, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and disclosure purposes in these consolidated financial statements is determined on such a basis, leasing transactions that are within the scope of IAS 17 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 Inventories or value in use in IAS 36 Impairment of Assets.

### 3. 主要會計政策

#### 3.1 合規聲明

綜合財務報表乃根據符合國際會計準則理事會所頒佈的國際財務報告準則(「國際財務報告準則」)的以下會計政策編製而成。此外，綜合財務報表載有香港聯合交易所有限公司證券上市規則(「上市規則」)及香港公司條例(「公司條例」)所規定的適用披露資料。

#### 3.2 編製基準

截至二零一六年十二月三十一日，本集團的流動負債淨額約為人民幣4,557,000,000元。董事經考慮經營業務所得現金流量及未從銀行提取的貸款融資為數約人民幣8,273,000,000元足以應付未來十二個月的流動資金需求後，認為本集團能夠持續經營。綜合財務報表乃按照本集團可繼續在未來十二個月持續經營的基準而編製。

綜合財務報表乃根據歷史成本基準編製而成，惟若干金融工具及投資物業乃按下文所載之會計政策所闡釋以公允價值計量。

歷史成本一般根據就交換貨品及服務而付出的代價公允價值計算。

公允價值為於計量日期市場參與者於有序交易中出售資產所收取或轉讓負債所支付的價格，而不論該價格是直接觀察所得抑或運用另一估值技術估計得出。在估計資產或負債的公允價值時，本集團會考慮市場參與者於計量日期為該資產或負債進行定價時將會考慮的該等特徵。在本綜合財務報表中計量及披露的公允價值均在此基礎上予以釐定，但國際會計準則第17號租賃範圍內的租賃交易以及與公允價值有若干類似之處但並非公允價值的計量(例如國際會計準則第2號存貨中的可變現淨值或國際會計準則第36號資產減值中的使用價值)除外。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

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### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.2 Basis of preparation (Continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

#### 3.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

### 3. 主要會計政策(續)

#### 3.2 編製基準(續)

此外，就財務報告而言，公允價值計量根據公允價值計量的輸入數據可觀察性及公允價值計量的輸入數據對其整體的重要性分類為第一層次、第二層次或第三層次，詳情如下：

- 第一層次輸入數據為實體於計量日期可以取得的相同資產或負債於活躍市場之報價(未經調整)；
- 第二層次輸入數據為就資產或負債直接或間接地可觀察之輸入數據(第一層次內包括的報價除外)；及
- 第三層次輸入數據為資產或負債的不可觀察輸入數據。

#### 3.3 合併基準

綜合財務報表納入本公司及由本公司控制的實體(其子公司)的財務報表。當本公司符合以下條件時，即取得控制權：

- 可對被投資公司行使權力；
- 參與被投資公司業務所得可變回報涉及的風險或權利；及
- 能運用其權力影響其回報。

倘有事實及情況顯示上文所列三項控制權要素之一項或以上出現變動，本集團會重新評估其是否對被投資公司擁有控制權。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

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### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.3 Basis of consolidation (Continued)

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

### 3. 主要會計政策(續)

#### 3.3 合併基準(續)

倘本集團於被投資公司的投票權未能佔大多數，而投票權足以賦予本公司實際能力以單方面指揮被投資公司的相關活動，即對被投資公司擁有權力。本集團於評估本集團於被投資公司的投票權是否足以賦予其權力時，會考慮所有相關事實及情況，包括：

- 相對其他投票權持有人所持投票權的數量及分散情況，本集團持有投票權的數量；
- 本集團、其他投票權持有人或其他人士持有的潛在投票權；
- 其他合約安排產生的權利；及
- 顯示本集團目前能夠或不能在需要作出決定時指揮相關活動的任何額外事實及情況(包括於過往股東大會上的投票模式)。

子公司綜合入賬於本集團取得有關子公司的控制權時開始，並於本集團喪失有關子公司的控制權時終止。具體而言，年內收購或出售的子公司的收入及開支乃自本集團取得控制權當日起計入綜合損益及其他全面利潤表，直至本集團不再控制有關子公司當日為止。

損益及其他全面收入的每個項目乃歸屬於本公司擁有人及非控股權益。子公司的全面收入總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益出現虧絀結餘。

如有需要，將對子公司的財務報表作出調整，以令其會計政策與本集團的會計政策一致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

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### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.3 Basis of consolidation (Continued)

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted after re-attribution of the relevant equity component and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, it (i) derecognises the assets (including any goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost, (ii) derecognises the carrying amount of any non-controlling interests in the former subsidiary at the date when control is lost (including any components of other comprehensive income attributable to them), and (iii) recognises the aggregate of the fair value of the consideration received and the fair value of any retained interest, with any resulting difference being recognised as a gain or loss in profit or loss attributable to the Group. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Group had directly disposed of the related assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39 when applicable, the cost on initial recognition of an investment in a joint venture or an associate.

### 3. 主要會計政策(續)

#### 3.3 合併基準(續)

有關本集團成員間的交易的所有集團內部資產及負債、權益、收入、開支及現金流量均於綜合賬目時全數抵銷。

本集團於現有子公司的擁有權權益變動但並無導致本集團喪失該等子公司的控制權，則入賬作為權益交易。本集團權益與非控股權益的賬面值均會作出調整，以反映彼等於子公司的相對權益變動。非控股權益於相關權益部分重新歸屬後所調整的金額與所付或所收代價的公允價值之間的任何差額，均直接於權益確認並歸屬於本公司擁有人。

倘本集團喪失子公司的控制權，則(i)按喪失控制權當日的賬面值取消確認該子公司的資產(包括任何商譽)及負債；(ii)取消確認前子公司於喪失控制權當日的任何非控股權益的賬面值(包括其應佔的任何其他全面收入的組成部分)；及(iii)確認所收代價的公允價值及任何保留權益的公允價值的總額，因此產生的任何差額在本集團應佔損益中確認為盈虧。倘子公司的資產按重估金額或公允價值列賬，而相關累計收益或虧損已於其他全面收入確認並於權益累計，先前於其他全面收入確認並於權益累計的金額則猶如本集團已直接出售相關資產入賬(即按適用國際財務報告準則訂明重新分類至損益或直接轉撥至保留溢利)。於喪失控制權當日在該前子公司保留的任何投資的公允價值，將根據國際會計準則第39號被視為其後入賬首次確認的公允價值，或(如適用)首次確認合營企業或聯營公司投資的成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.4 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 *Income Taxes* and IAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 *Share-based Payment* at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

### 3. 主要會計政策(續)

#### 3.4 業務合併

收購業務乃以收購法入賬。業務合併所轉讓代價按公允價值計量，乃按本集團所轉讓資產、所產生對被收購公司前擁有人的負債及所發行以交換被收購公司控制權的股權於收購日期的公允價值總和計算。收購相關成本一般於產生時於損益確認。

於收購日期，已收購可識別資產及已承擔負債乃按其公允價值確認，惟以下除外：

- 遞延稅項資產或負債及有關僱員福利安排的負債或資產乃分別根據國際會計準則第12號*所得稅*及國際會計準則第19號*僱員福利*確認及計量；
- 有關被收購公司的股份支付安排的負債或股本工具，或由本集團訂立以取代被收購公司的股份支付安排的股份支付安排，乃於收購日期根據國際財務報告準則第2號*股份支付*計量(見下文的會計政策)；及
- 根據國際財務報告準則第5號*持作待售非流動資產及終止經營業務*分類為持作待售資產(或出售組別)乃根據該準則計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.4 Business combinations (Continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another Standard.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and considered as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments being made against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period about facts and circumstances that existed at the acquisition date. Measurement period cannot exceed one year from the acquisition date.

### 3. 主要會計政策(續)

#### 3.4 業務合併(續)

商譽乃按已轉讓代價、於被收購公司的任何非控股權益金額及收購公司先前於被收購公司持有的股權公允價值(如有)的總額超逾所收購可識別資產及所承擔負債於收購日期的淨額之差額計量。倘經重新評估後，所收購可識別資產及所承擔負債的淨額超逾已轉讓代價、於被收購公司的任何非控股權益金額及收購公司先前於被收購公司持有的股權公允價值(如有)的總和，超出部分將即時於損益中確認為議價購買收益。

屬現時擁有權權益且於清盤時賦予其持有人權利按比例分佔相關子公司淨資產的非控股權益可初步按公允價值或非控股權益應佔被收購公司可識別資產淨值已確認金額的比例計量。計量基準視乎每項交易而作出選擇。其他種類的非控股權益乃按其公允價值或(如適用)按其他準則所規定的基準計量。

倘本集團在業務合併中轉讓的代價包括或然代價安排所產生的資產或負債，或然代價則按其於收購日期的公允價值計量，並計入作為在業務合併中所轉讓代價的一部分。合資格作計量期間調整的或然代價公允價值變動會作出追溯調整，並會對商譽作出相應調整。計量期間調整為於計量期間取得有關於收購日期存在的事實及情況的額外資料所引致的調整。計量期間自收購日期起不可超過一年。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.4 Business combinations (Continued)

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IAS 39, or IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interests were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised at that date.

### 3. 主要會計政策(續)

#### 3.4 業務合併(續)

或然代價的公允價值變動的其後會計處理如不合資格作計量期間調整乃取決於或然代價的分類方式。分類為權益的或然代價不會於其後報告日期重新計量，而其後結算將於權益內入賬。分類為資產或負債的或然代價按照國際會計準則第39號或國際會計準則第37號撥備、或然負債及或然資產(如適用)於其後報告日期重新計量，而相應收益或虧損則於損益中確認。

倘業務合併乃分階段達成，本集團先前持有的被收購公司股權會按收購日期(即本集團取得控制權當日)的公允價值重新計量，而由此產生的收益或虧損(如有)會在損益中確認。於收購日期前由被收購公司權益產生且先前已於其他全面收入中確認的金額，均重新分類至損益，而此處理方法在處置該權益時亦適用。

倘業務合併的初步會計處理於合併發生的報告期末仍未完成，本集團會呈報未完成會計處理的項目的臨時金額。該等臨時金額會在計量期間(見上文)調整，並會確認額外資產或負債，以反映所取得有關於收購日期已存在的事實及情況的新資料，而倘知悉有關資料，將會影響當日確認的金額。

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### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.5 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A cash-generating unit, or group of cash generating unites, to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit, or group of cash generating unites to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit, or the group of cash generating unites. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

#### 3.6 Acquisition of a subsidiary not constituting a business

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to the financial assets and financial liabilities at the respective fair values, the remaining balance of the purchase price is then allocated to the other individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

### 3. 主要會計政策(續)

#### 3.5 商譽

收購業務所產生的商譽按收購業務(見上文的會計政策)當日訂立的成本減任何累計減值虧損(如有)列賬。

為進行減值測試，商譽會被分攤至預期可受惠於合併的協同效益的本集團各現金產生單位(或現金產生單位組別)，即就內部管理而言監控商譽的而且不大於經營分部的最低層級。

獲分攤商譽的現金產生單位或一組現金產生單位每年進行減值測試，或當有跡象顯示該單位可能出現減值則更頻密地進行。就報告期內進行收購所產生的商譽，獲分攤商譽的現金產生單位或一組現金產生單位會於該報告期末前進行減值測試。當現金產生單位的可收回金額低於其賬面值，則首先分攤減值虧損以抵減分攤至該單位或該組現金產生單位的任何商譽的賬面值，其後按單位內各資產的賬面值按比例分攤至單位的其他資產。商譽的任何減值虧損均直接在損益中確認。就商譽確認的減值虧損不會於其後期間撥回。

出售相關現金產生單位時，商譽應佔的金額會在釐定出售損益金額時包括在內。

#### 3.6 收購不構成業務的子公司

倘本集團收購一組不構成業務的資產或負債，本集團識別及確認個別可識別的所收購資產及所承擔負債，將購買價首先按公允價值分配至金融資產及金融負債，購買價的餘額按於購買日期的相對公允價值分配至其他個別可識別資產及負債。該項交易並不導致商譽或議價購買收益。

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截至二零一六年十二月三十一日止年度**3. PRINCIPAL ACCOUNTING POLICIES (Continued)****3.7 Investments in associates and joint ventures**

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

**3. 主要會計政策(續)****3.7 於聯營公司及合營企業投資**

聯營公司指本集團對其有重大影響力的實體。重大影響力為參與被投資公司的財務及營運決策的權力，但並非對該等政策擁有控制權或共同控制權。

合營企業指一項合營安排，據此，對該安排擁有共同控制權的訂約人士擁有對該合營安排的淨資產的權利。共同控制權指按照合約協定對某項安排所共有的控制權，共同控制權僅在相關活動的決定需要共同享有控制權的各方一致同意時方始存在。

聯營公司及合營企業的業績及資產與負債以權益會計法計入該等綜合財務報表。用作權益會計目的的聯營公司及合營企業的財務報表，乃使用與本集團在類似情況下就類似交易及事件所採用的一致會計政策編製。根據權益法，聯營公司或合營企業投資初步按成本於綜合財務狀況表確認，並於其後調整以確認本集團應佔聯營公司或合營企業的損益及其他全面收入。倘本集團應佔聯營公司或合營企業的虧損超出本集團於該聯營公司或合營企業的權益(包括實質上構成本集團於聯營公司或合營企業淨投資一部分的任何長期權益)，本集團會終止確認其應佔的進一步虧損。僅於本集團已產生法律或推定責任或已代表聯營公司或合營企業支付款項的情況下，方會確認額外虧損。

於聯營公司或合營企業投資乃自被投資公司成為聯營公司或合營企業當日起按權益法入賬。收購聯營公司或合營企業投資時，投資成本超出本集團應佔被投資公司的可識別資產及負債的公允價值淨額的任何金額會確認為商譽，並計入該投資的賬面值內。本集團應佔可識別資產及負債的公允價值淨額超出投資成本之任何金額，於重新評估後會即時在收購該投資的期間內於損益確認。

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### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.7 Investments in associates and joint ventures (Continued)

The requirements of IAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset within the scope of IAS 39, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of the relevant interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

### 3. 主要會計政策(續)

#### 3.7 於聯營公司及合營企業投資(續)

國際會計準則第39號的規定乃用於釐定有否必要確認本集團於聯營公司或合營企業投資的任何減值虧損。如必要，則根據國際會計準則第36號資產減值將投資的全部賬面值(包括商譽)作為單一資產，透過比較其可收回金額(使用價值及公允價值減銷售成本兩者中的較高者)與其賬面值進行減值測試。任何已確認的減值虧損構成投資賬面值的一部分。倘其後投資的可收回金額增加，則根據國際會計準則第36號確認該減值虧損撥回。

當本集團不再對聯營公司或合營企業具有重大影響力，其會入賬為出售於被投資方的全部權益，所產生收益或虧損於損益確認。倘本集團保留於前聯營公司或合營企業的權益且該保留權益為國際會計準則第39號範圍內的金融資產，本集團會於該日按公允價值計量保留權益，而該公允價值被視為於首次確認時的公允價值。聯營公司或合營企業於終止使用權益法當日的賬面值與出售聯營公司或合營企業相關權益的任何保留權益及任何所得款項公允價值之間的差額，會於釐定出售聯營公司或合營企業的收益或虧損時包括在內。此外，本集團會將先前在其他全面收入就該聯營公司或合營企業確認的所有金額入賬，基準與該聯營公司或合營企業直接出售相關資產或負債所需基準相同。因此，該聯營公司或合營企業先前已於其他全面收入確認的收益或虧損，會於出售相關資產或負債時重新分類至損益。本集團會於終止使用權益法時將收益或虧損由權益重新分類至損益(作為重新分類調整)。



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### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.7 Investments in associates and joint ventures (Continued)

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

#### 3.8 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised when the amount of revenue can be reliably measured, when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities as described below:

(i) *Sales of properties*

Revenue from sales of properties is recognised when a Group entity has delivered the relevant properties to the customers and collectability of the related receivables is reasonably assured. Deposits and instalments received on properties sold prior to the date of revenue recognition are recorded as advances from customers and presented as trade, other payables and advance deposits under current liabilities.

### 3. 主要會計政策(續)

#### 3.7 於聯營公司及合營企業投資(續)

當聯營公司投資變為合營企業投資或合營企業投資變為聯營公司投資，本集團會繼續使用權益法。發生該等擁有權權益變動時，不會對公允價值重新計量。

倘本集團削減其於聯營公司或合營企業的擁有權權益而本集團繼續使用權益法，若有關收益或虧損會於出售相關資產或負債時重新分類至損益，則本集團會將先前已於其他全面收入確認與削減擁有權權益有關的收益或虧損比例重新分類至損益。

倘集團實體與本集團的聯營公司或合營企業進行交易，與有關聯營公司或合營企業進行交易產生的溢利及虧損會在本集團綜合財務報表確認，惟僅以與本集團並無關連的聯營公司或合營企業權益為限。

#### 3.8 收益確認

收益按已收或應收代價的公允價值計量。倘未來經濟利益可能流向本集團且收益金額能夠可靠計算且符合以下本集團各業務的特定準則。本集團會確認收益：

(i) *物業銷售*

當集團實體將有關物業交付客戶及合理確定能收取有關應收款項時確認物業銷售收益。在確認收益當日前出售物業所收取的訂金及分期付款項列作預收客戶款項，並在流動負債列為應付賬款、其他應付款項及預付按金。

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### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.8 Revenue recognition (Continued)

(ii) *Sales of goods and services rendered*

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer. Revenue in relation to property management and hotel operation is recognised when the services are rendered.

Revenue from landscape projects is recognised in proportion to the stage of completion of the projects by the end of reporting period. The stage of completion is assessed by reference to work performed. An expected loss on a contract is recognised immediately in profit or loss.

(iii) *Rental income*

The Group's accounting policy for recognition of revenue from operating leases is described in the accounting policy for lease below.

(iv) *Interest income*

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### 3. 主要會計政策(續)

#### 3.8 收益確認(續)

(ii) *銷售貨品及提供服務*

銷售貨品收益於所有權重大風險及回報轉讓至買方時確認。有關物業管理及酒店營運的收益於提供服務時確認。

園藝項目的收益於報告期末按項目完成階段的比例確認。完成階段參考所進行的工作而評估。有關合約預期虧損即時在損益中確認。

(iii) *租金收入*

本集團確認經營租賃收益的會計政策於下文有關租賃的會計政策中載述。

(iv) *利息收入*

利息收入乃參照未償還本金及適用實際利率，按時間基準累計。適用實際利率指透過金融資產預計年期將估計未來現金收入貼現至該資產於初步確認時的賬面淨值的利率。

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### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.9 Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise, except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

#### 3.10 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the year in which they are incurred.

### 3. 主要會計政策(續)

#### 3.9 外幣

於編製各個別集團實體的財務報表時，以該實體功能貨幣以外的貨幣(外幣)進行的交易，按交易日期的現行匯率確認。於各報告期末，以外幣結算的貨幣項目乃按當日的現行匯率重新換算。以公允價值列賬的外幣計值非貨幣項目，會按釐定公允價值當日的現行匯率重新換算，而以外幣按歷史成本計量的非貨幣項目則不會重新換算。

結付貨幣項目產生的以及重新換算貨幣項目時的匯兌差額於其產生期間在損益中確認，惟以下除外：

- 有關用作未來生產的在建資產的外幣借貸的匯兌差額，會在其被視為該等外幣借貸利息成本的調整時，計入該等資產的成本。

#### 3.10 借貸成本

因收購、興建或生產需要長時間方可達到可使用狀態或出售的資產而直接產生的借貸成本，將加入至該等資產的成本，直至有關資產大致達到可使用狀態或可供出售時為止。

在等待使用於合資格資產前將特定借貸暫時投資所賺取的投資收入會從合資格進行資本化的借貸成本中扣除。

所有其他借貸成本均於產生的年度於損益確認。

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### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.11 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "profit before income tax" as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income and expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, and interests in associate and joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

### 3. 主要會計政策(續)

#### 3.11 稅項

所得稅開支指即期應付稅項及遞延稅項的總和。

即期應付稅項乃按年內應課稅溢利計算。應課稅溢利有別於綜合損益及其他全面利潤表所呈報的「除所得稅前溢利」，原因為其不包括於其他年度的應課稅或可扣稅的收入及開支項目，亦不包括毋須課稅或可扣稅的項目。本集團的即期稅項負債乃按報告期末已執行或實際已執行的稅率計算。

遞延稅項就綜合財務報表內資產及負債的賬面值與計算應課稅溢利所用的相應稅基之間的暫時差額而確認。遞延稅項負債一般就所有應課稅暫時差額確認，遞延稅項資產則在可能有應課稅溢利以供扣減可扣稅暫時差額時確認。倘在某項交易中，商譽或首次確認(業務合併除外)其他資產及負債所產生的暫時差額不會影響應課稅溢利或會計溢利，有關資產及負債則不予確認。

由子公司投資、聯營公司及合營企業權益產生的應課稅暫時差額會確認遞延稅項負債，惟倘本集團能夠控制暫時差額的撥回及暫時差額很大機會於可見將來不會撥回則除外。與該等投資有關的可扣稅暫時差額所產生的遞延稅項資產只有在有足夠應課稅溢利可供動用暫時差額的利益並預期於可見將來撥回的情況下方始確認。

遞延稅項資產的賬面值於報告期末審閱，倘不再可能有足夠應課稅溢利以收回全部或部分資產，則削減遞延稅項資產的賬面值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度**3. PRINCIPAL ACCOUNTING POLICIES (Continued)****3.11 Taxation (Continued)**

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities or deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. If the presumption is rebutted, deferred tax liabilities and deferred tax assets for such investment properties are measured in accordance with the above general principles set out in IAS 12 (i.e. based on the expected manner as to how the properties will be recovered).

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

**3. 主要會計政策(續)****3.11 稅項(續)**

遞延稅項資產及負債乃按預期適用於清償負債或變現資產期間的稅率(以報告期末已執行或實際已執行的稅率(及稅法)為基準)計量。遞延稅項負債及資產計量反映本集團預期於報告期末收回或清償其資產及負債賬面值的方式所產生的稅務結果。

為計量按公允價值模型計量的投資物業的遞延稅項負債或遞延稅項資產，除非假設被推翻，否則有關物業的賬面值乃假設為可通過出售全數收回。當投資物業可予折舊，並於旨在隨著時間的推移而非通過出售消耗絕大部分包括在投資物業內的經濟利益的業務模式內持有時，有關假設會被推翻。倘假設被推翻，該等投資物業的遞延稅項負債及遞延稅項資產則根據上述國際會計準則第12號所載的一般原則計量(即按照預期收回物業的方式)。

即期及遞延稅項會在損益中確認，除非其與於其他全面收入確認或直接於權益確認的項目有關(在該情況下，即期及遞延稅項亦分別於其他全面收入或直接於權益確認)。倘即期稅項或遞延稅項源自業務合併的首次入賬，有關稅務影響則計入業務合併入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.12 Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

### 3. 主要會計政策(續)

#### 3.12 政府補助

只有在合理確定本集團將會遵守其附帶條件時及將可收取補助時，方會確認政府補助。

政府補助在本集團將補貼擬補償的相關成本確認為開支期間按有系統的基準於損益確認。為補償已招致的開支或虧損或為對本集團給予即時財務支持而沒有未來相關成本的應收政府補助，乃於應收期間在損益中確認。

就已經產生的開支或虧損收取作為補償的政府補助，或為向本集團提供即時財務支持而收取的政府補助，而無未來相關成本者，乃於可收取時在當期損益內確認。

按低於市場利率計算利息的政府貸款，有關得益當作政府補助，乃按收取的所得款項與(根據現行市場利率)貸款的公允價值的差額計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度**3. PRINCIPAL ACCOUNTING POLICIES (Continued)****3.13 Leasing**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

*The Group as lessor*

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

*The Group as lessee*

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

**3.14 Employee benefits***Retirement benefit costs and termination benefits*

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

The Group participates in state-managed retirement benefit schemes, which are defined contribution schemes, pursuant to which the Group pays a fixed percentage of its qualifying staff's wages as contributions to the plans. Payments to such retirement benefit schemes are charged as an expense when employees have rendered service entitling them to the contributions.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

**3. 主要會計政策(續)****3.13 租賃**

當租賃條款將絕大部分有關擁有權的風險及回報轉移至承租人，租賃則歸類為融資租賃。所有其他租賃均歸類為經營租賃。

*本集團作為出租人*

經營租賃的租金收入按相關租賃年期以直線法於損益確認。磋商及安排經營租賃所產生的初始直接成本會加入租賃資產的賬面值，並按租賃年期以直線法確認為開支。

*本集團作為承租人*

經營租賃付款按相關租賃年期以直線法確認為開支。作為訂立經營租賃的優惠而已收取及應收取的利益，乃按租賃年期以直線法確認為租金開支扣減。

**3.14 僱員福利***退休福利成本及離職福利*

就界定供款退休福利計劃所支付的款項在僱員已提供可享有該等供款的服務時確認為開支。

本集團參加由國家管理的退休福利計劃，該等計劃為界定供款計劃，據此，本集團按合資格員工的工資的固定百分比向該等計劃供款。向該等退休福利計劃支付的款項在僱員已提供可享有該等供款的服務時作為開支扣除。

離職福利負債在實體不再可撤回離職福利要約及實體確認任何相關重組成本時(以較早者為準)確認。

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### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.14 Employee benefits (Continued)

##### *Short-term and other long-term employee benefits*

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another IFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. Any changes in the liabilities' carrying amounts resulting from service cost, interest and remeasurements are recognised in profit or loss except to the extent that another IFRS requires or permits their inclusion in the cost of an asset.

##### *Share award scheme*

The Company operates a share award scheme (the "**Share Award Scheme**") where directors and employees of the Group are granted ordinary shares of the Company. Ordinary shares purchased under the Share Award Scheme are held by a trust (the "**Trust**").

Where the Trust purchases the Company's shares from the market, the consideration paid, including any directly attributable incremental costs, is presented as Shares held for Share Award Scheme and deducted from total equity.

For shares granted under the Share Award Scheme the estimated fair value of the awarded shares are recognised as employee share-based compensation expense and credited to employee share-based compensation reserve under equity over the vesting periods. The fair value of the awarded shares is measured by reference to the quoted market price of the shares at grant date.

### 3. 主要會計政策(續)

#### 3.14 僱員福利(續)

##### *短期及其他長期僱員福利*

短期僱員福利乃於僱員提供服務時預期支付的福利的未折現金額確認。所有短期僱員福利乃確認為開支，除非另一國際財務報告準則規定或准許在資產成本當中予以加入。

僱員就工資及薪金、年假及病假累計方面的福利會在扣除任何已支付的金額後確認負債。

就其他長期僱員福利確認的負債乃按本集團就僱員截至報告日期止所提供的服務而預期作出的估計未來現金流出的現值計量。因服務成本、利息及重新計量而導致的負債賬面值的任何變動乃於損益確認，除非另一國際財務報告準則規定或准許在資產成本當中予以加入。

##### *股份獎勵計劃*

本公司經營一項股份獎勵計劃(「**股份獎勵計劃**」)，據此，本集團董事及僱員獲授予本公司普通股。根據股份獎勵計劃購買的普通股由一項信託(「**該信託**」)持有。

如該信託在市場上購買本公司的股份，已付代價(包括任何直接應佔增量成本)則呈列為股份獎勵計劃所持股份，並從權益總額中扣減。

就根據股份獎勵計劃授出的股份而言，獎勵股份的估計公允價值於歸屬期內確認為僱員股份報酬開支並計入權益項下的僱員股份報酬儲備。獎勵股份的公允價值乃參考該等股份於授出日期的市場報價而計量。



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### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.14 Employee benefits (Continued)

##### Share award scheme (Continued)

Upon vesting, the related costs of the vested awarded shares recognised are credited to Shares held for Share Award Scheme, with a corresponding decrease in employee share-based compensation reserve for shares purchased with contributions paid to the Trust, with the difference released directly to the retained earnings.

At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to employee share-based compensation.

When share options are excised, the amount previously recognized in shares held for share award scheme and employee share-based compensation will be transferred to share premium.

#### 3.15 Property, plant and equipment

Property, plant and equipment, including land and buildings held for use in the production or supply of goods or services, or for administrative purposes other than construction in progress, are stated in the consolidated statement of financial position at cost less accumulated depreciation and accumulated impairment losses, if any.

Property, plant and equipment in the course of construction for production, supply or administrative purposes are carried at cost less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy and, where appropriate, the amortisation of prepaid lease payments provided during the construction period. Such properties are classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

### 3. 主要會計政策(續)

#### 3.14 僱員福利(續)

##### 股份獎勵計劃(續)

在歸屬後，已確認的已歸屬獎勵股份的相關成本乃計入股份獎勵計劃所持股份，並就所購入的股份連同已向該信託支付的供款相應調減僱員股份報酬儲備，而有關差額直接撥回至保留溢利。

於各報告期末，本集團會修訂其對預期歸屬的股本工具數目的估計。修訂的影響(如有)會於損益確認，致令累計開支反映經修訂的估計，並會對僱員股份報酬作出相應調整。

購股權獲行使時，先前於股份獎勵計劃所持股份及僱員股份報酬確認的金額會轉撥至股份溢價。

#### 3.15 物業、廠房及設備

物業、廠房及設備包括持作生產或供應貨品或服務用途，或作行政用途的土地及樓宇(在建工程除外)，乃按成本減累計折舊及累計減值虧損(如有)在綜合財務狀況表列賬。

建設中以供生產、供應或行政用途的物業、廠房及設備按成本減任何已確認的減值虧損列賬。成本包括專業費用及(就合資格資產而言)根據本集團會計政策資本化的借貸成本，以及(如適用)於建設期間計提的預付租賃款項攤銷。該等物業於竣工及可作擬定用途時歸類至物業、廠房及設備的適當類別。該等資產在可作擬定用途時，開始按其他物業資產的相同基準計提折舊。

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### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.15 Property, plant and equipment (Continued)

Depreciation is recognised so as to write off the cost of items of property, plant and equipment other than construction in progress less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives for the current and comparative periods are as follows:

Items	residential rate	Charging period
Buildings situated on leasehold land	5%–10%	20-40 years
Motor vehicles	5%–10%	5 years
Fixtures, fittings and equipment	5%–10%	2-10 years
Leasehold improvements	5%–10%	Shorter of leasehold period and 5 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

An item of property, plant and equipment is transferred to investment property when the management changes the intention from self-use to earn rentals or for capital appreciation.

### 3. 主要會計政策(續)

#### 3.15 物業、廠房及設備(續)

折舊按撇銷物業、廠房及設備(在建工程除外)項目成本減估計可使用年期的剩餘價值,以直線法確認。估計可使用年期、剩餘價值及折舊方法會於各報告期末審閱,而任何估計變動的影響則按未來基準入賬。

本期間及比較期間的估計可使用年期如下:

項目	住宅率	計提期間
建於租賃土地上的樓宇	5%-10%	20年至40年
汽車	5%-10%	5年
裝置、傢俱及設備	5%-10%	2年至10年
租賃物業裝修	5%-10%	租賃期或5年(以較短者為準)

物業、廠房及設備項目於出售或預期不會因持續使用該資產產生日後經濟利益時取消確認。因出售或報廢物業、廠房及設備項目所產生的任何收益或虧損按資產的出售所得款項與賬面值之間的差額釐定,並於損益中確認。

倘管理層改變意向,將物業、廠房及設備項目由自用改為賺取租金收入或資本增值用途,物業、廠房及設備項目則轉撥至投資物業。

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### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.16 Investment properties

Investment properties are properties (including the leasehold interest under an operating lease for a property which would otherwise meet the definition of an investment property, and properties under construction for such purposes) held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values using the fair value model. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

Construction costs incurred for investment properties under construction are capitalised as part of the carrying amount of the investment properties under construction.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use or no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year in which the item is derecognised.

#### 3.17 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with effect of any changes in estimate being accounted for a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

An intangible asset is derecognised on disposals, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the assets, are recognised in profit or loss when the asset is derecognised.

### 3. 主要會計政策(續)

#### 3.16 投資物業

投資物業為持有目的在於賺取租金收入及／或資本增值的物業(包括在其他方面符合投資物業定義的物業在經營租賃項下的租賃權益及就此等目的之在建物業)。

投資物業初始按成本(包括任何直接應佔支出)計量。首次確認後，投資物業乃使用公允價值模型按其公允價值計量。投資物業公允價值變動所產生的收益或虧損會在產生期間計入損益。

在建投資物業招致的建造成本會資本化為在建投資物業賬面值的一部分。

投資物業於永久不再使用或預期不會因其出售產生日後經濟利益時取消確認。因取消確認資產所產生的任何收益或虧損(按資產的出售所得款項淨額與賬面值之間的差額計算)在項目取消確認的年度內計入損益。

#### 3.17 無形資產

分開收購且具有有限可使用年期的無形資產按成本減累計攤銷及累計減值虧損列賬。攤銷乃按其估計可使用年期以直線法確認。估計可使用年期及攤銷方法於各報告期末審閱，而任何估計變動的影響則按未來基準入賬。分開收購且具有無限可使用年期的無形資產按成本減累計減值虧損列賬。

無形資產於出售或預期不會因使用或出售該資產產生日後經濟利益時取消確認。因取消確認無形資產所產生的收益或虧損按資產的出售所得款項淨額與賬面值之間的差額計量，並在資產取消確認時於損益中確認。

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### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.18 Impairment of tangible and intangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the assets may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

### 3. 主要會計政策(續)

#### 3.18 有形及無形資產(商譽除外)減值

於報告期末，本集團審閱其有形資產及無形資產的賬面值，以釐定該等資產是否有任何減值虧損跡象。如有任何有關跡象，則估計資產的可收回金額，以釐定減值虧損(如有)的程度。如不可能估計個別資產的可收回金額，本集團估計該資產所屬現金產生單位的可收回金額。如可識別合理及一致的分配基準，企業資產亦分配至個別現金產生單位，或將其分配至可識別合理及一致的分配基準的最小現金產生單位組別。具有無限可使用年期的無形資產及尚未可供使用的無形資產至少每年及在有跡象顯示資產可能出現減值時進行減值測試。

可收回金額為公允價值減出售成本與使用價值兩者的較高者。在評估使用價值時，估計未來現金流量將使用可反映當時市場對貨幣時間價值及資產(其未來現金流量估計乃未經調整)特定風險的評估的稅前貼現率貼現至其現值。

倘估計資產的可收回金額低於其賬面值，則將該資產賬面值撇減至其可收回金額。減值虧損即時確認為開支。

倘於其後撥回減值虧損，則將該資產的賬面值調增至經修訂的估計可收回金額，惟增加後的賬面值不得超過該資產於過往年度未曾確認減值虧損而應有的賬面值。減值虧損的撥回即時確認為收入。

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### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.19 Properties under development

Properties under development, representing leasehold land and buildings located in the PRC under development for future sale in the ordinary course of business, are stated at the lower of cost and net realisable value. Cost comprises the costs of land use rights, construction costs, borrowing costs capitalised and other direct development expenditure. Net realisable value represents the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale. Properties under development are transferred to completed properties for sale upon completion of development.

An item of properties under development is transferred to property, plant and equipment when the management changes the intention from future sales to self-use and the properties under development completed and ready for intended use.

#### 3.20 Completed properties for sale

Completed properties for sale are stated at the lower of cost and net realisable value. Cost comprises the costs of land use rights, construction costs, borrowing costs capitalised and other direct development expenditure. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

The Group transfers a property from completed properties for sale to investment property when there is a change of intention to hold the property to earn rentals or/and for capital appreciation rather than for sale in the ordinary course of business, which is evidenced by the commencement of an operating lease to another party. Any difference between the fair value of the property at the date of transfer and its previous carrying amount is recognised in profit or loss.

### 3. 主要會計政策(續)

#### 3.19 發展中物業

發展中物業指位於中國發展中的租賃土地及樓宇，以供日後在日常業務過程中出售，乃按成本及可變現淨值兩者的較低者列賬。成本包括土地使用權成本、建造成本、資本化借貸成本及其他直接發展開支。可變現淨值指日常業務過程中的估計售價減去估計竣工成本及出售所需的估計成本。發展中物業會在發展完成後轉撥至已建成待售物業。

倘管理層改變意向，將發展中物業項目由未來銷售改為自用，而該發展中物業已竣工及可供擬定用途，投資物業項目則轉撥至物業、廠房及設備。

#### 3.20 已建成待售物業

已建成待售物業按成本或可變現淨值兩者的較低者列賬。成本包括土地使用權成本、建造成本、資本化借貸成本及其他直接發展開支。可變現淨值指日常業務過程中的估計售價減去出售所需的估計成本。

倘改變意向，將已建成待售物業由在日常業務過程中出售改為持有物業以賺取租金收入或/及資本增值(證據為出租予另一方的經營租賃開始)，本集團則將已建成待售物業項目轉撥至投資物業。物業於轉撥當日的公允價值與其先前的賬面值之間的差額會在損益中確認。

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### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.21 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

#### 3.22 Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

### 3. 主要會計政策(續)

#### 3.21 撥備

當本集團因過往事件而有現時責任，且本集團有可能日後須履行該責任，而且該項責任的金額可以可靠地計量，則會確認撥備。計量撥備乃根據於報告期末要履行該項現時責任所須代價的最佳估計，當中考慮圍繞責任的風險及不確定性。倘採用估計用以履行責任所需現金流量來對撥備進行計量，則其賬面值乃該等現金流量的現值(倘金錢的時間值的影響為重大)。

#### 3.22 金融工具

當集團實體成為工具合約條文之訂約方，則確認金融資產及金融負債。

金融資產及金融負債初步按公允價值計量。收購或發行金融資產及金融負債(按公允價值列賬於損益的金融資產及金融負債除外)直接應佔的交易成本乃於首次確認時加入金融資產或金融負債(按適用者)的公允價值或自當中扣除。收購按公允價值列賬於損益的金融資產或金融負債直接應佔的交易成本即時於損益內確認。

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綜合財務報表附註(續)For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度**3. PRINCIPAL ACCOUNTING POLICIES (Continued)****3.22 Financial instruments (Continued)****(i) Financial assets**

The Group's financial assets are classified into the following specified categories: financial assets FVTPL, loans and receivables and available-for-sale financial assets. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

*Effective interest method*

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL, of which interest income is included in net gains or losses.

*Financial assets at FVTPL*

Financial assets are classified as at FVTPL when the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or

**3. 主要會計政策(續)****3.22 金融工具(續)****(i) 金融資產**

本集團的金融資產分類以下特定類別：按公允價值列賬於損益的金融資產、貸款及應收款項以及可供出售金融資產。此分類取決於金融資產的性質和用途並在首次確認時予以確定。

*實際利率法*

實際利率法是計算金融資產攤銷成本以及按有關期間攤分利息收入的方法。實際利率乃按金融資產預計年期或(如適當)較短期間精確貼現估計未來現金收入(包括所付或所收的一切費用作為實際利率的一部分、交易成本及其他溢價或貼現)至首次確認時的賬面淨值的比率。

除分類為按公允價值列賬於損益的該等金融資產(其利息收入計入收益或虧損淨額)外，債務工具的利息收入按實際利率法確認。

*按公允價值列賬於損益的金融資產*

倘金融資產乃持作交易目的或指定為按公允價值列賬於損益，則分類為按公允價值列賬於損益。

金融資產於下列情況下分類為持作交易目的：

- 主要為於不久的將來出售而購入；或
- 於首次確認時屬於本集團一併管理的可識別金融工具組合的一部分，且最近有短期獲利的實際模式；或

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### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.22 Financial instruments (Continued)

(i) *Financial assets (Continued)*

*Financial assets at FVTPL (Continued)*

- it is a derivative that is not designated and effective as a hedging instrument.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. Fair value is determined in the manner described in Note 3.2.

*Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, amounts due from related parties, long-term receivables, restricted cash, bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

### 3. 主要會計政策(續)

#### 3.22 金融工具(續)

(i) *金融資產(續)*

*按公允價值列賬於損益的金融資產(續)*

- 為衍生工具，但並非指定為對沖工具，亦非有效對沖工具。

按公允價值列賬於損益的金融資產按公允價值列賬，重新計量所產生的任何收益或虧損在損益中確認。公允價值按附註3.2所述的方式釐定。

*貸款及應收款項*

貸款及應收款項指並非於活躍市場報價而具有固定或可確定付款的非衍生金融資產。於首次確認後，貸款及應收款項(包括應收賬款及其他應收款項、應收關連人士款項、長期應收款、受限制現金、銀行結餘及現金)以實際利率法按攤銷成本減任何已識別減值虧損列賬(見下文有關金融資產減值虧損的會計政策)。

除利息確認並不重大的短期應收款外，利息收入乃應用實際利率確認。



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截至二零一六年十二月三十一日止年度**3. PRINCIPAL ACCOUNTING POLICIES (Continued)****3.22 Financial instruments (Continued)****(i) Financial assets (Continued)***Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at FVTPL, loans and receivables or held-to-maturity investments.

Equity and debt securities held by the Group that are classified as available-for-sale and are traded in an active market are measured at fair value at the end of each reporting period. Changes in the carrying amount of available-for-sale monetary financial assets relating to interest income calculated using the effective interest method are recognised in profit or loss. Dividends on AFS equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established. Other changes in the carrying amount of available-for-sale financial assets are recognised in other comprehensive income and accumulated. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss is reclassified to profit or loss (see the accounting policy in respect of impairment loss on financial assets below).

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, they are measured at cost less any identified impairment losses at the end of the reporting period (see accounting policy on impairment loss on financial assets below).

**3. 主要會計政策(續)****3.22 金融工具(續)****(i) 金融資產(續)***可供出售金融資產*

可供出售金融資產為非衍生工具，指定為可供出售或不會分類為按公允價值列賬於損益的金融資產、貸款及應收款項或持有至到期投資。

本集團持有的分類為可供出售，並於活躍市場買賣的股本及債務證券按各報告期末的公允價值計量。以實際利率法計算的利息收入有關的可供出售貨幣金融資產賬面值變動於損益內確認。當本集團確立可獲得股息的權利時，則於損益確認可供出售股本投資的股息。可供出售金融資產賬面值的其他變動乃於其他全面收入內確認及累計。倘投資被出售或確定為出現減值，累計收益或虧損重新分類至損益(見下文有關金融資產減值虧損的會計政策)。

於活躍市場並無市場報價且其公允價值不能可靠計量的可供出售股本投資，於報告期末按成本減任何已識別減值虧損計量(見下文有關金融資產減值虧損的會計政策)。

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### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.22 Financial instruments (Continued)

##### (i) Financial assets (Continued)

###### Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of the reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For an available-for-sale equity investment, a significant or prolonged decline in the fair value of that investment below cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation

For certain categories of financial assets, such as trade and other receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio, observable changes in national or local economic conditions that correlate with default on receivables.

### 3. 主要會計政策(續)

#### 3.22 金融工具(續)

##### (i) 金融資產(續)

###### 金融資產減值

金融資產(除按公允價值列賬於損益外)於報告期末評估有否出現虧損跡象。倘有客觀證據證明因首次確認金融資產後發生的一項或多項事件令金融資產的估計未來現金流量受到影響，則金融資產被視為已減值。

就可供出售股本投資而言，該投資的公允價值顯著或持續下降至低於其成本值，將被視為減值的客觀證據。

就所有其他金融資產而言，減值的客觀證據可包括：

- 發行人或對手方遭遇重大財務困難；或
- 違約，如拖欠或無法如期償還利息或本金；或
- 借款人可能會宣告破產或進行其他財務重組

就評估為不作個別減值的若干類別金融資產(例如應收賬款及其他應收款項)而言，會另行按集體基準評估減值。應收款項組合減值的客觀證據可包括本集團的過往收款經驗、組合內遞延付款數目增加、有關拖欠應收款項的國家或地方經濟狀況的可觀察變動。

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### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.22 Financial instruments (Continued)

##### (i) Financial assets (Continued)

###### *Impairment of financial assets (Continued)*

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade or other receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

### 3. 主要會計政策(續)

#### 3.22 金融工具(續)

##### (i) 金融資產(續)

###### *金融資產減值(續)*

就按攤銷成本列賬的金融資產而言，所確認的減值虧損金額為該資產賬面值與按該金融資產原實際利率貼現的估計未來現金流量現值兩者之間的差額。

就按成本列賬的金融資產而言，減值虧損金額按資產賬面值與按類似金融資產當前市場回報率貼現的估計未來現金流量現值兩者之間的差額計量。有關減值虧損將不會於其後期間撥回。

就所有金融資產而言，金融資產賬面值直接按減值虧損扣減，惟應收賬款及其他應收款項例外，其賬面值乃透過使用撥備賬目扣減。撥備賬的賬面值變動於損益內確認。倘應收賬款或其他應收款項被視為無法收回，則從撥備賬撤銷。其後收回過往撤銷的款項乃計入損益。

倘可供出售金融資產被視為出現減值，先前於其他全面收入確認的累計收益或虧損會在期內重新分類至損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.22 Financial instruments (Continued)

##### (i) Financial assets (Continued)

###### Impairment of financial assets (Continued)

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity investments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income. In respect of available-for-sale debt investments, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

##### (ii) Financial liabilities and equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

###### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

### 3. 主要會計政策(續)

#### 3.22 金融工具(續)

##### (i) 金融資產(續)

###### 金融資產減值(續)

就按攤銷成本計量的金融資產而言，倘於其後期間減值虧損金額減少，而該減少可客觀地與確認減值虧損後發生的事件相關連，則先前確認的減值虧損透過損益撥回，惟該資產於撥回減值日期的賬面值不得超過在並無確認減值情況下應有的攤銷成本。

就可供出售股本投資而言，先前於損益確認的減值虧損不會透過損益撥回。減值虧損後的任何公允價值增幅會在其他全面收入確認。就可供出售債務投資而言，倘投資公允價值增加可客觀地與確認減值虧損後發生的事件相關連，則透過損益撥回減值虧損。

##### (ii) 金融負債及股本

集團實體發行的債務及股本工具乃根據所訂立合約安排的性質與金融負債及股本工具的定義分類為金融負債或股本。

###### 股本工具

股本工具是能證明在扣除本集團所有負債後在本集團的資產中擁有剩餘權益的任何合約。本集團發行的股本工具乃按已收所得款項扣除直接發行成本確認。

購回本公司自有股本工具乃直接於權益確認及扣減。概不就買賣、發行或註銷本公司自有股本工具而於損益確認收益或虧損。

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綜合財務報表附註(續)For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度**3. PRINCIPAL ACCOUNTING POLICIES (Continued)****3.22 Financial instruments (Continued)****(ii) Financial liabilities and equity (Continued)***Financial liabilities*

The Group's financial liabilities are generally classified into financial liabilities at fair value through profit or loss ("FVTPL") and other financial liabilities.

*Effective interest method*

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Interest expense is recognised on an effective interest basis.

*Financial liabilities at FVTPL*

Financial liabilities are classified as at FVTPL when the financial liability is (i) held for trading; or (ii) contingent consideration that may be paid by an acquirer as part of a business combination to which IFRS 3 applies.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term;
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

**3. 主要會計政策(續)****3.22 金融工具(續)****(ii) 金融負債及股本(續)***金融負債*

本集團的金融負債一般分類為按公允價值列賬於損益(「按公允價值列賬於損益」)的金融負債及其他金融負債。

*實際利率法*

實際利率法是計算金融負債攤銷成本以及按有關期間攤分利息費用的方法。實際利率乃按金融負債預計年期或(如適當)較短期間精確貼現估計未來現金付款(包括所付或所收的一切費用及利率差價作為實際利率的一部分、交易成本及其他溢價或貼現)至首次確認時的賬面淨值的比率。利息費用按實際利率法確認。

*按公允價值列賬於損益的金融負債*

當金融負債為(i)持作交易目的;或(ii)收購公司作為業務合併(應用國際財務報告準則第3號)一部分而可能支付的或然代價,則分類為按公允價值列賬於損益的金融負債。

金融負債於下列情況下分類為持作交易目的:

- 主要為於不久的將來購回而招致;
- 於首次確認時屬於本集團一併管理的可識別金融工具組合的一部分,且最近有短期獲利的實際模式;或
- 為衍生工具,但並非指定為對沖工具,亦非有效對沖工具。

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### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.22 Financial instruments (Continued)

##### (ii) Financial liabilities and equity (Continued)

Financial liabilities (Continued)

Financial liabilities at FVTPL (Continued)

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item.

Other financial liabilities

Other financial liabilities including bank and other borrowings, trade and other payables, long-term payables, amounts due to related parties, bonds are subsequently measured at amortised cost, using the effective interest method.

Embedded derivatives

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the contracts are not measured at FVTPL.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. A financial guarantee contract issued by the Group and not designated as at fair value through profit or loss is recognised initially at its fair value. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of obligation under the contract, as determined in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*; and (ii) the amount initially recognised less, when appropriate, cumulative amortization recognised in accordance with the revenue recognition policy.

### 3. 主要會計政策(續)

#### 3.22 金融工具(續)

##### (ii) 金融負債及股本(續)

金融負債(續)

按公允價值列賬於損益的金融負債(續)

按公允價值列賬，重新計量所產生的任何收益或虧損會在損益確認。於損益確認的收益或虧損淨額包括金融負債的任何已付利息，並計入「其他收益及虧損」項目。

其他金融負債

其他金融負債包括銀行及其他借貸、應付賬款及其他應付款項、長期應付款、應付關連人士款項、債券，其後以實際利率法按攤銷成本計量。

嵌入式衍生工具

倘嵌入非衍生主合約的衍生工具符合衍生工具的定義，其風險及特徵並非與主合約密切相關，而合約不會以按公允價值列賬於損益的方式計量，則視作獨立衍生工具處理。

財務擔保合約

財務擔保合約乃要求發行人就持有人因特定債務人未能根據債務工具的原定或經修訂條款於到期時付款而蒙受的損失，而向持有人支付特定款項的合約。由本集團發出而並無指定為按公允價值列賬於損益的財務擔保合約首次按其公允價值確認。首次確認後，本集團會按以下兩者中的較高者計量財務擔保合約：(i) 合約項下的責任金額，按國際會計準則第37號撥備、或然負債及或然資產釐定；及(ii) 首次確認金額減(如適用)根據收益確認政策確認的累計攤銷。

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### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.22 Financial instruments (Continued)

##### (ii) Financial liabilities and equity (Continued)

###### Financial liabilities (Continued)

###### Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### 3. 主要會計政策(續)

#### 3.22 金融工具(續)

##### (ii) 金融負債及股本(續)

###### 金融負債(續)

###### 取消確認

本集團僅在從資產收取現金流量的合約權利屆滿，或向另一實體轉讓金融資產及資產擁有權的絕大部分風險及回報時，方會取消確認金融資產。倘本集團既無轉讓亦無保留擁有權的絕大部分風險及回報而繼續控制所轉讓的資產，則本集團仍會繼續將其持續涉及的有關資產確認入賬，並確認相關負債。倘本集團保留所轉讓金融資產擁有權的絕大部分風險及回報，則本集團仍會繼續確認有關金融資產，並就已收的所得款項確認有抵押借貸。

完全取消確認金融資產時，資產賬面值與已收及應收代價以及已於其他全面收入確認並於權益累計的累計收益或虧損總和之間的差額，會在損益中確認。

本集團當及僅當本集團的責任已解除、取消或屆滿時取消確認金融負債。所取消確認的金融負債賬面值與已付及應付代價之間的差額在損益中確認。

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#### 4. CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The following critical accounting judgement and key sources of estimation uncertainty are used in the preparation of the consolidated financial statements.

##### (i) Valuation of investment properties

DTZ, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued, values the Group's investment property portfolio every six months. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in arms' length transaction.

In the absence of current prices in an active market, the valuations are prepared by direct comparison approach for investment properties under development and income capitalisation approach for of completed investment properties, considering the capitalisation rates, average unit market rent and average market unit price.

Valuations reflect, where appropriate: the type of tenants actually in occupation or responsible for meeting lease commitments or likely to be in occupation after letting vacant accommodation, and the market's general perception of their creditworthiness; the allocation of maintenance and insurance responsibilities between the Group and the lessee; and the remaining economic life of the property. When rent reviews or lease renewals are pending with anticipated reversionary increases, it is assumed that all notices and where appropriate counter-notices have been served validly and within the appropriate time.

Investment property under construction or development is valued by estimating the fair value of the completed investment property and then deducting from that amount the estimated costs to complete construction or development, financing costs and a reasonable profit margin.

#### 4. 應用會計政策的重大判斷

編製綜合財務報表時所用的重大會計判斷及估計不確定因素的主要來源如下。

##### (i) 投資物業估值

戴德梁行(該測量師行具有適當獲認可之專業資格，且對被估值物業之位置及種類有近期經驗)對本集團的投資物業組合每六個月評估一次。公允價值按市值(即自願買方及自願賣方雙方經公平磋商於估值日期買賣一項物業的估計款額)釐定。

若缺乏活躍市場現時價格，則會在考慮到資本化率、平均單位市場租金及平均單位市場價格後以直接比較法為發展中投資物業作出評估，並以收入資本化法為已建成投資物業作出評估。

估值反映(如適用)：實際佔用物業或有支付租賃承擔義務，或有可能在租出空置物業後佔用物業的租戶的類型，及市場對彼等可信度的普遍看法；本集團與承租人之間維修及保險責任的分配；及物業的剩餘經濟壽命。當續期租金或續期租約因預期會出現復歸的增加而未能決定時，則假定所有通知及反向通知(如適用)已有效並在適當的時間送達。

興建中或發展中的投資物業的估值是估計已建成投資物業的公允價值並從該金額扣減估計完成建築或發展的成本、融資成本及合理的利潤率。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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截至二零一六年十二月三十一日止年度**4. CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (Continued)****(ii) Impairment of non-financial assets**

If circumstances indicate that the carrying amounts of non-financial assets (other than investment properties, properties under development, completed properties held for sale, inventories and deferred tax assets) may not be recoverable, the assets may be considered impaired and are tested for impairment. An impairment loss is recognised when the asset's recoverable amount has declined below its carrying amount. The recoverable amount is the greater of the fair value less costs of disposal and value in use. In determining the recoverable amount which requires significant judgements, the Group estimates the future cash flows to be derived from continuing use and ultimate disposal of the asset and applies an appropriate discount rate to these future cash flows.

**(iii) Write-down of properties under development and completed properties held for sale**

Management performs a regular review on the carrying amounts of properties under development and completed properties held for sale. Based on management's review, write-down of properties under development and completed properties held for sale will be made when the estimated net realisable value has declined below the carrying amount.

In determining the net realisable value of completed properties held for sale, management refers to prevailing market data such as recent sales transactions, market survey reports available from independent property valuers and internally available information, as basis for evaluation. As of 31 December 2016, the amount of the write-down of completed properties held for sale is RMB101,233,000.

In respect of properties under development, the estimate of net realisable value requires the application of a risk-adjusted discount rate to the estimated future cash flows to be derived from these properties. These estimates require judgement as to the anticipated sale prices by reference to recent sales transactions in nearby locations, rate of new property sales, marketing costs (including price discounts required to stimulate sales) and the estimated costs to completion of properties, the legal and regulatory framework and general market conditions.

**4. 應用會計政策的重大判斷(續)****(ii) 非金融資產之減值**

當情況顯示非金融資產(投資物業、發展中物業、已建成待售物業、存貨及遞延稅項資產除外)之賬面值可能不可收回時，該等資產可能會被視為已減值及會進行減值測試。當資產之可收回金額跌至低於其賬面值時，則會確認減值虧損。資產的可收回金額乃其公允價值減出售成本與使用價值兩者中的較高者。於釐定須作出重大判斷之可收回金額時，本集團會估計持續使用及最終出售資產所產生之未來現金流量及採用合適折現率折現此等未來現金流量。

**(iii) 發展中物業及已建成待售物業之撇減**

管理層對發展中物業及已建成待售物業之賬面值進行定期審閱。根據管理層之審閱，當估計可變現淨值跌至低於賬面值時，將會對發展中物業及已建成待售物業作出撇減。

於釐定已建成待售物業之可變現淨值時，管理層會以最近銷售交易、由獨立物業估值師所提供之市場調查報告及內部可得資料等當時市場數據作為評估基準。於二零一六年十二月三十一日，已建成待售物業之撇減金額為人民幣101,233,000元。

就發展中物業而言，可變現淨值之估計須應用已調整風險折現率，折現該等物業產生之估計未來現金流量。此等估計需要透過參考附近地點之最近銷售交易、新物業售價、市場推廣成本(包括促銷所需之價格折讓)及建成物業之估計成本、法律及監管架構以及一般市場情況，對預期銷售價格作出判斷。

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**4. CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (Continued)**

**(iv) Recognition of deferred tax assets and liabilities**

At 31 December 2016, the Group has recognised deferred tax assets as set out in note 32(ii). The ability to realise the deferred tax assets mainly depends on whether it is probable that future taxable profits will be available against which related tax benefits under the deferred tax assets can be utilised. In cases where the actual future taxable profits generated are less than expected, a reversal of deferred tax assets may arise, which will be recognised in profit or loss for the period in which such a reversal takes place.

The Group recognises deferred tax in respect of the changes in fair value of the investment properties based on directors' best estimate assuming future tax consequences through usage of such properties for rental purpose, rather than through sale. The final tax outcome could be different from the deferred tax liabilities recognised in the consolidated financial statements should the investment properties are subsequently disposed by the Group, rather than consumed substantially all of the economic benefits embodied in the investment properties by leasing over time. In the event the investment properties are being disposed, the Group may be liable to higher tax upon disposal considering the impact of enterprise income tax and land appreciation tax.

**(v) PRC land appreciation taxes**

The Group is subject to land appreciation taxes in the PRC. However, the implementation and settlement of these taxes varies among various tax jurisdictions in cities of the PRC, and the Group has not finalised its PRC land appreciation taxes calculation and payments with most of local tax authorities in the PRC. The calculation of LAT are highly dependent on the appropriateness of the rates used, which are determined by the appreciation of land value. The appreciation of land value is determined with reference to proceeds of the properties less the estimated deductible expenditures including the cost of land use rights and all property development expenditures. The Group estimated the deductible expenditures according to the understanding of the relevant PRC tax laws and regulations. The final tax outcome could be different from the amounts that were initially recorded, and these differences will impact the income tax expense and related income tax provisions in the periods in which such tax is finalised with local tax authorities.

**4. 應用會計政策的重大判斷(續)**

**(iv) 遞延稅項資產及負債確認**

誠如附註32(ii)所載，於二零一六年十二月三十一日，本集團確認遞延稅項資產。遞延稅項資產能否變現主要取決於是否很可能獲得能利用該等遞延稅項資產的相關稅務利益進行抵扣之未來應課稅溢利。倘若產生之未來實際應課稅溢利少於預期金額，該等遞延稅項資產可能出現撥回，並將於有關撥回發生期間之損益內確認。

本集團根據董事的最佳估計確認投資物業公允價值變動的遞延稅項，假設未來稅務結果是通過將該等物業用作出租用途而非通過出售引致。倘投資物業其後被本集團出售，而非以租賃方式隨著時間的推移消耗絕大部分包括在投資物業內的經濟利益，則最終稅務結果可能與綜合財務報表內確認的遞延稅項負債有別。倘投資物業被出售，考慮到企業所得稅及土地增值稅的影響，本集團在出售時可能須繳納更高的稅項。

**(v) 中國土地增值稅**

本集團須支付中國之土地增值稅。然而，有關稅項之執行及結算在中國各城市不同稅務司法權區有異，而本集團尚未與中國大部分地方稅務機關落實中國土地增值稅之計算及付款方法。土地增值稅的計算與所使用根據土地價值增幅釐定的比率的適當性高度相關。土地價值增幅乃經參考物業所得款項減去估計可扣稅開支(包括土地使用權成本及所有物業發展開支)而釐定。本集團按其對相關中國稅務法律及規例之理解估計可扣稅開支。最終稅務結果可能與初步記錄的金額有別，而有關差異將影響地方稅務機關落實有關稅項期間之所得稅開支及相關所得稅撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度**4. CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (Continued)****(vi) Write-down of receivables**

When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The allowance for doubtful debts is the difference between the debt's carrying amount and the present value of the estimated future cash flows. The recognition of allowance of doubtful debts requires judgement and estimation. If difference occurs from re-estimation, it will influence the carrying amount of debts in the re-estimation period. As of 31 December 2016, the amount of the write-down of receivables is RMB69,265,000.

**5. REVENUE**

Sales of properties	物業銷售		
– Sales of completed properties held for sale	– 銷售已建成待售物業	<b>15,762,746</b>	4,900,737
– Sales of completed investment properties	– 銷售已建成投資物業	<b>667,949</b>	389,316
Rental income	租金收入	<b>41,609</b>	60,227
Hotel operation income	酒店運營收入	<b>177,100</b>	179,210
Property management income and other related services	物業管理收入及其他相關服務	<b>269,784</b>	158,463
		<b>16,919,188</b>	5,687,953

**4. 應用會計政策的重大判斷(續)****(vi) 應收款項撇減**

如有客觀減值證據，本集團會考慮未來現金流量的估計。呆賬撥備為債務賬面值與估計未來現金流量現值兩者的差額。確認呆賬撥備需要作出判斷及估計。倘重新估計結果有異，將會影響重新估計期間債務的賬面值。截至二零一六年十二月三十一日，應收款項撇減金額為人民幣69,265,000元。

**5. 收益**

	2016	2015
	二零一六年	二零一五年
	RMB'000	RMB'000
	人民幣千元	人民幣千元

Sales of properties	物業銷售		
– Sales of completed properties held for sale	– 銷售已建成待售物業	<b>15,762,746</b>	4,900,737
– Sales of completed investment properties	– 銷售已建成投資物業	<b>667,949</b>	389,316
Rental income	租金收入	<b>41,609</b>	60,227
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		<b>16,919,188</b>	5,687,953

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

## 6. SEGMENT REPORTING

The Group has four reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the chief operating decision maker (the "CODM"), Group's senior executive management, reviews internal management reports at least on a monthly basis. The following summary describes the operations in each of the Group's reportable segments.

**Sales of properties:** this segment develops and sells residential properties. Currently the Group's activities in this unit are carried out in Shanghai, Kunming, Changshu, Wuxi, Suzhou, Haikou, Nanchang, Taiyuan, Ningbo, Huangshan, Hangzhou, Xuzhou and Nanning.

**Lease of properties:** this segment leases commercial and residential properties to generate rental income and gain from the appreciation in the properties' values in the long term. Currently the Group's investment property portfolio is located in Shanghai, Suzhou, Nanning and Wuxi.

**Hotel and related services:** this segment operates hotels and service apartments to generate accommodation service and related income. Currently the Group's activities in this unit are carried out in Shanghai, Suzhou and Huangshan.

**Property management and other related services:** this segment provides property management services, project management services, greenery construction services and other related services to external customers and group companies. Currently the Group's activities in this unit are carried out in Shanghai, Kunming, Changshu, Huangshan, Wuxi, Nanning, Suzhou, Haikou, Taiyuan and Xi'an.

For the purposes of assessing segment performance and allocating resources between segments, the Group's CODM monitors the results, assets and liabilities attributable to each reportable segment on the following basis:

## 6. 分部報告

如下文所述，本集團有四個可申報分部，為本集團的策略性業務單位。策略性業務單位提供不同的產品及服務，由於需要不同的技術及營銷策略，因此獨立管理。就各策略性業務單位而言，主要經營決策者（本集團之高層行政管理人員）最少每月審閱內部管理報告。以下概要說明本集團各可申報分部的營運。

**物業銷售：**本分部發展及銷售住宅物業。目前本集團於上海、昆明、常熟、無錫、蘇州、海口、南昌、太原、寧波、黃山、杭州、徐州及南寧經營此單位的業務。

**物業租賃：**本分部出租商業及住宅物業以產生租金收入以及長期物業升值的收益。目前本集團的投資物業組合位於上海、蘇州、南寧及無錫。

**酒店及配套服務：**本分部經營酒店及服務式公寓，以產生住宿服務及相關收入。目前本集團於上海、蘇州及黃山經營此單位的業務。

**物業管理及其他相關服務：**本分部向外部客戶及集團公司提供物業管理服務、項目管理服務、綠化建設服務以及其他相關服務。目前本集團於上海、昆明、常熟、黃山、無錫、南寧、蘇州、海口、太原及西安經營此單位的業務。

為評估分部表現及於各分部間進行資源配置，本集團之主要經營決策者按以下基準監控各可申報分部之業績、資產及負債：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度**6. SEGMENT REPORTING (Continued)**

Segment assets include all current and non-current assets with the exception of interests in associates and interests in joint ventures. Segment liabilities include all current and non-current liabilities except for bonds managed at corporate level.

Revenue and expenses are allocated to the reportable segments with reference to the revenue generated and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. Segment results do not include share-based payments, net gain on disposal of equity interests in subsidiaries, share of profits (loss) of associate, share of profits of joint ventures and any other transactions managed at the corporate level.

For the year ended 31 December 2016

**6. 分部報告(續)**

分部資產包括所有流動及非流動資產(除聯營公司權益及合營企業權益外)。分部負債包括所有流動及非流動負債(除由企業階層管理之債券外)。

收益及開支乃參照可申報分部產生之收益及開支或因分部應佔之資產折舊或攤銷而產生者，分配至該等分部。分部業績並不包括股份支付、出售子公司股權之收益淨額、應佔聯營公司溢利(虧損)、應佔合營企業溢利及任何其他由企業階層管理之交易。

截至二零一六年十二月三十一日止年度

		Sales of properties	Lease of properties	Hotel and related services 酒店及 配套服務	Property management and other related services 物業管理及 其他相關服務	Total
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Revenue from external customers	外部客戶收益	16,430,695	41,609	177,100	269,784	16,919,188
Inter-segment revenue	分部間收益	-	-	-	110,064	110,064
Reportable segment revenue	可申報分部收益	16,430,695	41,609	177,100	379,848	17,029,252
Reportable segment (loss) profit	可申報分部(虧損)溢利	63,774	451,137	27,928	82,996	625,835
Interest income	利息收入	53,155	105	1,617	15,697	70,574
Interest expenses	利息費用	(127,234)	(4,845)	(2,362)	(647)	(135,088)
Revaluation gains on investment properties	投資物業重估收益	-	687,638	-	-	687,638
Depreciation and amortisation	折舊及攤銷	11,089	-	74,174	2,253	87,516
Reportable segment assets	可申報分部資產	47,182,765	8,336,000	1,181,965	1,025,003	57,725,733
Additions to non-current segment assets during the year	年內增加分部非流動 資產	2,123	950,710	606	4,320	957,759
Reportable segment liabilities	可申報分部負債	33,577,952	5,082,927	604,900	548,622	39,814,401

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

**6. SEGMENT REPORTING (Continued)**

For the year ended 31 December 2015

**6. 分部報告(續)**

截至二零一五年十二月三十一日止年度

		Sales of properties	Lease of properties	Hotel and related services	Property management and other related services	Total
		物業銷售 RMB'000 人民幣千元	物業租賃 RMB'000 人民幣千元	酒店及 配套服務 RMB'000 人民幣千元	物業管理及 其他相關服務 RMB'000 人民幣千元	合計 RMB'000 人民幣千元
Revenue from external customers	外部客戶收益	5,290,053	60,227	179,210	158,463	5,687,953
Inter-segment revenue	分部間收益	-	-	-	139,605	139,605
Reportable segment revenue	可申報分部收益	5,290,053	60,227	179,210	298,068	5,827,558
Reportable segment (loss) profit	可申報分部(虧損)溢利	(746,187)	815,367	(39,566)	(12,529)	17,085
Interest income	利息收入	54,674	1,272	1,075	1,926	58,947
Interest expenses	利息費用	(172,007)	(14,456)	(12,119)	(532)	(199,114)
Revaluation gains on investment properties	投資物業重估收益	-	1,115,249	-	-	1,115,249
Depreciation and amortisation	折舊及攤銷	24,132	-	66,769	4,198	95,099
Reportable segment assets	可申報分部資產	41,687,254	7,246,000	3,062,789	909,108	52,905,151
Additions to non-current segment assets during the year	年內增加分部非流動 資產	2,679	798,067	7,180	8,983	816,909
Reportable segment liabilities	可申報分部負債	27,934,631	4,418,293	2,765,456	554,718	35,673,098

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度**6. SEGMENT REPORTING (Continued)****Reconciliation of reportable segment revenue, profit, assets and liabilities****6. 分部報告(續)****可申報分部收益、溢利、資產及負債的對賬**

		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
<b>Revenue</b>	<b>收益</b>		
Reportable segment revenue	可申報分部收益	<b>17,029,252</b>	5,827,558
Elimination of inter-segment revenue	分部間收益對銷	<b>(110,064)</b>	(139,605)
Consolidated revenue	綜合收益	<b>16,919,188</b>	5,687,953
<b>Profit</b>	<b>溢利</b>		
Reportable segment profit	可申報分部溢利	<b>625,835</b>	17,085
Elimination of inter-segment profits	分部間溢利對銷	<b>(7,498)</b>	-
Share-based payments	股份支付	-	(416)
Net gain on disposal of interests in subsidiaries	出售子公司權益之收益淨額	<b>246,797</b>	590
Share of profit (loss) of associate	應佔聯營公司溢利(虧損)	<b>370</b>	(1,007)
Share of profits of joint ventures	應佔合營企業溢利	<b>195,015</b>	4
Consolidated profit after income tax	除所得稅後綜合溢利	<b>1,060,519</b>	16,256
<b>Assets</b>	<b>資產</b>		
Reportable segment assets	可申報分部資產	<b>57,725,733</b>	52,905,151
Elimination of inter-segment receivables	分部間應收款項對銷	<b>(3,471,762)</b>	(2,904,613)
Elimination of inter-segment investments	分部間投資對銷	<b>(690,067)</b>	(707,031)
Interests in an associate	聯營公司權益	-	-
Interests in joint ventures	合營企業權益	<b>541,203</b>	296,187
Assets related to education operations (now discontinued)	與教育業務有關的資產 (已終止經營)	-	396,260
Consolidated total assets	綜合資產總額	<b>54,105,107</b>	49,985,954
<b>Liabilities</b>	<b>負債</b>		
Reportable segment liabilities	可申報分部負債	<b>39,814,401</b>	35,673,098
Elimination of inter-segment payables	分部間應付款項對銷	<b>(3,471,762)</b>	(2,904,614)
Bonds	債券	<b>8,038,774</b>	9,243,928
Liabilities related to education operations (now discontinued)	與教育業務有關的負債 (已終止經營)	-	285,434
Consolidated total liabilities	綜合負債總額	<b>44,381,413</b>	42,297,846

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

For the year ended 31 December 2016  
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## 6. SEGMENT REPORTING (Continued)

### Geographical information

In view of the fact that the Group mainly operates in the PRC, no geographical segment information is presented.

### Information about major customers

For the year ended 31 December 2016 and 2015, no single customer contributes 10% or more of the total sales of the Group.

## 6. 分部報告(續)

### 地區資料

由於本集團主要在中國營運，故概無呈列地區分部資料。

### 有關主要客戶的資料

截至二零一六年及二零一五年十二月三十一日止年度，概無單一客戶貢獻本集團總銷售的10%或以上。

## 7. OTHER GAINS AND LOSSES

## 7. 其他收益及虧損

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Gains from financial assets/liabilities carried at FVTPL	來自按公允價值列賬於損益的金融資產/負債收益		
– Unrealised	– 未變現	<b>156,286</b>	–
– Realised	– 已變現	<b>18,548</b>	–
Forfeited deposits from customers	來自客戶的沒收違約金	<b>7,648</b>	2,809
Government grants (note)	政府補助(附註)	<b>6,014</b>	3,547
Net (loss) gain on disposal of property, plant and equipment	出售物業、廠房及設備之(虧損)收益淨額	<b>(118)</b>	76,653
Gain on re-measurement of joint ventures to acquisition date fair value in business combination	在業務合併中將合營企業重新計量為收購日期公允價值之收益	–	89,726
Gain on disposal of an associate	出售聯營公司之收益	–	546
Loss on disposal of other investment	出售其他投資之虧損	–	(1,000)
Others	其他	<b>9,591</b>	4,149
		<b>197,969</b>	176,430

Note: The amount of government grant represents the incentive subsidies received from the PRC local district authorities for the business activities carried out by the Group in the district. There are no specific conditions attached to the grant.

附註：政府補助金額指因本集團於區內進行業務活動而自中國當地地區機關收到的優惠補貼。該等補助並無特定附帶條件。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

## 8. OTHER OPERATING EXPENSES

## 8. 其他經營開支

		2016	2015
		二零一六年	二零一五年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Foreign exchange loss	匯兌虧損	811,487	642,980
Write-down of receivables	應收款項撇減	13,030	56,220
Donations	捐款	249	600
Others	其他	14,415	29,361
Total	合計	839,181	729,161

## 9. PERSONNEL EXPENSES

## 9. 員工開支

		2016	2015
		二零一六年	二零一五年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Wages and salaries	工資及薪金	364,575	297,404
Less: Capitalised in properties under development	減：發展中物業的資本化	(82,137)	(73,972)
		282,438	223,432
Contributions to defined contribution plans	向界定供款計劃供款	62,083	57,911
Less: Capitalised in properties under development	減：發展中物業的資本化	(18,544)	(16,484)
		43,539	41,427
Staff welfare, bonuses and other allowances	僱員福利、花紅及其他津貼	21,073	20,070
Less: Capitalised in properties under development	減：發展中物業的資本化	(1,880)	(1,881)
		19,193	18,189
Equity-settled share-based payment expenses	股權結算的股份支付開支	-	416
Total	合計	345,170	283,464

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

## 10. PROFIT FOR THE YEAR

## 10. 年度溢利

		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
The following expenses are included in results from operating expenses	以下費用已計入經營開支的業績中		
Cost of properties sold	已出售物業成本		
– Cost of completed properties held for sale	– 已建成待售物業的成本	<b>12,512,047</b>	3,671,681
– Cost of completed investment properties	– 已建成投資物業的成本	<b>668,348</b>	389,316
		<b>13,180,395</b>	4,060,997
Auditor's remuneration	核數師酬金		
– audit services	– 審核服務	<b>2,470</b>	2,660
– audit-related services	– 審核相關服務	<b>300</b>	–
Depreciation of property, plant and equipment	物業、廠房及設備折舊	<b>86,683</b>	94,266
Amortisation of land use rights	土地使用權攤銷	<b>788</b>	788
Amortisation of intangible assets	無形資產攤銷	<b>45</b>	45
Operating lease charges	經營租賃支出	<b>29,698</b>	24,316
Gross rental income from investment properties	來自投資物業的租金總收入	<b>41,609</b>	60,227
less: direct operating expenses incurred for investment properties that generated rental income during the year	減：因年內產生租金收入的投資物業計提直接經營開支	<b>(22,395)</b>	(27,008)
direct operating expenses incurred for investment properties that did not generate rental income during the year	因年內並無產生租金收入的投資物業計提直接經營開支	<b>(4,907)</b>	(1,272)
		<b>14,307</b>	31,947

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## 11. FINANCE INCOME

## 11. 融資收入

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Interest income on bank deposits and loans	銀行存款及貸款利息收入	70,574	22,131
Interest income on long-term receivable measured at amortised cost	按攤銷成本計算的長期應收款的 利息收入	-	36,816
Finance income	融資收入	70,574	58,947

## 12. FINANCE EXPENSES

## 12. 融資成本

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Interest expenses on bonds	債券利息費用	531,937	452,964
Interest expenses on interest-bearing loans	計息貸款利息費用	481,948	818,145
Less: interest of bonds capitalised (note 22 and note 23)	減：資本化的債券利息 (附註22及23)	(438,118)	(431,493)
interest of loans capitalised (note 22 and note 23)	資本化的貸款利息 (附註22及23)	(440,679)	(640,502)
Net interest expenses on interest-bearing loans and bonds	計息貸款及債券利息費用 淨額	135,088	199,114

## 13. INCOME TAX EXPENSES

## 13. 所得稅開支

(i) Income tax in the consolidated statement of profit  
or loss and comprehensive income represents:(i) 綜合損益及全面利潤表內的所得  
稅指：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
<b>Current tax (note 32(i))</b>	<b>即期稅項(附註32(i))</b>		
In respect of the current year	本年度	618,074	306,891
In respect of prior years	過往年度	19,145	12,186
Provision for land appreciation tax for the year	本年度土地增值稅撥備	324,322	127,256
		961,541	446,333

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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### 13. INCOME TAX EXPENSES (Continued)

(i) Income tax in the consolidated statement of profit or loss and comprehensive income represents:  
(Continued)

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
<b>Deferred tax (note 32(ii) and (iii))</b>	<b>遞延稅項(附註32(ii)及(iii))</b>		
Origination and reversal of temporary differences	暫時差異的產生及撥回	<b>74,157</b>	83,485
Land appreciation tax	土地增值稅	<b>(10,846)</b>	10,846
		<b>63,311</b>	94,331
Total income tax expenses	所得稅開支總額	<b>1,024,852</b>	540,664

#### Enterprise income tax

No provision for Hong Kong Profits Tax has been made (2015: Nil) as the Group did not earn any income subject to Hong Kong Profits Tax during the year.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands.

Pursuant to the Enterprise Income Tax Law of the PRC, the Group's main operating companies were subject to PRC income tax at a rate of 25% (2015: 25%).

#### Land appreciation tax

According to the requirements of the Provisional Regulations of the PRC on LAT effective from 1 January 1994, and the Detailed Implementation Rules on the Provisional Regulations of the PRC on LAT effective from 27 January 1995, all income from the sale or transfer of state-owned land use rights, buildings and their attached facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation value, with an exemption provided for property sales of ordinary residential properties if their appreciation values do not exceed 20% of the sum of the total deductible items. Land appreciation tax of RMB324,322,000 has been included in profit or loss during the year (2015: RMB127,256,000).

### 13. 所得稅開支(續)

(i) 綜合損益及全面利潤表內的所得稅指：(續)

#### 企業所得稅

由於本集團於年內並無賺取任何須繳納香港利得稅的收入，故並無作出香港利得稅撥備(二零一五年：無)。

根據開曼群島及英屬處女群島的規則及規例，本集團毋須繳納任何開曼群島及英屬處女群島所得稅。

根據中國企業所得稅法，本集團的主要營運中公司均須按25%的稅率繳納中國所得稅(二零一五年：25%)。

#### 土地增值稅

根據於一九九四年一月一日生效之《中華人民共和國土地增值稅暫行條例》以及於一九九五年一月二十七日生效之《中華人民共和國土地增值稅暫行條例實施細則》的要求，出售或轉讓於中國之國有土地使用權、樓宇及其附屬設施之所有收入須就增值額按介乎30%至60%之累進稅率繳納土地增值稅，惟倘普通住宅房之物業出售之增值額不超過可扣稅項目總額之總和20%，則可獲豁免。年內計入損益中的土地增值稅為人民幣324,322,000元(二零一五年：人民幣127,256,000元)。

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截至二零一六年十二月三十一日止年度**13. INCOME TAX EXPENSES (Continued)****(i) Income tax in the consolidated statement of profit or loss and comprehensive income represents: (Continued)****Land appreciation tax (Continued)**

Deferred land appreciation tax is levied on investment properties which is held within a business model whose objective is to consume all of the economic benefits through sale. The realisation of deferred land appreciation tax amounting to RMB10,846,000 has been included in profit or loss during the year. (2015: a charge of RMB10,846,000).

**(ii) The income tax expense for the year can be reconciled to the accounting profit as follows:****13. 所得稅開支(續)****(i) 綜合損益及全面利潤表內的所得稅指：(續)****土地增值稅(續)**

於旨在通過出售消耗所有經濟利益的業務模式內持有的投資物業須繳納遞延土地增值稅。年內計入損益中的遞延土地增值稅變現額為人民幣10,846,000元(二零一五年：支出人民幣10,846,000元)。

**(ii) 年內所得稅開支與會計溢利對賬如下：**

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Profit before tax from continuing operations	來自持續經營業務的除稅前溢利	<b>2,085,371</b>	556,920
Less: Current land appreciation tax (note 32(ii))	減：即期土地增值稅(附註32(ii))	<b>(324,322)</b>	(127,256)
Deferred land appreciation tax	遞延土地增值稅	<b>10,846</b>	(10,846)
		<b>1,771,895</b>	418,818
Income tax expense calculated at 25% (2015: 25%)	按稅率25%(二零一五年：25%)計算的所得稅開支	<b>442,973</b>	104,705
Non-deductible expenses, net of non-taxable income	不可扣稅支出(已扣除毋須課稅收入)	<b>144,099</b>	55,529
Unrecognised deferred tax assets	未確認遞延稅項資產	<b>105,159</b>	230,142
Under provision in prior years	過往年度撥備不足	<b>19,145</b>	12,186
		<b>711,376</b>	402,562
Current land appreciation tax	即期土地增值稅	<b>324,322</b>	127,256
Deferred land appreciation tax	遞延土地增值稅	<b>(10,846)</b>	10,846
Total	合計	<b>1,024,852</b>	540,664

In accordance with the accounting policy set out in note 3.11, the Group has not recognised deferred tax assets in respect of cumulative tax losses of certain subsidiaries for the year as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity.

根據附註3.11所載的會計政策，由於部分子公司不大可能在有關稅務司法權區及實體取得未來應課稅溢利以抵銷可動用的虧損，故本集團在年內未就累計稅項虧損確認遞延稅項資產。

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綜合財務報表附註(續)

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## 14. DIRECTORS' REMUNERATION

## 14. 董事酬金

		Directors' Fee	Basic salaries, allowances and other benefits	Contributions to retirement benefit schemes	Bonus	Share-based payment	Total
			基本薪金、津貼及其他福利	退休福利計劃供款		花紅	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>For the year ended</b>	<b>截至二零一六年</b>						
<b>31 December 2016</b>	<b>十二月三十一日止年度</b>						
<b>Executive Directors</b>	<b>執行董事</b>						
Mr. Chen Jun	陳軍先生	-	2,618	83	467	-	3,168
Mr. Hou Guangjun	侯光軍先生	-	2,072	83	258	-	2,413
Mr. Wu Zhengkui	吳正奎先生	-	-	-	-	-	-
Mr. You Defeng	游德鋒先生	-	1,604	83	249	-	1,936
Mr. Wang Weixian	王偉賢先生	-	323	15	-	-	338
Ms. Wang Xuling	王煦菱女士	-	1,605	98	249	-	1,952
<b>Independent Non-Executive Directors</b>	<b>獨立非執行董事</b>						
Mr. Cheong Ying Chew, Henry	張英潮先生	323	-	-	-	-	323
Mr. Fong Wo, Felix, JP	方和先生(太平紳士)	323	-	-	-	-	323
Mr. Kwan Kai Cheong	關啟昌先生	323	-	-	-	-	323
Total	合計	969	8,222	362	1,223	-	10,776

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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截至二零一六年十二月三十一日止年度14. DIRECTORS' REMUNERATION  
(Continued)

## 14. 董事酬金(續)

		Directors' Fee	Basic salaries, allowances and other benefits	Contributions to retirement benefit schemes	Bonus	Share-based payment	Total
		董事袍金	基本薪金、津貼及其他福利	退休福利計劃供款	花紅	股份支付	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>For the year ended</b>	<b>截至二零一五年</b>						
<b>31 December 2015</b>	<b>十二月三十一日止年度</b>						
<b>Executive Directors</b>	<b>執行董事</b>						
Mr. Chen Jun	陳軍先生	-	3,008	80	111	-	3,199
Mr. Hou Guangjun	侯光軍先生	-	2,042	80	81	-	2,203
Mr. Wu Zhengkui	吳正奎先生	-	-	-	-	-	-
Mr. You Defeng	游德鋒先生	-	1,633	80	74	490	2,277
Mr. Wang Weixian	王偉賢先生	-	303	14	-	-	317
Ms. Wang Xuling	王煦菱女士	-	1,633	94	74	481	2,282
<b>Independent Non-Executive Directors</b>	<b>獨立非執行董事</b>						
Mr. Cheong Ying Chew, Henry	張英潮先生	303	-	-	-	-	303
Mr. Fong Wo, Felix, JP	方和先生(太平紳士)	303	-	-	-	-	303
Mr. Kwan Kai Cheong	關啟昌先生	303	-	-	-	-	303
Total	合計	909	8,619	348	340	971	11,187

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during both years.

年內概無董事或主要行政人員放棄或同意放棄任何薪酬的安排。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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For the year ended 31 December 2016  
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## 15. EMPLOYEES' REMUNERATION

The five highest paid individuals of the Group during the year ended 31 December 2016 comprise four directors of the Company (2015: four), whose remuneration is disclosed in note 14. Details of remuneration paid to the remaining highest paid individuals of the Group are as follows:

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Basic salary, allowances and other benefits	基本薪金、津貼及其他福利	2,448	2,576
The emoluments of above individual are within the following band:	最高薪酬人士的酬金介乎以下範圍：		
Hong Kong Dollar	港元		
2,500,001–3,000,000	2,500,001–3,000,000	1	1

## 16. DIVIDENDS

The Board of Directors has resolved to propose a 2016 final dividend of HKD0.1 per ordinary share. Such dividend is to be approved by the shareholders at the forthcoming annual general meeting (For the year ended 31 December 2015: Nil).

## 17. EARNINGS PER SHARE

## 15. 僱員酬金

本集團截至二零一六年十二月三十一日止年度的五名最高薪酬人士包括本公司四名(二零一五年：四名)董事，其酬金已於附註14披露。向本集團其餘最高薪酬人士支付的酬金詳情如下：

## 16. 股息

董事會已決議建議派付二零一六年末期股息每股普通股0.1港元。該股息有待在應屆股東週年大會上得到股東批准(截至二零一五年十二月三十一日止年度：無)。

## 17. 每股盈利

		2016 二零一六年 RMB Yuan per share 每股人民幣元	2015 二零一五年 RMB Yuan per share 每股人民幣元
Basic earnings per share	每股基本盈利		
From continuing operations	來自持續經營業務	0.33	0.08
From discontinued operations	來自終止經營業務	0.06	–
Total basic earnings per share	每股基本盈利總額	0.39	0.08
Diluted earnings per share	每股攤薄盈利		
From continuing operations	來自持續經營業務	0.33	0.08
From discontinued operations	來自終止經營業務	0.06	–
Total diluted earnings per share	每股攤薄盈利總額	0.39	0.08



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截至二零一六年十二月三十一日止年度**17. EARNINGS PER SHARE (Continued)****17.1 Basic earnings per share**

The earnings and weighed average number of ordinary shares used in the calculation of basic earnings per share are as follows:

**17. 每股盈利(續)****17.1 每股基本盈利**

計算每股基本盈利所用的盈利及普通股加權平均數如下：

		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
Earnings used in the calculation of basic earnings per share	計算每股基本盈利所用的盈利	<b>1,112,543</b>	170,006
Distribution related to perpetual securities	永久證券分派	<b>(20,141)</b>	-
Profit for the year from discontinued operations used in the calculation of basic earnings per share	計算每股基本盈利所用的來自終止經營業務的年內溢利	<b>(180,390)</b>	(7,975)
Earnings used in the calculation of basic earnings per share from continuing operations	計算來自持續經營業務的每股基本盈利所用的盈利	<b>912,012</b>	162,031
		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>'000</b>	'000
		<b>千股</b>	千股
Weighted average number of ordinary shares	普通股的加權平均數	<b>2,770,980</b>	2,721,728

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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## 17. EARNINGS PER SHARE (Continued)

### 17.2 Diluted earnings per share

Diluted earnings per share is calculated by adjusting the earnings used in calculation of diluted earnings and the weighted average number of ordinary shares outstanding based on the assumption that all dilutive potential ordinary shares are converted as follows:

		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Earnings used in the calculation of basic earnings per share from continuing operations	計算來自持續經營業務的每股基本盈利所用的盈利	<b>912,012</b>	162,031
Profit attributable to owners of the Company allocated to convertible preference shares	分配至可轉換優先股的本公司擁有人應佔溢利	-	50,234
Profit for the year from discontinued operations used in the calculation of diluted earnings per share	計算每股攤薄盈利所用來自終止經營業務的年度溢利	-	(2,357)
Earnings used in the calculation of diluted earnings per share from continuing operations	計算來自持續經營業務的每股攤薄盈利所用的盈利	<b>912,012</b>	209,908

		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>'000</b>	'000
		千股	千股
Weighted average number of ordinary shares (basic)	普通股加權平均數(基本)	<b>2,770,980</b>	2,097,268
Effect of convertible preference shares	可轉換優先股的影響	-	619,702
Effect of Share Award Scheme	股份獎勵計劃的影響	-	4,758
Weighted average number of shares (diluted)	股份的加權平均數(攤薄)	<b>2,770,980</b>	2,721,728

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## 18. PROPERTY, PLANT AND EQUIPMENT

## 18. 物業、廠房及設備

		Leasehold		Motor	Fixtures, fittings & equipment	Construction in progress	Total
		Buildings	improvements				
		樓宇	物業裝修	汽車	裝置、傢俱 及設備	在建工程	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Cost</b>	<b>成本</b>						
Balance at 1 January 2015	於二零一五年一月一日的結餘	1,513,217	72,902	36,048	359,676	83,536	2,065,379
Addition/Adjustments	添置/調整	(8,948)	3,961	10,714	48,924	6,535	61,186
Addition through business combination	透過業務合併添置	-	-	182	452	-	634
Transfer to completed properties held for sale (note 24)	轉撥至已建成待售物業 (附註24)	(3,809)	-	-	-	-	(3,809)
Disposals	轉讓	(32,105)	-	(227)	(813)	-	(33,145)
Balance at 31 December 2015	於二零一五年 十二月三十一日的結餘	1,468,355	76,863	46,717	408,239	90,071	2,090,245
Addition	添置	-	497	1,387	5,165	58,045	65,094
Disposal of subsidiaries	出售子公司	(191,134)	-	-	(74,969)	(147,885)	(413,988)
Disposals	轉讓	-	-	(958)	(583)	-	(1,541)
Balance at 31 December 2016	於二零一六年 十二月三十一日的結餘	1,277,221	77,360	47,146	337,852	231	1,739,810
<b>Depreciation</b>	<b>折舊</b>						
Balance at 1 January 2015	於二零一五年一月一日的結餘	209,797	35,162	26,464	174,106	-	445,529
Charge for the year	年內折舊	58,002	8,567	5,584	39,294	-	111,447
Transfer to completed properties held for sale (Note 24)	轉撥至已建成待售物業 (附註24)	(1,177)	-	-	-	-	(1,177)
Disposals	轉讓	(11,475)	-	(204)	(781)	-	(12,460)
Balance at 31 December 2015	於二零一五年 十二月三十一日的結餘	255,147	43,729	31,844	212,619	-	543,339
Charge for the year	年內折舊	47,577	8,621	7,726	25,622	-	89,546
Disposal of subsidiaries	出售子公司	(125,245)	-	-	(48,996)	-	(174,241)
Disposals	轉讓	-	-	(574)	(501)	-	(1,075)
Balance at 31 December 2016	於二零一六年 十二月三十一日的結餘	177,479	52,350	38,996	188,744	-	457,569
<b>Carrying amounts</b>	<b>賬面值</b>						
At 31 December 2015	於二零一五年十二月三十一日	1,213,208	33,134	14,873	195,620	90,071	1,546,906
At 31 December 2016	於二零一六年十二月三十一日	1,099,742	25,010	8,150	149,108	231	1,282,241

(i) All buildings owned by the Group are located in the PRC.

(i) 本集團擁有的所有樓宇均位於中國。

(ii) As at 31 December 2016, property, plant and equipment with a total carrying value of RMB404,000,000 (2015: RMB1,033,690,000) were pledged as collateral for the Group's borrowings.

(ii) 於二零一六年十二月三十一日，本集團已抵押賬面總值人民幣404,000,000元(二零一五年：人民幣1,033,690,000元)的物業、廠房及設備作為本集團借貸的抵押品。

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## 19. INTANGIBLE ASSETS

## 19. 無形資產

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
<b>Cost</b>	<b>成本</b>		
Balance at 1 January	於一月一日的結餘	1,700	1,700
<b>Amortisation</b>	<b>攤銷</b>		
Balance at 1 January	於一月一日的結餘	314	269
Amortisation charge for the year	年內攤銷開支	45	45
Balance at 31 December	於十二月三十一日的結餘	359	314
<b>Carrying amounts</b>	<b>賬面值</b>		
Balance at 31 December	於十二月三十一日的結餘	1,341	1,386
Useful life for amortisation	攤銷可使用年期	38 years 38年	38 years 38年

Intangible assets represent contractor qualification in PRC, for own use purpose.

無形資產為供自用的中國承包商資格。

## 20. LAND USE RIGHTS

## 20. 土地使用權

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
<b>Cost</b>	<b>成本</b>		
Balance at 1 January	於一月一日的結餘	95,133	95,133
Disposal of subsidiaries	出售子公司	(64,283)	-
Balance at 31 December	於十二月三十一日的結餘	30,850	95,133
<b>Amortisation</b>	<b>攤銷</b>		
Balance at 1 January	於一月一日的結餘	20,395	18,209
Amortisation charge for the year	年內攤銷開支	1,020	2,186
Disposal of subsidiaries	出售子公司	(15,173)	-
Balance at 31 December	於十二月三十一日的結餘	6,242	20,395
<b>Carrying amounts</b>	<b>賬面值</b>		
Balance at 31 December	於十二月三十一日的結餘	24,608	74,738
Useful life for amortisation	攤銷可使用年期	39-42 years 39-42年	39-42 years 39-42年

Land use rights represent lease prepayments for acquiring rights to use land, which is all located in the PRC, for own use properties.

土地使用權指收購使用土地權利的租賃預付款項，全部位於中國，用作自用物業。

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## 21. OTHER FINANCIAL ASSETS

## 21. 其他金融資產

		2016	2015
		二零一六年	二零一五年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Other financial assets	其他金融資產		
<b>Available for sale investments</b>	<b>可供出售投資</b>		
Equity (i)	權益(i)	<b>174,567</b>	174,567
<b>Financial assets carried at FVTPL</b>	<b>按公允價值列賬於損益的金融資產</b>		
Held for trading derivatives that are not designated in hedge accounting relationship	並非對沖會計關係指定的持作買賣衍生工具	<b>485,829</b>	-
<b>Loans</b>	<b>貸款</b>		
Loans to related parties (note 46.3)	向關連人士作出貸款(附註46.3)	<b>380,230</b>	100,000
Loans to other entities	向其他實體作出貸款	-	43,000
		<b>1,040,626</b>	317,567
Current	流動	<b>866,059</b>	143,000
Non-current	非流動	<b>174,567</b>	174,567
Other financial liabilities	其他金融負債		
<b>Financial liabilities carried at FVTPL</b>	<b>按公允價值列賬於損益的金融負債</b>		
Held for trading derivatives that are not designated in hedge accounting relationship	並非對沖會計關係指定的持作買賣衍生工具	<b>329,543</b>	-

(i) The Group holds the interest on the following companies:

(i) 本集團於下列公司持有權益：

		2016	2015
		二零一六年	二零一五年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Shanghai Jianbang Dining Limited Company	上海建邦餐飲有限公司	<b>1,800</b>	1,800
Hainan Tianhong Jiye Real Estate Co., Ltd ("Tianhong Real Estate")	海南天泓基業房地產開發有限公司 〔天泓房地產〕	<b>172,767</b>	172,767
		<b>174,567</b>	174,567

Since the above available for sale investments do not have a quoted market price in an active market and the fair value cannot be reliably measured, they are measured at cost.

由於上述可供出售投資並無活躍市場報價，且公允價值不能可靠地計量，故此按成本計量。

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**22. INVESTMENT PROPERTIES**

**22. 投資物業**

		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Investment properties under development	發展中投資物業		
Balance at 1 January	於一月一日的結餘	<b>5,856,000</b>	3,994,000
Cost capitalised	成本資本化	<b>950,710</b>	798,067
Transfer to completed investment properties	轉撥至已建成投資物業	<b>(1,982,000)</b>	-
Net increase in fair value recognised in profit and loss	在損益確認的公允價值增加淨額	<b>145,290</b>	1,063,933
Balance at 31 December	於十二月三十一日的結餘	<b>4,970,000</b>	5,856,000
Interest capitalisation included in the above:	上述包括利息資本化：		
Balance at 1 January	於一月一日的結餘	<b>272,674</b>	-
Cost capitalised (note 12)	成本資本化(附註12)	<b>266,421</b>	272,674
Transfer to completed investment properties	轉撥至已建成投資物業	<b>(43,521)</b>	-
Balance at 31 December	於十二月三十一日的結餘	<b>495,574</b>	272,674
Completed investment properties	已建成投資物業		
Balance at 1 January	於一月一日的結餘	<b>1,390,000</b>	1,728,000
Transfer from investment properties under development	轉撥自發展中投資物業	<b>1,982,000</b>	-
Transfer to cost of sales	轉撥至銷售成本	<b>(668,348)</b>	(389,316)
Net increase in fair value recognised in profit and loss	在損益確認的公允價值增加淨額	<b>542,348</b>	51,316
Balance at 31 December	於十二月三十一日的結餘	<b>3,246,000</b>	1,390,000
		<b>8,216,000</b>	7,246,000

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截至二零一六年十二月三十一日止年度**22. INVESTMENT PROPERTIES (Continued)****22.1 Fair value measurement of the Group's investment properties**

The fair value of the Group's investment property as at 31 December 2016 and 31 December 2015 has been arrived at on the basis of a valuation carried out on the respective dates by DTZ, independent valuers not related to the Group. DTZ has appropriate qualifications and recent experience in the valuation of properties in the relevant locations. The fair values of investment properties under development are determined using direct comparison approach, which are amount to RMB4,970,000,000 (2015: RMB5,895,000,000), which assumes sale of each of the properties in its existing state by making reference to comparable sales transactions as available in the relevant market. The completed investment properties which are amount to RMB3,246,000,000 (2015: RMB1,351,000,000), are valued by income capitalisation approach by capitalising the net rental income derived from the existing tenancies with due allowance for the reversionary income potential of the respective properties.

There has been no change to the valuation technique during the year.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

The following table presents the fair value of the Group's investment properties measured at the end of the reporting period on a recurring basis, categorised into the level 3 fair value hierarchy as defined in IFRS 13, fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

**22. 投資物業(續)****22.1 本集團投資物業的公允價值計量**

本集團於二零一六年十二月三十一日及二零一五年十二月三十一日的投資物業公允價值乃按由與本集團並無關連的獨立估值師戴德梁行於相關日期進行的估值為基準達致。戴德梁行具備於有關地區進行物業估值之合適資格，近期亦有相關估值經驗。金額為人民幣4,970,000,000元(二零一五年：人民幣5,895,000,000元)的發展中投資物業公允價值使用直接比較法釐定，當中假設各項物業按現狀出售並已參照有關市場現有的可資比較銷售交易。金額為人民幣3,246,000,000元(二零一五年：人民幣1,351,000,000元)的已建成投資物業採用收入資本化法評值，該方法透過將從現有租戶收取之租金收入淨額撥充資本連同就各物業任何潛在復歸收入作出適當扣減計算。

年內，估值技術概無變更。

就評估投資物業公允價值而言，投資物業現有用途即其最佳用途。

下表呈列本集團於報告期末按經常性基準計量的投資物業公允價值，有關公允價值於國際財務報告準則第13號公允價值計量所界定之公允價值第三層架構中進行分類。公允價值所歸類的層次乃經參考以下估值技術所用的輸入數據的可觀察性及重要性而釐定：

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## 22. INVESTMENT PROPERTIES (Continued)

### 22.1 Fair value measurement of the Group's investment properties (Continued)

At 31 December 2016 and 2015, the Group's investment properties are measured at level 3 category of fair value measurement and during the year ended 31 December 2016, there were no transfers into or out of Level 3.

	Valuation Techniques 估值技術	Key input 主要輸入數據	Range 範圍	Notes 附註
Investment properties 投資物業				
Mainland China 中國內地	Income capitalisation approach 收入資本化法	Capitalisation rate 資本化率	5%–9%	(i)
		Average unit market rent per month 每月平均單位市場租金	RMB29 – RMB289 per sq.m per month 每月每平方米人民幣29元至人民幣289元	(ii)
	Direct comparison approach 直接比較法	Average market unit price 平均單位市場價格	RMB12,000 – RMB81,000 per sq.m 每平方米人民幣12,000元至人民幣81,000元	(ii)

Notes: Descriptions of the sensitivity in unobservable inputs and interrelationship:

- (i) The fair value measurement is negatively correlated to the unobservable input that a lower factor will result in a higher fair value.
- (ii) The fair value measurement is positively correlated to the unobservable input that a higher factor will result in a higher fair value.

As at 31 December 2016, the Group has not obtained the State-owned Land Use Rights Certificate for the investment properties, which are amounted to RMB109,000,000 (2015: RMB108,000,000).

As at 31 December 2016, investment properties with a total carrying value of RMB860,000,000 (2015: RMB743,000,000) were pledged as collateral for the Group's borrowings.

## 22. 投資物業(續)

### 22.1 本集團投資物業的公允價值計量(續)

於二零一六年及二零一五年十二月三十一日，本集團的投資物業按公允價值計量類別的第三層次計量，截至二零一六年十二月三十一日止年度，第三層次並無轉入或轉出。

附註：主要輸入數據敏感度及相互關係的描述：

- (i) 公允價值計量與不可觀察輸入數據呈負相關，即系數越低，公允價值越高。
- (ii) 公允價值計量與不可觀察輸入數據呈正相關，即系數越高，公允價值越高。

於二零一六年十二月三十一日，本集團並未取得國有土地使用權證的投資物業為數人民幣109,000,000元(二零一五年：人民幣108,000,000元)。

於二零一六年十二月三十一日，本集團已將賬面總值人民幣860,000,000元(二零一五年：人民幣743,000,000元)的投資物業抵押作為本集團借貸的抵押品。



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## 23. PROPERTIES UNDER DEVELOPMENT

## 23. 發展中物業

		2016	2015
		二零一六年	二零一五年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cost	成本		
Balance at 1 January	於一月一日的結餘	<b>24,304,385</b>	22,089,640
Cost capitalised	成本資本化	<b>12,045,124</b>	7,047,678
Acquisition of subsidiaries	收購子公司	-	2,152,327
Transfer to completed properties held for sale (note 24)	轉撥至已建成待售物業(附註24)	<b>(17,338,777)</b>	(6,985,260)
Balance at 31 December	於十二月三十一日的結餘	<b>19,010,732</b>	24,304,385
Properties under development expected to be completed:	預期將於以下期間建成的發展中物業：		
- within twelve months	- 十二個月內	<b>3,928,278</b>	8,716,805
- beyond twelve months	- 十二個月後	<b>15,082,454</b>	15,587,580
Interest capitalisation included in the above:	已計入上述項目的被資本化利息：		
Balance at 1 January	於一月一日的結餘	<b>1,482,565</b>	685,120
Cost capitalised (note 12)	成本資本化(附註12)	<b>612,376</b>	799,321
Acquisition of subsidiaries	收購子公司	-	56,884
Transfer to completed properties held for sale	轉撥至已建成待售物業	<b>(1,009,217)</b>	(58,760)
Balance at 31 December	於十二月三十一日的結餘	<b>1,085,724</b>	1,482,565

All properties under development are located in the PRC.

所有發展中物業均位於中國。

The weighted average capitalisation rate of borrowings and bonds is 4.54% (2015: 4.92%).

借貸及債券的加權平均資本化率為4.54%(二零一五年：4.92%)。

As at 31 December 2016, properties under development of approximately RMB6,194,409,000 (2015: RMB5,916,393,000) were pledged as collateral for the Group's borrowings.

於二零一六年十二月三十一日，本集團已抵押價值約人民幣6,194,409,000元(二零一五年：人民幣5,916,393,000元)的發展中物業作為本集團借貸的抵押品。

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**24. COMPLETED PROPERTIES HELD FOR SALE**      **24. 已建成待售物業**

		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Cost	成本		
Balance at 1 January	於一月一日的結餘	<b>5,097,866</b>	1,786,382
Transfer from properties under development (note 23)	轉撥自發展中物業 (附註23)	<b>17,338,777</b>	6,985,260
Transfer from properties, plants and equipments (note 18)	轉撥自物業、廠房及設備 (附註18)	-	2,632
Transfer to cost of sales	轉撥至銷售成本	<b>(12,627,969)</b>	(3,676,408)
Balance at 31 December	於十二月三十一日的結餘	<b>9,808,674</b>	5,097,866
Write-down of completed properties held for sale:	撇減已建成待售物業：		
Balance at 1 January	於一月一日的結餘	<b>(212,263)</b>	(58,959)
Additions	添置	<b>(4,892)</b>	(158,031)
Transfer to cost of sales	轉撥至銷售成本	<b>115,922</b>	4,727
Balance at 31 December	於十二月三十一日的結餘	<b>(101,233)</b>	(212,263)
		<b>9,707,441</b>	4,885,603

All completed properties held for sale are located in the PRC.

As at 31 December 2016, completed properties held for sale of approximately RMB397,900,000 (2015: RMB150,469,000) were pledged as collateral for the Group's borrowings.

所有已建成待售物業均位於中國。

於二零一六年十二月三十一日，本集團已抵押價值約人民幣397,900,000元(二零一五年：人民幣150,469,000元)的已建成待售物業作為本集團借貸的抵押品。

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**25. SUBSIDIARIES**

**25.1** Details of the Company's material subsidiaries at the end of the reporting period are as follows.

**25. 子公司**

**25.1** 於報告期末本公司的重大子公司詳情如下。

Name of subsidiary 子公司名稱	Principal activity 主要業務	Registered Capital 註冊資本	Place and date of incorporation 註冊成立地點及日期	Proportion of ownership interest and voting power held by the Group 本集團的擁有權及所持表決權比例	
				2016 二零一六年	2015 二零一五年
SPG Investment Ltd.	Investment holding 投資控股	USD1 1美元	British Virgin Islands, 2 March 2004 英屬處女群島· 二零零四年三月二日	100%	100%
Shanghai Cambridge (Group) Co., Ltd. 上海康橋半島(集團)有限公司	Property development, sales and lease 房地產開發、銷售及租賃	USD67,670,000 67,670,000美元	the PRC, 25 August 1998 中國· 一九九八年八月二十五日	98.24%	98.24%
Shanghai SPG Property Service Co., Ltd. 上海盛高物業服務有限公司	Property management services 物業管理服務	RMB5,000,000 人民幣5,000,000元	the PRC, 17 January 2001 中國· 二零零一年一月十七日	98.42%	98.42%
Shanghai SPG Hotel Development Co., Ltd. 上海盛高酒店發展有限公司	Hotel operation, property development, sales and lease 酒店營運、房地產開發、銷售及租賃	RMB405,500,000 人民幣405,500,000元	the PRC, 1 December 2006 中國· 二零零六年十二月一日	98.24%	98.24%
Shanghai Oriental Cambridge Property Development Co., Ltd. 上海東方康橋房地產發展有限公司	Property development, sales and lease 房地產開發、銷售及租賃	RMB650,000,000 人民幣650,000,000元	the PRC, 26 September 2002 中國· 二零零二年九月二十六日	100%	100%
Shanghai Lishui Greenery Ecology Engineering Co., Ltd. 上海麗水生態綠化工程有限公司	Landscape construction project 園藝項目	RMB10,000,000 人民幣10,000,000元	the PRC, 7 November 2003 中國· 二零零三年十一月七日	100%	100%
Shanghai Zhujia Cambridge Property Development Co., Ltd. 上海珠佳康橋半島房地產開發有限公司	Property development and sales 房地產開發及銷售	RMB280,000,000 人民幣280,000,000元	the PRC, 24 September 2003 中國· 二零零三年九月二十四日	100%	100%

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**25. SUBSIDIARIES (Continued)**

**25.1** Details of the Company's material subsidiaries at the end of the reporting period are as follows. (Continued)

**25. 子公司(續)**

**25.1** 於報告期末本公司的重大子公司詳情如下。(續)

Name of subsidiary 子公司名稱	Principal activity 主要業務	Registered Capital 註冊資本	Place and date of incorporation 註冊成立地點及日期	Proportion of ownership interest and voting power held by the Group 本集團的擁有權及所持表決權比例	
				2016 二零一六年	2015 二零一五年
Huangshan SPG Property Development Co., Ltd. 黃山盛高半島房地產發展有限公司	Hotel development and operation 酒店開發及經營	RMB270,000,000 人民幣270,000,000元	the PRC, 7 January 2004 中國· 二零零四年一月七日	100%	100%
Huangshan Hiddentigger Club Management Co., Ltd. 黃山臥虎會所管理有限公司	Property management services 物業管理服務	RMB1,000,000 人民幣1,000,000元	the PRC, 7 July 2009 中國· 二零零九年七月七日	100%	100%
Kunming SPG Land Development Co., Ltd. 昆明盛高置地發展有限公司	Property development, sales and lease 房地產開發、銷售及租賃	RMB142,500,000 人民幣142,500,000元	the PRC, 9 November 2006 中國· 二零零六年十一月九日	100%	100%
Kunming SPG Grand City Development Co., Ltd. 昆明盛高大城房地產發展有限公司	Property development, sales and lease 房地產開發、銷售及租賃	USD40,000,000 40,000,000美元	the PRC, 15 June 2007 中國· 二零零七年六月十五日	100%	100%
Suzhou Runjian Property Co., Ltd. 蘇州潤建置業有限公司	Property development, sales and lease 房地產開發、銷售及租賃	RMB300,000,000 人民幣300,000,000元	the PRC, 28 September 2007 中國· 二零零七年九月二十八日	100%	100%
Suzhou SPG Property Management Co., Ltd. 蘇州盛高物業服務有限公司	Hotel Operations, Property management services 酒店營運、物業管理服務	RMB500,000 人民幣500,000元	the PRC, 5 March 2009 中國· 二零零九年三月五日	100%	100%
Wuxi Guosheng Property Development Co., Ltd. 無錫國盛房產開發有限公司	Property development, sales and lease 房地產開發、銷售及租賃	HKD1,196,530,000 1,196,530,000港元	the PRC, 2 November 2007 中國· 二零零七年十一月二日	100%	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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**25. SUBSIDIARIES (Continued)**

**25.1** Details of the Company's material subsidiaries at the end of the reporting period are as follows. (Continued)

**25. 子公司(續)**

**25.1** 於報告期末本公司的重大子公司詳情如下。(續)

Name of subsidiary 子公司名稱	Principal activity 主要業務	Registered Capital 註冊資本	Place and date of incorporation 註冊成立地點及日期	Proportion of ownership interest and voting power held by the Group 本集團的擁有權及所持表決權比例	
				2016 二零一六年	2015 二零一五年
Wuxi Shenglian Property Development Co., Ltd. 無錫盛聯房產開發有限公司	Property development, sales and lease 房地產開發、銷售及租賃	HKD1,105,000,000 1,105,000,000港元	the PRC, 2 November 2007 中國· 二零零七年十一月二日	100%	100%
Hainan Jianqiao Property Co. Ltd. 海南建橋置業有限公司	Property development, sales and lease 房地產開發、銷售及租賃	RMB115,000,000 人民幣115,000,000元	the PRC, 4 January 2008 中國· 二零零八年一月四日	100%	100%
Hubei Huazhong Constructing Co., Ltd. 湖北華中建築裝飾有限責任公司	Construction and decoration services 建築及裝修服務	RMB100,000,000 人民幣100,000,000元	the PRC, 21 May 2009 中國· 二零零九年五月二十一日	100%	100%
Changshu SPG Land Development Co., Ltd. 常熟盛高房產開發有限公司	Property development, sales and lease 房地產開發、銷售及租賃	RMB200,000,000 人民幣200,000,000元	the PRC, 12 July 2007 中國· 二零零七年七月十二日	100%	100%
Changshu SPG Real Estate Development Co., Ltd. 常熟盛地置業有限公司	Property development, sales and lease 房地產開發、銷售及租賃	RMB550,000,000 人民幣550,000,000元	the PRC, 24 October 2007 中國· 二零零七年十月二十四日	100%	100%
Shanxi SPG Land Development Co., Ltd. 山西盛高置地發展有限公司	Property development, sales and lease 房地產開發、銷售及租賃	USD20,000,000 20,000,000美元	the PRC, 27 August 2009 中國· 二零零九年八月二十七日	100%	100%
Ningbo SPG Cicheng Property Development Co., Ltd. 寧波盛高慈城房地產發展有限公司	Property development, sales and lease 房地產開發、銷售及租賃	RMB600,000,000 人民幣600,000,000元	the PRC, 21 March 2011 中國· 二零一一年三月二十一日	100%	100%

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**25. SUBSIDIARIES (Continued)**

**25.1** Details of the Company's material subsidiaries at the end of the reporting period are as follows. (Continued)

**25. 子公司(續)**

**25.1** 於報告期末本公司的重大子公司詳情如下。(續)

Name of subsidiary 子公司名稱	Principal activity 主要業務	Registered Capital 註冊資本	Place and date of incorporation 註冊成立地點及日期	Proportion of ownership interest and voting power held by the Group 本集團的擁有權及所持表決權比例	
				2016 二零一六年	2015 二零一五年
Hangzhou Tuojiang Zhiye Co., Ltd. 杭州拓江置業有限公司	Property development, sales and lease 房地產開發、銷售及租賃	USD582,000,000 582,000,000美元	the PRC, 22 July 2013 中國· 二零一三年七月二十二日	<b>50%</b> <b>(Note i)</b> (附註i)	50% (Note i) (附註i)
Haikou Hongxiang Property Co., Ltd. 海口綠地鴻翔置業有限公司	Property development, sales and lease 房地產開發、銷售及租賃	RMB600,000,000 人民幣600,000,000元	the PRC, 27 November 2013 中國· 二零一三年十一月二十七日	<b>100%</b>	100%
Shanghai Daokun Investment Management Co., Ltd. 上海道堃資產管理有限公司	Investing and consulting 投資及諮詢	RMB10,000,000 人民幣10,000,000元	the PRC, 9 June 2015 中國· 二零一五年六月九日	<b>100%</b>	100%
Shanghai He Mao Property Co., Ltd. 上海合茂房地產發展有限公司	Property development, sales and lease 房地產開發、銷售及租賃	RMB630,000,000 人民幣630,000,000元	the PRC, 11 December 2013 中國· 二零一三年十二月十一日	<b>50%</b> <b>(Note i)</b> (附註i)	50% (Note i) (附註i)
Shanghai Xinqi Investment Management Co., Ltd ("Shanghai Xinqi") 上海新琪投資管理有限公司 (「上海新琪」)	Property development, sales and lease 房地產開發、銷售及租賃	RMB30,000,000 人民幣30,000,000元	the PRC, 22 October 2013 中國· 二零一三年十月二十二日	<b>50%</b> <b>(Note i)</b> (附註i)	50% (Note i) (附註i)
Nanning Greenland Yingkai Investment Co., Ltd. 南寧綠地穎愷投資有限公司	Property development, sales and lease 房地產開發、銷售及租賃	RMB558,500,000 人民幣558,500,000元	the PRC, 1 November 2013 中國· 二零一三年十一月一日	<b>100%</b>	100%
Success Yield Group Limited 成耀集團有限公司	Investment of subsidiaries 投資子公司	USD200 200美元	the BVI, 6 May 2011 英屬處女群島· 二零一一年五月六日	<b>50%</b> <b>(Note i)</b> (附註i)	50% (Note i) (附註i)

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## 25. SUBSIDIARIES (Continued)

25.1 Details of the Company's material subsidiaries at the end of the reporting period are as follows. (Continued)

## 25. 子公司(續)

25.1 於報告期末本公司的重大子公司詳情如下。(續)

Name of subsidiary 子公司名稱	Principal activity 主要業務	Registered Capital 註冊資本	Place and date of incorporation 註冊成立地點及日期	Proportion of ownership interest and voting power held by the Group 本集團的擁有權及所持表決權比例	
				2016 二零一六年	2015 二零一五年
Xubao Co., Ltd ("Xu Bao BVI") 旭寶有限公司 (「旭寶BVI」)	Investment of subsidiaries 投資子公司	HKD2 2港元	the BVI, 6 September 2012 英屬處女群島, 二零一二年九月六日	50% (Note i) (附註i)	50% (Note i) (附註i)
Xuzhou Nanbu Property Co., Ltd 徐州南部房地產開發有限公司	Property development, sales and lease 房地產開發、銷售及租賃	USD50,000,000 50,000,000美元	the PRC, 23 January 2014 中國, 二零一四年一月二十三日	100%	100%
Xuzhou Mingzhi Property Co., Ltd 徐州銘智房地產開發有限公司	Property development, sales and lease 房地產開發、銷售及租賃	HKD1,414,000,000 1,414,000,000港元	the PRC, 3 March 2014 中國, 二零一四年三月三日	50% (Note i) (附註i)	50% (Note i) (附註i)
Shanghai Xiangxuan Zhiye Co., Ltd 上海翔軒置業有限公司	Property development, sales and lease 房地產開發、銷售及租賃	RMB20,000,000 人民幣20,000,000元	the PRC, 17 January 2014 中國, 二零一四年一月十七日	100%	100%
Greenland (Kunming) Property Co., Ltd ("Greenland Kunming") 綠地集團(昆明)置業有限公司 (「綠地昆明」)	Property development, sales and lease 房地產開發、銷售及租賃	RMB517,272,222 人民幣517,272,222元	the PRC, 17 December 2012 中國, 二零一二年十二月十七日	55%	55%
Greenland (Kunming Wuhua) Development Co., Ltd 綠地集團(昆明五華)房地產開發 有限公司	Property development, sales and lease 房地產開發、銷售及租賃	RMB528,000,000 人民幣528,000,000元	the PRC, 19 December 2012 中國, 二零一二年十二月十九日	55%	55%
Shanghai Wuli Property Co., Ltd 上海五里置業有限公司	Property development, sales and lease 房地產開發、銷售及租賃	RMB6,000,000,000 人民幣6,000,000,000元	the PRC, 21 February 2014 中國, 二零一四年二月二十一日	100%	100%

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**25. SUBSIDIARIES (Continued)**

**25.1** Details of the Company's material subsidiaries at the end of the reporting period are as follows. (Continued)

**25. 子公司(續)**

**25.1** 於報告期末本公司的重大子公司詳情如下。(續)

Name of subsidiary 子公司名稱	Principal activity 主要業務	Registered Capital 註冊資本	Place and date of incorporation 註冊成立地點及日期	Proportion of ownership interest and voting power held by the Group 本集團的擁有權及所持表決權比例	
				2016 二零一六年	2015 二零一五年
Nanning Greenland Hongkai Property Co., Ltd 南寧綠地鴻愷置業有限公司	Property development, sales and lease 房地產開發、銷售及租賃	HKD700,000,000 700,000,000港元	the PRC, 20 May 2014 中國· 二零一四年五月二十日	100%	100%
Haikou Wuyuan Property Co., Ltd 海口綠地五源置業有限公司	Property development, sales and lease 房地產開發、銷售及租賃	RMB200,000,000 人民幣200,000,000元	the PRC, 26 January 2014 中國· 二零一四年一月二十六日	100%	100%
Hainan Tianhongjiye Shiye Co., Ltd ("Tianhong Shiye") 海南天泓基業實業有限公司 (「天泓基業」)	Property development, sales and lease 物業開發、銷售及租賃	RMB100,000,000 人民幣100,000,000元	the PRC, 21 December 2009 中國· 二零零九年十二月二十一日	50.1% (Note i) (附註i)	50.1% (Note i) (附註i)
Hainan Tianhongjiye Investment Co., Ltd ("Tianhong Investent") 海南天泓基業投資有限公司 (「天泓投資」)	Property development, sales and lease 物業開發、銷售及租賃	RMB180,000,000 人民幣180,000,000元	the PRC, 12 January 2010 中國· 二零一零年一月十二日	50.1% (Note i) (附註i)	50.1% (Note i) (附註i)
Nanning Greenland Xinyuan Property Co., Ltd 南寧綠地信源置業有限公司	Property development, sales and lease 物業開發、銷售及租賃	RMB300,000,000 人民幣300,000,000元	the PRC, 27 November 2014 中國· 二零一四年十一月二十七日	100%	100%
Suzhou Lvjie Property Co., Ltd 蘇州綠杰置業有限公司	Property development, sales and lease 物業開發、銷售及租賃	USD2,250,000,000 2,250,000,000美元	the PRC, 22 October 2015 中國· 二零一五年十月二十二日	100%	100%
Shanghai Greenland Financial Information Services Co., Ltd 上海綠地金融信息服務有限公司	Financing 融資	RMB100,000,000 人民幣100,000,000元	the PRC, 23 January 2015 中國· 二零一五年一月二十三日	100%	100%



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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截至二零一六年十二月三十一日止年度**25. SUBSIDIARIES (Continued)****25.1** Details of the Company's material subsidiaries at the end of the reporting period are as follows. (Continued)**25. 子公司(續)****25.1** 於報告期末本公司的重大子公司詳情如下。(續)

Name of subsidiary 子公司名稱	Principal activity 主要業務	Registered Capital 註冊資本	Place and date of incorporation 註冊成立地點及日期	Proportion of ownership interest and voting power held by the Group 本集團的擁有權及所持表決權比例	
				2016 二零一六年	2015 二零一五年
Nanchang Shenyang Property Co., Ltd 南昌申陽置業有限公司	Property development, sales and lease 物業開發、銷售及租賃	USD25,000,000 25,000,000美元	the PRC, 24 December 2015 中國· 二零一五年十二月二十四日	100%	100%
Guangxi Greenland Xingtie Property Co., Ltd 廣西綠地興鐵置業有限公司	Property development, sales and lease 物業開發、銷售及租賃	RMB3,000,000 人民幣3,000,000元	the PRC, 4 August 2015 中國· 二零一五年八月四日	60%	60%
Guangxi Greenland Xintie Property Co., Ltd ("Guangxi Xintie") 廣西綠地鑫鐵置業有限公司 (「廣西鑫鐵」)	Property development, sales and lease 物業開發、銷售及租賃	RMB100,000,000 人民幣100,000,000元	the PRC, 29 April 2016 中國· 二零一六年四月二十九日	60% (Note ii) (附註ii)	—
Suzhou Lyving Property Co., Ltd 蘇州綠穎置業有限公司	Property development, sales and lease 物業開發、銷售及租賃	RMB20,000,000 人民幣20,000,000元	the PRC, 13 July 2016 中國· 二零一六年七月十三日	100% (Note ii) (附註ii)	—
Guangxi Greenland Hengrun Property Development Co., Ltd 廣西綠地恒潤置業發展有限公司	Property development, sales and lease 物業開發、銷售及租賃	RMB100,000,000 人民幣100,000,000元	the PRC, 5 May 2016 中國· 二零一六年五月五日	65% (Note ii) (附註ii)	—

Note i: The Group has the right to appoint a majority of directors to the board of directors. Hence the Group has the power over these entities and has the ability to use its power to affect its returns. Therefore, these entities are accounted for as subsidiaries of the Company.

Note ii: The subsidiary is newly established in 2016.

Note iii: In 2016, the Group disposed its 65.96% equity interest in Sipo Education to Shanghai Xinhua Faxing Group Limited, for details please refer to Note 48.

附註i: 本集團有權委任董事會的過半數董事。因此，本集團對該等實體擁有權力，並有能力運用其權力影響其回報。有鑑於此，該等實體入賬作為本公司的子公司。

附註ii: 該子公司於二零一六年新成立。

附註iii: 於二零一六年，本集團向上海新華發行集團有限公司出售思博教育65.96%股權，詳情載於附註48。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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## 25. SUBSIDIARIES (Continued)

**25.1** Details of the Company's material subsidiaries at the end of the reporting period are as follows. (Continued)

Except for SPG Investment Ltd., all the subsidiaries are indirectly held.

None of the subsidiaries had issued any debt securities at the end of the year.

### 25.2 Details of non-wholly owned subsidiaries that have material non-controlling interest

The table below shows details of non-wholly owned subsidiaries of the Company that have material non-controlling interests:

Name of subsidiary 子公司名稱	Place of incorporation and principal place of business 註冊成立地點及 主要營業地點	Proportion of ownership interests and voting rights held by non-controlling interests 非控股權益的擁有權權益及所持表決權比例		Profit (loss) allocated to non-controlling interests 非控股權益應佔溢利(虧損)		Accumulated non-controlling interests 累計非控股權益	
		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Greenland Kunming 綠地昆明	Kunming 昆明	45%	45%	(38,751)	(20,839)	256,378	295,129
Tianhong Shiye 天泓實業	Hainan 海南	49.9%	49.9%	(8,994)	(9,906)	194,252	203,246
Tianhong Investment 天泓投資	Hainan 海南	49.9%	49.9%	15,309	14,966	393,336	378,027
Individually immaterial subsidiaries with non-controlling interests 個別不重大的具非控股權益的子公司				160,475	(172,816)	49,930	(117,726)
				128,039	(188,595)	893,896	758,676

Summarised financial information in respect of each of the Company's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

本公司旗下擁有重大非控股權益的各間子公司的財務資料概要載列如下。下述財務資料概要指未計集團內公司間對銷前的金額。

## 25. 子公司(續)

**25.1** 於報告期末本公司的重大子公司詳情如下。(續)

除SPG Investment Ltd.，所有子公司均為間接持有。

截至年末，子公司概未曾發行任何債務證券。

### 25.2 擁有重大非控股權益的非全資子公司的詳情

下表列示本公司旗下擁有重大非控股權益的非全資子公司的詳情：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度**25. SUBSIDIARIES (Continued)****25.2 Details of non-wholly owned subsidiaries that have material non-controlling interest (Continued)****Greenland Kunming****At 31 December**  
**於十二月三十一日**

		<b>2016</b>	2015
		二零一六年	二零一五年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Current assets	流動資產	<b>4,447,339</b>	6,258,869
Non-current assets	非流動資產	<b>16,829</b>	3,589
Current liabilities	流動負債	<b>3,794,439</b>	5,206,614
Non-current liabilities	非流動負債	<b>100,000</b>	400,000
Equity attributable to owners of the Company	本公司擁有人應佔權益	<b>313,351</b>	360,715
Non-controlling interests	非控股權益	<b>256,378</b>	295,129

**Year ended 31 December**  
**截至十二月三十一日止年度**

		<b>2016</b>	2015
		二零一六年	二零一五年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Revenue	收益	<b>736,827</b>	355,078
Expenses	開支	<b>62,220</b>	52,884
Loss for the year	年度虧損	<b>(86,113)</b>	(46,309)
Total comprehensive expenses for the year	本年度全面開支總額	<b>(86,113)</b>	(46,309)
Total comprehensive expenses attributable to owners of the Company	本公司擁有人應佔全面開支總額	<b>(47,362)</b>	(25,470)
Total comprehensive expenses attributable to the non-controlling interests	非控股權益應佔全面開支總額	<b>(38,751)</b>	(20,839)
Total comprehensive expenses for the year	本年度全面開支總額	<b>(86,113)</b>	(46,309)
Net cash inflow (outflow) from operating activities	來自經營業務的現金流入(流出)淨額	<b>428,844</b>	(384,856)
Net cash outflow from investing activities	來自投資活動的現金流出淨額	-	(117)
Net cash (outflow) inflow from financing activities	來自融資活動的現金(流出)流入淨額	<b>(368,575)</b>	668,424
Net cash inflow	現金流入淨額	<b>60,269</b>	283,451

**25. 子公司(續)****25.2 擁有重大非控股權益的非全資子公司的詳情(續)****綠地昆明****2016**

二零一六年

**RMB'000**

人民幣千元

2015

二零一五年

RMB'000

人民幣千元

Current assets	流動資產	<b>4,447,339</b>	6,258,869
Non-current assets	非流動資產	<b>16,829</b>	3,589
Current liabilities	流動負債	<b>3,794,439</b>	5,206,614
Non-current liabilities	非流動負債	<b>100,000</b>	400,000
Equity attributable to owners of the Company	本公司擁有人應佔權益	<b>313,351</b>	360,715
Non-controlling interests	非控股權益	<b>256,378</b>	295,129

**Year ended 31 December**  
**截至十二月三十一日止年度****2016**

二零一六年

**RMB'000**

人民幣千元

2015

二零一五年

RMB'000

人民幣千元

Revenue	收益	<b>736,827</b>	355,078
Expenses	開支	<b>62,220</b>	52,884
Loss for the year	年度虧損	<b>(86,113)</b>	(46,309)
Total comprehensive expenses for the year	本年度全面開支總額	<b>(86,113)</b>	(46,309)
Total comprehensive expenses attributable to owners of the Company	本公司擁有人應佔全面開支總額	<b>(47,362)</b>	(25,470)
Total comprehensive expenses attributable to the non-controlling interests	非控股權益應佔全面開支總額	<b>(38,751)</b>	(20,839)
Total comprehensive expenses for the year	本年度全面開支總額	<b>(86,113)</b>	(46,309)
Net cash inflow (outflow) from operating activities	來自經營業務的現金流入(流出)淨額	<b>428,844</b>	(384,856)
Net cash outflow from investing activities	來自投資活動的現金流出淨額	-	(117)
Net cash (outflow) inflow from financing activities	來自融資活動的現金(流出)流入淨額	<b>(368,575)</b>	668,424
Net cash inflow	現金流入淨額	<b>60,269</b>	283,451

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

**25. SUBSIDIARIES (Continued)**

**25.2 Details of non-wholly owned subsidiaries that have material non-controlling interest (Continued)**

**Tianhong Shiye**

**At 31 December**  
**於十二月三十一日**

		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Current assets	流動資產	<b>534,792</b>	528,100
Non-current assets	非流動資產	<b>17,057</b>	17,269
Current liabilities	流動負債	<b>147,290</b>	122,211
Non-current liabilities	非流動負債	<b>15,277</b>	15,851
Equity attributable to owners of the Company	本公司擁有人應佔權益	<b>195,030</b>	204,061
Non-controlling interests	非控股權益	<b>194,252</b>	203,246

**Year ended 31 December**  
**截至十二月三十一日止年度**

		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Revenue	收益	<b>34,269</b>	436,746
Expenses	開支	<b>4,673</b>	4,117
Loss for the year	年度虧損	<b>(18,024)</b>	(19,851)
Total comprehensive expenses for the year	本年度全面開支總額	<b>(18,024)</b>	(19,851)
Total comprehensive expenses attributable to owners of the Company	本公司擁有人應佔全面開支總額	<b>(9,030)</b>	(9,945)
Total comprehensive expenses attributable to the non-controlling interests	非控股權益應佔全面開支總額	<b>(8,994)</b>	(9,906)
Total comprehensive expenses for the year	本年度全面開支總額	<b>(18,024)</b>	(19,851)
Net cash (outflow) inflow from operating activities	來自經營業務的現金(流出)流入淨額	<b>(31,348)</b>	35,373
Net cash (outflow) inflow	現金(流出)流入淨額	<b>(31,348)</b>	35,373

**25. 子公司(續)**

**25.2 擁有重大非控股權益的非全資子公司的詳情(續)**

**天泓實業**

**2016**

**二零一六年**  
**RMB'000**  
人民幣千元

2015

二零一五年  
RMB'000  
人民幣千元

Current assets	流動資產	<b>534,792</b>	528,100
Non-current assets	非流動資產	<b>17,057</b>	17,269
Current liabilities	流動負債	<b>147,290</b>	122,211
Non-current liabilities	非流動負債	<b>15,277</b>	15,851
Equity attributable to owners of the Company	本公司擁有人應佔權益	<b>195,030</b>	204,061
Non-controlling interests	非控股權益	<b>194,252</b>	203,246

**Year ended 31 December**  
**截至十二月三十一日止年度**

**2016**  
**二零一六年**  
**RMB'000**  
人民幣千元

2015  
二零一五年  
RMB'000  
人民幣千元

Revenue	收益	<b>34,269</b>	436,746
Expenses	開支	<b>4,673</b>	4,117
Loss for the year	年度虧損	<b>(18,024)</b>	(19,851)
Total comprehensive expenses for the year	本年度全面開支總額	<b>(18,024)</b>	(19,851)
Total comprehensive expenses attributable to owners of the Company	本公司擁有人應佔全面開支總額	<b>(9,030)</b>	(9,945)
Total comprehensive expenses attributable to the non-controlling interests	非控股權益應佔全面開支總額	<b>(8,994)</b>	(9,906)
Total comprehensive expenses for the year	本年度全面開支總額	<b>(18,024)</b>	(19,851)
Net cash (outflow) inflow from operating activities	來自經營業務的現金(流出)流入淨額	<b>(31,348)</b>	35,373
Net cash (outflow) inflow	現金(流出)流入淨額	<b>(31,348)</b>	35,373

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度**25. SUBSIDIARIES (Continued)****25.2 Details of non-wholly owned subsidiaries that have material non-controlling interest (Continued)****Tianhong Investment****At 31 December**  
**於十二月三十一日**

		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Current assets	流動資產	<b>2,055,604</b>	2,368,675
Non-current assets	非流動資產	<b>24,066</b>	17,127
Current liabilities	流動負債	<b>1,168,404</b>	1,196,849
Non-current liabilities	非流動負債	<b>123,017</b>	431,385
Equity attributable to owners of the Company	本公司擁有人應佔權益	<b>394,913</b>	379,541
Non-controlling interests	非控股權益	<b>393,336</b>	378,027

**Year ended 31 December**  
**截至十二月三十一日止年度**

		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Revenue	收益	<b>853,444</b>	180,284
Expenses	開支	<b>44,233</b>	9,549
Profit for the year	年度溢利	<b>30,679</b>	29,992
Total comprehensive income for the year	本年度全面收入總額	<b>30,679</b>	29,992
Total comprehensive income attributable to owners of the Company	本公司擁有人應佔全面收入總額	<b>15,370</b>	15,026
Total comprehensive income attributable to the non-controlling interests	非控股權益應佔全面收入總額	<b>15,309</b>	14,966
Total comprehensive income for the year	本年度全面收入總額	<b>30,679</b>	29,992
Net cash inflow from operating activities	來自經營業務的現金流入淨額	<b>356,044</b>	32,978
Net cash outflow from investing activities	來自投資活動的現金流出淨額	<b>(42)</b>	-
Net cash outflow from financing activities	來自融資活動的現金流出淨額	<b>(200,000)</b>	(60,000)
Net cash inflow (outflow)	現金流入(流出)淨額	<b>156,002</b>	(27,022)

**25. 子公司(續)****25.2 擁有重大非控股權益的非全資子公司的詳情(續)****天泓投資****2016**  
**二零一六年**  
**RMB'000**  
人民幣千元2015  
二零一五年  
RMB'000  
人民幣千元

Current assets	流動資產	<b>2,055,604</b>	2,368,675
Non-current assets	非流動資產	<b>24,066</b>	17,127
Current liabilities	流動負債	<b>1,168,404</b>	1,196,849
Non-current liabilities	非流動負債	<b>123,017</b>	431,385
Equity attributable to owners of the Company	本公司擁有人應佔權益	<b>394,913</b>	379,541
Non-controlling interests	非控股權益	<b>393,336</b>	378,027

**Year ended 31 December**  
**截至十二月三十一日止年度****2016**  
**二零一六年**  
**RMB'000**  
人民幣千元2015  
二零一五年  
RMB'000  
人民幣千元

Revenue	收益	<b>853,444</b>	180,284
Expenses	開支	<b>44,233</b>	9,549
Profit for the year	年度溢利	<b>30,679</b>	29,992
Total comprehensive income for the year	本年度全面收入總額	<b>30,679</b>	29,992
Total comprehensive income attributable to owners of the Company	本公司擁有人應佔全面收入總額	<b>15,370</b>	15,026
Total comprehensive income attributable to the non-controlling interests	非控股權益應佔全面收入總額	<b>15,309</b>	14,966
Total comprehensive income for the year	本年度全面收入總額	<b>30,679</b>	29,992
Net cash inflow from operating activities	來自經營業務的現金流入淨額	<b>356,044</b>	32,978
Net cash outflow from investing activities	來自投資活動的現金流出淨額	<b>(42)</b>	-
Net cash outflow from financing activities	來自融資活動的現金流出淨額	<b>(200,000)</b>	(60,000)
Net cash inflow (outflow)	現金流入(流出)淨額	<b>156,002</b>	(27,022)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

## 26. ASSOCIATE

## 26. 聯營公司

		2016	2015
		二零一六年	二零一五年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Shanghai Yingkun Investment Limited Partnership Corporation ("Shanghai Yingkun") (i)	上海穎堃投資合夥企業(有限合夥)(「上海穎堃」)(i)	-	-

### 26.1 Details of associate

Details of each of the Group's associate at the end of the reporting period are as follows:

### 26.1 聯營公司詳情

本集團各聯營公司於報告期末的詳情如下：

Name of associate	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest and voting rights held by the Group at 2016 and 2015 本集團於二零一六年及二零一五年的擁有權權益及所持表決權比例
聯營公司名稱	主營業務	註冊成立及主要經營地點	
Shanghai Yingkun 上海穎堃	Investing and consulting 投資及諮詢	Shanghai, the PRC 中國上海	23%

(i) Shanghai Yingkun is a limited partnership corporation. Shanghai Daokun Investment Management Co., Ltd, the subsidiary of the Group, is the general partner of Shanghai Yingkun. However, resolution about any partnership-related events is made in a one seat one vote approach, and must be approved by more than half of all partners. The representatives of the limited partners have veto power in a committee which makes decisions for the operation of Shanghai Yingkun. Profits and losses of Shanghai Yingkun are distributed in accordance with the subscription capital shares of the partners.

(i) 上海穎堃為一間有限合夥企業。本集團的子公司上海道堃資產管理有限公司為上海穎堃的普通合夥人。然而，任何合夥相關事件的決議案均以一人一票的方式作出，並須獲得過半數合夥人批准。在負責上海穎堃營運決策的委員會中，有限合夥人代表擁有否決權。上海穎堃的損益按合夥人的認繳資本股份分配。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度**26. ASSOCIATE (Continued)****26.1 Details of associate (Continued)**

Summarised financial information in respect of each of the Group's associate is set out below.

<b>At 31 December</b> 於十二月三十一日		<b>2016</b> 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Cost of investment	投資成本	<b>250</b>	100
Share of post-acquisition losses	分佔收購後虧損	<b>(250)</b>	(100)
		-	-

The summarised financial information below represents amounts shown in the associates' financial statements prepared in accordance with IFRSs.

Summarised financial information in respect of each of the Group's associate is set out below.

*Shanghai Yingkun*

<b>At 31 December</b> 於十二月三十一日		<b>2016</b> 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Current assets	流動資產	<b>1,772,037</b>	3,189,527
Non-current assets	非流動資產	<b>1,770,000</b>	-
Current liabilities	流動負債	<b>3,544,734</b>	3,192,744

**Year ended 31 December**  
截至十二月三十一日止年度

		<b>2016</b> 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Revenue	收益	<b>35,563</b>	-
Profit (loss) for the year	年度溢利(虧損)	<b>370</b>	(3,317)
Total comprehensive income (expenses) for the year	年度全面收入(開支)總額	<b>370</b>	(3,317)

As at 31 December 2016, Shanghai Yingkun has net liabilities amounting to RMB2,697,000 (2015: RMB 3,217,000). The Group recognised net liabilities of Shanghai Yingkun amounting to RMB2,697,000 (2015: RMB3,217,000) as a liability.

**26. 聯營公司(續)****26.1 聯營公司詳情(續)**

下文載列本集團各聯營公司的財務資料概要。

下文所載財務資料概要為聯營公司於根據國際財務報告準則編製的財務報表所示金額。

本集團旗下各間聯營公司的財務資料概要載列如下。

*上海穎堃*

<b>At 31 December</b> 於十二月三十一日		<b>2016</b> 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Current assets	流動資產	<b>1,772,037</b>	3,189,527
Non-current assets	非流動資產	<b>1,770,000</b>	-
Current liabilities	流動負債	<b>3,544,734</b>	3,192,744

**Year ended 31 December**  
截至十二月三十一日止年度

		<b>2016</b> 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Revenue	收益	<b>35,563</b>	-
Profit (loss) for the year	年度溢利(虧損)	<b>370</b>	(3,317)
Total comprehensive income (expenses) for the year	年度全面收入(開支)總額	<b>370</b>	(3,317)

於二零一六年十二月三十一日，上海穎堃淨負債為人民幣2,697,000元(二零一五年：人民幣3,217,000元)。本集團確認上海穎堃的淨負債人民幣2,697,000元(二零一五年：人民幣3,217,000元)為負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

## 27. JOINT VENTURES

## 27. 合營企業

		2016	2015
		二零一六年	二零一五年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Forever Rich Enterprise Limited ("Forever Rich")	Forever Rich Enterprise Limited (「Forever Rich」)	491,690	296,187
Haikou Chengjian Green Island Landscape Engineering Co., Ltd ("Haikou Chengjian")	海口城建綠島景觀綠化工程有限公司 (「海口城建」)	49,513	-
		<b>541,203</b>	296,187

Details of the Group's joint ventures at the end of reporting period is as follows:

本集團於報告期末的合營企業詳情如下：

Name of joint venture 合營企業名稱	Principal activity 主營業務	Place of incorporation and principal place of business 註冊成立及主要經營地點	Proportion of ownership interest and voting rights held by the Group 本集團的擁有權權益及所持表決權比例	
			2016 二零一六年	2015 二零一五年
Forever Rich	Property development 物業發展服務	Suzhou, Jiangsu Province, the PRC 中國江蘇省蘇州市	50%	50%
Haikou Chengjian (i) 海口城建(i)	Landscape engineering 園林綠化工程	Haikou, Hainan Province, the PRC 中國海南省海口市	32.5%	-

Both of the above joint ventures are accounted for using the equity method in these consolidated financial statements.

上述合營企業均按權益法於該等綜合財務報表入賬。

(i) In March 2016, Haikou Chengjian was established by the Group and other two shareholders. The Group occupied 32.5% equity interests. According to the Articles of Association of Haikou Chengjian, the Group and other shareholders jointly control Haikou Chengjian. Therefore, Haikou Chengjian is recognised as a joint venture.

(i) 二零一六年三月，本集團與另外兩名股東成立海口城建，本集團佔32.5%股權。根據海口建建的組織章程細則，由於本集團與其他股東共同控制海口城建，因此確認海口城建為合營企業。

Summarised financial information in respect of each of the Group's joint ventures is set out below. The summarised financial information below represents amounts shown in the joint ventures' financial statements prepared in accordance with IFRSs.

下文載列本集團各合營企業的財務資料概要。下文所載財務資料概要為合營企業於根據國際財務報告準則編製的財務報表所示金額。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度**27. JOINT VENTURES (Continued)****Forever Rich****27. 合營企業(續)****Forever Rich**

<b>At 31 December</b>		<b>2016</b>	2015
<b>於十二月三十一日</b>		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
Cost of investment	投資成本	<b>306,093</b>	306,093
Share of post-acquisition profits (losses)	分佔收購後溢利(虧損)	<b>185,597</b>	(9,906)
		<b>491,690</b>	296,187
<b>At 31 December</b>			
<b>於十二月三十一日</b>			
		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
Current assets	流動資產	<b>2,187,062</b>	1,655,185
Non-current assets	非流動資產	<b>80,484</b>	11,920
Current liabilities	流動負債	<b>1,284,166</b>	1,074,730
The above amounts of assets and liabilities include the following:	以上資產及負債金額包括以下各項:		
Cash and cash equivalents	現金及現金等價物	<b>217,743</b>	98,466
<b>Year ended 31 December</b>			
<b>截至十二月三十一日止年度</b>			
		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
Revenue	收益	<b>1,489,339</b>	-
Profit (loss) for the year	年度溢利(虧損)	<b>391,005</b>	(11,897)
Total comprehensive income (expenses)	全面收入(開支)總額	<b>391,005</b>	(11,897)
The above profit (loss) for the year includes the following:	以上年度溢利(虧損)包括以下各項:		
Depreciation and amortisation	折舊及攤銷	<b>301</b>	231
Finance income	融資收入	<b>38,331</b>	3,713
Income tax expense	所得稅開支	<b>128,818</b>	3,924

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

## 27. JOINT VENTURES (Continued)

### Forever Rich (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements:

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Net assets of the joint venture	合營企業淨資產	983,380	592,375
Proportion of the Group's ownership interest in the joint venture	本集團於合營企業的擁有權益比例	50%	50%
Carrying amount of the Group's interest in the joint venture	本集團的合營企業權益的賬面值	491,690	296,187

## 27. 合營企業(續)

### Forever Rich(續)

以上財務資料概要與於綜合財務報表確認的合營企業權益賬面值的對賬：

### Haikou Chengjian

### 海口城建

**At 31 December**  
於十二月三十一日

**2016**  
二零一六年  
RMB'000  
人民幣千元

Cost of investment	投資成本	50,000
Share of post-acquisition losses	分佔收購後虧損	(487)
		49,513

**At 31 December**  
於十二月三十一日

**2016**  
二零一六年  
RMB'000  
人民幣千元

Current assets	流動資產	118,557
Current liabilities	流動負債	57
The above amounts of assets and liabilities include the following:	以上資產及負債金額包括以下各項：	
Cash and cash equivalents	現金及現金等價物	38,647

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度**27. JOINT VENTURES (Continued)**  
**Haikou Chengjian (Continued)****27. 合營企業(續)**  
**海口城建(續)****Year ended 31 December**  
**截至十二月三十一日止年度****2016**  
**二零一六年**  
**RMB'000**  
**人民幣千元**

Loss for the year	年度虧損	<b>1,500</b>
Total comprehensive expenses	全面開支總額	<b>1,500</b>
The above loss for the year includes the following: 以上年度虧損包括以下各項：		
Finance income	融資收入	<b>56</b>

Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the financial statements:

以上財務資料概要與於財務報表確認的合營企業權益賬面值的對賬：

**2016**  
**二零一六年**  
**RMB'000**  
**人民幣千元**

Net assets of the joint venture	合營企業淨資產	<b>118,500</b>
Proportion of the Group's ownership interest in the joint venture	本集團於合營企業的擁有權益比例	<b>32.50%</b>
Adjustment (note)	調整(附註)	<b>11,000</b>
Carrying amount of the Group's interest in the joint venture	本集團的合營企業權益的賬面值	<b>49,513</b>

Note: Since the other shareholder did not fully pay the subscribed capital, the effective proportion of the Group's ownership interest is different from the above proportion.

附註：由於其他股東未有全數繳付認購股本，本集團擁有權益的實際比例有別於以上比例。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

**28. TRADE, OTHER RECEIVABLES AND  
ADVANCE DEPOSITS**

**28. 應收賬款、其他應收款項及預  
付按金**

		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Receivables due from related parties (note 46.3)	應收關連人士款項 (附註46.3)	<b>3,247,268</b>	1,735,544
Trade receivables due from third parties	應收第三方的應收賬款	<b>403,969</b>	299,613
Advance payments to contractors	預付承包商款項	<b>1,535,814</b>	570,786
Advance deposits for acquisition of land use rights	收購土地使用權的預付按金	<b>431,886</b>	311,693
Non-trade receivables	其他應收款項	<b>1,857,713</b>	1,574,806
Other tax prepayments	其他預繳稅款	<b>401,781</b>	481,151
Allowance for doubtful debts	呆賬撥備	<b>(69,265)</b>	(56,235)
<b>Total</b>	<b>合計</b>	<b>7,809,166</b>	4,917,358

The receivables due from related parties are non-trade, unsecured, non-interest bearing and repayable on demand. Non-trade receivable balances, deposits and advances to third parties are expected to be settled or recovered within one year. Other tax prepayments mainly represent prepayment of value-added tax, tax surcharge during the pre-sale stage of certain properties.

In general, the Group provides no credit term to its customers.

Trade receivables disclosed above include amounts (see below for aged analysis) that are past due at the end of the reporting period for which the Group has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable. The following is an aged analysis of trade receivable that are not impaired based on the sales recognition date at the end of each reporting period.

應收關連人士款項為非貿易性質、無抵押、免息及須於要求時償還。其他應收款項結餘、按金及預付第三方的款項預期於一年內清還或收回。其他預繳稅款主要指因預售若干物業而預繳的增值稅及附加稅。

本集團一般不會向客戶提供信貸期。

以上披露的應收賬款包括(賬齡分析見下文)於報告期末已超過信用期而本集團尚未確認呆賬撥備的款項，此乃由於信貸品質並無出現重大變動，而有關款項仍被視為可以收回。以下為於各報告期末根據銷售確認日期並未減值的應收賬款賬齡分析。

		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
0-90 days	0-90日	<b>352,512</b>	273,115
91-180 days	91-180日	<b>586</b>	276
181-365 days	181-365日	<b>25,006</b>	13,387
		<b>378,104</b>	286,778

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度**28. TRADE, OTHER RECEIVABLES AND  
ADVANCE DEPOSITS (Continued)****Movement in the allowance for doubtful debts**

		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Balance at beginning of the year	年初結餘	<b>56,235</b>	15
Impairment losses recognised on receivables	應收款項確認的減值虧損	<b>13,030</b>	56,220
Balance at end of the year	年末結餘	<b>69,265</b>	56,235

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

Included in the allowance for doubtful debts are individually impaired trade receivables amounting to RMB25,865,000 (2015: RMB12,835,000) and impaired non-trade receivables amounting to RMB43,400,000 (2015: RMB43,400,000) which have been placed under liquidation. The impairment recognised represents the difference between the carrying amount of these trade receivables and the present value of the expected liquidation proceeds. The Group does not hold any collateral over these balances.

**Age of impaired trade, non-trade receivables**

		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Trade receivable	應收賬款		
Within 365 days	365日內	<b>130</b>	-
Over 365 days	超過365日	<b>25,735</b>	12,835
Non-trade receivables	其他應收款項		
Within 365 days	365日內	-	43,385
Over 365 days	超過365日	<b>43,400</b>	15
Total	合計	<b>69,265</b>	56,235

**28. 應收賬款、其他應收款項及預  
付按金(續)****呆賬撥備變動**

本集團確定應收賬款的可收回程度時，會考慮應收賬款自首次授出信貸日期起至報告期末止的任何信貸品質變動。鑒於客戶基礎龐大而互無關連，因此信貸風險的集中度有限。

呆賬撥備中包括已個別減值的應收賬款人民幣25,865,000元(二零一五年：人民幣12,835,000元)及已個別減值的其他應收款項人民幣43,400,000元(二零一五年：人民幣43,400,000元)，已進入清盤程序。所確認的減值為該等應收賬款的賬面值與預計清盤所得款項現值之間的差額。本集團並無就該等結餘持有任何抵押品。

**已減值的應收賬款及其他應收款項的  
賬齡**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

### 29. TAX RECOVERABLE

### 29. 可收回稅項

		2016	2015
		二零一六年	二零一五年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Enterprise income tax	企業所得稅	110,445	233,914
Land appreciation tax	土地增值稅	355,634	63,378
		<b>466,079</b>	297,292

### 30. RESTRICTED CASH

### 30. 受限制現金

		2016	2015
		二零一六年	二零一五年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
For property construction and development	有關建築及發展物業	256,582	269,227
Deposit for mortgage loans	按揭貸款按金	427,558	198,196
As pledge for interest-bearing loans and bank acceptance notes	作為計息貸款及銀行承兌票據的抵押	740,000	145,145
Others	其他	12,844	9,050
		<b>1,436,984</b>	621,618

### 31. CASH AND CASH EQUIVALENTS

### 31. 現金及現金等價物

An analysis of the balance of cash and cash equivalents is set out below:

現金及現金等價物的結餘分析如下：

		2016	2015
		二零一六年	二零一五年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cash at bank and cash in hand	銀行存款及現金	5,795,243	5,828,805
Less: restricted cash (note 30)	減：受限制現金(附註30)	(1,436,984)	(621,618)
Cash and cash equivalents	現金及現金等價物	<b>4,358,259</b>	5,207,187
Cash at bank and cash in hand is denominated in	以下列貨幣結算的銀行存款及現金		
RMB	人民幣	4,847,557	5,747,391
United States Dollars ("USD")	美元(「美元」)	113,534	58,246
Hong Kong Dollars ("HKD")	港元(「港元」)	834,152	23,168
		<b>5,795,243</b>	5,828,805

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度**31. CASH AND CASH EQUIVALENTS  
(Continued)**

RMB is not a freely convertible currency and the remittance of funds out of the PRC is subject to exchange restrictions imposed by the PRC government.

As of 31 December 2016, the carry amount of advance from customers under supervision is RMB371,780,624 (2015: RMB301,222,000).

**31. 現金及現金等價物(續)**

人民幣並非自由兌換貨幣，從中國匯出人民幣須遵守中國政府制訂的匯兌限制。

於二零一六年十二月三十一日，受監管預收客戶款項賬面值為人民幣371,780,624元(二零一五年：人民幣301,222,000元)。

**32. TAX PAYABLE/DEFERRED TAX ASSETS  
(LIABILITIES)**

(i) Current taxation in the consolidated statements of financial position represents:

**32. 應付稅項／遞延稅項資產(負債)**

(i) 綜合財務狀況表的本期稅項指：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
<b>PRC income tax</b>	<b>中國所得稅</b>		
Balance brought forward	承前結餘	<b>261,764</b>	70,013
Provision for PRC enterprise income tax for the year (note 13(i) and note 47)	年內中國企業所得稅撥備(附註13(i)及47)	<b>683,587</b>	311,717
Under provision in prior years (note 13(i))	過往年度撥備不足(附註13(i))	<b>19,145</b>	12,186
PRC income tax paid	已付中國所得稅	<b>(377,959)</b>	(132,152)
Balance carried forward	結餘結轉	<b>586,537</b>	261,764
<b>PRC land appreciation tax</b>	<b>中國土地增值稅</b>		
Balance brought forward	承前結餘	<b>569,649</b>	690,702
Provision for PRC land appreciation tax for the year (note 13(i))	年內中國土地增值稅撥備(附註13(i))	<b>324,322</b>	127,256
PRC land appreciation tax paid	已付中國土地增值稅	<b>(249,086)</b>	(248,309)
Balance carried forward	結餘結轉	<b>644,885</b>	569,649
Total	合計	<b>1,231,422</b>	831,413

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

**32. TAX PAYABLE/DEFERRED TAX ASSETS (LIABILITIES) (Continued)**

**(ii) Deferred tax assets recognised:**

The components of deferred tax assets recognised in the consolidated statements of financial position and the movements during the year were as follows:

		Temporary difference on revenue recognition and related cost of sales 收益確認及有關 銷售成本的 暫時差異 RMB'000 人民幣千元	Temporary difference on land appreciation tax and other accruals 土地增值稅的 暫時差異及 其他應計項目 RMB'000 人民幣千元	Tax losses 稅務虧損 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At 1 January 2015	於二零一五年一月一日	11,665	146,209	65,864	223,738
Acquisitions through business combination	透過業務合併收購	28,280	4,004	-	32,284
Additions (reductions)	增加(扣減)	118,351	(7,797)	-	110,554
Realisation	變現	(26,370)	(1,167)	-	(27,537)
At 31 December 2015	於二零一五年十二月三十一日	131,926	141,249	65,864	339,039
Disposal of subsidiaries	出售子公司	(4,182)	(7,129)	(2,921)	(14,232)
Additions	增加	37,017	30,939	11,057	79,013
Realisation	變現	(64,236)	(48,068)	-	(112,304)
At 31 December 2016	於二零一六年十二月三十一日	100,525	116,991	74,000	291,516

As at 31 December 2016, the Group had unused tax losses of RMB2,569,672,000 (2015: RMB2,266,312,000) available to offset against future profits. Deferred tax assets have been recognised in respect of the tax losses of RMB296,000,000 (2015: RMB263,456,000) at the applicable income tax rates of the respective subsidiaries as at 31 December 2016. No deferred tax assets have been recognised in respect of the remaining tax losses of RMB2,273,672,000 (2015: RMB2,002,856,000) because management is of the view that it is not probable that the individual subsidiaries concerned can generate profits to utilise the tax losses before the tax losses become expired. The unrecognised tax losses for the year ended 31 December 2016 will expire in the following years ending 31 December.

**32. 應付稅項／遞延稅項資產(負債)(續)**

**(ii) 已確認遞延稅項資產：**

已在綜合財務狀況表確認的遞延稅項資產部分及年內變動如下：

於二零一六年十二月三十一日，本集團可用來抵銷未來溢利的未動用稅務虧損為人民幣2,569,672,000元(二零一五年：人民幣2,266,312,000元)。於二零一六年十二月三十一日，就稅務虧損按個別子公司適用之所得稅率確認的遞延稅項資產為人民幣296,000,000元(二零一五年：人民幣263,456,000元)。由於管理層認為有關個別子公司不大可能可產生溢利以於稅務虧損到期前動用稅務虧損，因此並未就其餘稅務虧損人民幣2,273,672,000元(二零一五年：人民幣2,002,856,000元)確認遞延稅項資產。於截至二零一六年十二月三十一日止年度的未確認稅務虧損將於其後截至十二月三十一日止年度屆滿。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度**32. TAX PAYABLE/DEFERRED TAX ASSETS (LIABILITIES) (Continued)****(ii) Deferred tax assets recognised: (Continued)**

		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
2016	二零一六年	-	131,900
2017	二零一七年	<b>311,683</b>	311,683
2018	二零一八年	<b>391,210</b>	391,210
2019	二零一九年	<b>454,492</b>	454,492
2020	二零二零年	<b>713,571</b>	713,571
2021	二零二一年	<b>402,716</b>	-
		<b>2,273,672</b>	2,002,856

**(iii) Deferred tax liabilities recognised:**

The components of deferred tax liabilities recognised in the consolidated statements of financial position and the movements during the year were as follows:

**32. 應付稅項／遞延稅項資產(負債)(續)****(ii) 已確認遞延稅項資產：(續)****(iii) 已確認遞延稅項負債：**

已在綜合財務狀況表確認的遞延稅項負債部分及年內變動如下：

		<b>Revaluation of investment properties</b>	<b>Fair value adjustments</b>	<b>Deferred land appreciate tax</b>	<b>Total</b>
		<b>投資物業 重估</b>	<b>公允價值 調整</b>	<b>遞延土地 增值稅</b>	<b>合計</b>
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2015	於二零一五年一月一日	377,076	152,538	-	529,614
Acquisitions through business combination	透過業務合併收購	-	237,584	-	237,584
Additions	增加	287,819	-	10,846	298,665
Realisation	變現	(84,026)	(37,291)	-	(121,317)
At 31 December 2015	於二零一五年十二月三十一日	580,869	352,831	10,846	944,546
Disposal of subsidiaries	出售子公司	-	6,162	-	6,162
Additions	增加	162,010	-	-	162,010
Realisation	變現	(56,812)	(64,332)	(10,846)	(131,990)
At 31 December 2016	於二零一六年十二月三十一日	686,067	294,661	-	980,728

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**32. TAX PAYABLE/DEFERRED TAX ASSETS  
(LIABILITIES) (Continued)**

(iv) Net-off of deferred tax assets and liabilities:

**32. 應付稅項／遞延稅項資產(負  
債)(續)**

(iv) 抵銷遞延稅項資產及負債：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Deferred tax assets recognised	已確認遞延稅項資產	291,516	339,039
Net-off with deferred tax liabilities	與遞延稅項負債抵銷	(81,089)	(69,312)
Deferred tax assets	遞延稅項資產	210,427	269,727
Deferred tax liabilities recognised	已確認遞延稅項負債	980,728	944,546
Net-off with deferred tax assets	與遞延稅項資產抵銷	(81,089)	(69,312)
Deferred tax liabilities	遞延稅項負債	899,639	875,234

**33. INTEREST-BEARING LOANS**

**33. 計息貸款**

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
<b>Current</b>	<b>短期</b>		
Secured bank loans (note i)	有抵押銀行貸款(附註i)	693,700	409,818
Unsecured loans	無抵押貸款	370,000	200,000
Current portion of non-current secured bank loans	有抵押銀行長期貸款的即期部分	1,392,050	1,394,563
Current portion of non-current unsecured loans	無抵押長期貸款的即期部分	646,000	519,684
Current portion of equity pledge loans	股權抵押貸款的即期部分	611,870	741,873
		<b>3,713,620</b>	3,265,938
<b>Non-current</b>	<b>長期</b>		
Secured bank loans (note i)	有抵押銀行貸款(附註i)	4,219,000	2,794,313
Equity pledge loan (note ii)	股權抵押貸款(附註ii)	3,059,351	5,336,872
Unsecured loans	無抵押貸款	1,142,170	1,102,218
Less: current portion of non-current secured bank loans	減：有抵押銀行長期貸款的即期部分	(1,392,050)	(1,394,563)
current portion of non-current unsecured loans	無抵押長期貸款的即期部分	(646,000)	(519,684)
current portion of equity pledge loans	股權抵押貸款的即期部分	(611,870)	(741,873)
		<b>5,770,601</b>	6,577,283

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截至二零一六年十二月三十一日止年度**33. INTEREST-BEARING LOANS (Continued)**

As at 31 December 2016, the Group's secured loans were secured by the following:

- (i) The Group's properties with a total carrying amount of RMB7,856,309,000 (2015: RMB7,843,552,000) (notes 18, 22, 23 and 24);
- (ii) Equity interests of certain subsidiaries of the Company.
- (iii) As of 31 December 2016, the Group's secured loans were also secured by pledged time deposits of RMB740,000,000 (2015: RMB145,145,000).

The Group's non-current loans were repayable as follows:

		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
Over 1 year but less than 2 years	超過一年至兩年內	<b>3,864,456</b>	3,339,950
Over 2 years but less than 5 years	超過兩年至五年內	<b>1,672,145</b>	3,036,333
Over 5 years	超過五年以上	<b>234,000</b>	201,000
		<b>5,770,601</b>	6,577,283

The effective interest rate of the year ended 31 December 2016 was as follows:

		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
<b>Effective interest rate</b>	<b>實際利率</b>		
Fixed-rate borrowings	固定利率借貸	<b>2.70%</b>	2.50%-6.94%
Variable-rate borrowings	可變利率借貸	<b>3.98%-5.57%</b>	2.88%-8.50%

**33. 計息貸款(續)**

於二零一六年十二月三十一日，本集團的有抵押貸款以下列各項作為抵押：

- (i) 本集團賬面總值人民幣7,856,309,000元(二零一五年：人民幣7,843,552,000元)的物業(附註18、22、23及24)；
- (ii) 本集團若干子公司的股本權益。
- (iii) 於二零一六年十二月三十一日，本集團的有抵押貸款亦以已抵押定期存款人民幣740,000,000元(二零一五年：人民幣145,145,000元)作為抵押。

本集團的長期貸款須於以下期間償還：

		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
Over 1 year but less than 2 years	超過一年至兩年內	<b>3,864,456</b>	3,339,950
Over 2 years but less than 5 years	超過兩年至五年內	<b>1,672,145</b>	3,036,333
Over 5 years	超過五年以上	<b>234,000</b>	201,000
		<b>5,770,601</b>	6,577,283

於截至二零一六年十二月三十一日止年度的實際利率如下：

		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
<b>Effective interest rate</b>	<b>實際利率</b>		
Fixed-rate borrowings	固定利率借貸	<b>2.70%</b>	2.50%-6.94%
Variable-rate borrowings	可變利率借貸	<b>3.98%-5.57%</b>	2.88%-8.50%

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### 34. TRADE AND OTHER PAYABLES

### 34. 應付賬款及其他應付款項

		2016	2015
		二零一六年	二零一五年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Payables due to related parties (note 46.3)	應付關連人士款項(附註46.3)		
Trade related	貿易相關		
– Other related parties	– 其他關連人士	10,715	6,059
Non-trade related	其他應付款項		
– Dividends payable	– 應付股息	6,805	6,805
– Other related parties	– 其他關連人士	6,275,911	5,158,960
		<b>6,293,431</b>	5,171,824
Trade payables	應付賬款	5,612,084	4,313,172
Other taxes payable	其他應付稅項	143,226	23,929
Interest payable	應付利息	180,261	173,290
Dividends payable	應付股息	238	230
Unpaid land cost	未支付土地成本	620,555	702,174
Nontrade payables and accrued expenses	其他應付款項和預提費用	1,427,722	1,803,399
		<b>7,984,086</b>	7,016,194
Total	合計	<b>14,277,517</b>	12,188,018

The payables due to related parties are unsecured, non-interest bearing and repayable on demand.

應付關連人士款項為無抵押、免息及須於要求時償還。

The following is an aged analysis of trade payables from the time when the construction services are received from suppliers.

以下為自接受供應商的建設服務時起計算的應付賬款賬齡分析：

		2016	2015
		二零一六年	二零一五年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
0-90 days	0-90日	5,149,707	3,669,507
91-180 days	91-180日	24,801	510,249
181-365 days	181-365日	167,304	33,350
365 days – 3 years	365日–3年	270,272	100,066
		<b>5,612,084</b>	4,313,172

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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On 18 October 2013, the Company issued 4.75% bonds due 2016 with an aggregated nominal value of USD700,000,000 at a value equal to 99.655% of the face value. The bonds are listed on the Hong Kong Stock Exchange. The Bonds carry interest at the rate of 4.75% per annum, payable semiannually on 18 April and 18 October in arrears. The net proceeds, after deducting the direct issuance costs, amounted to approximately USD692,424,000 (equivalent to RMB4,249,546,000). On 18 October 2016, the bonds matured and were repaid.

On 23 January 2014, the Company issued 5.50% bonds due 2018 (the "A Bond") with an aggregated nominal value of RMB1,500,000,000 at a value equal to 99% of the face value. The A Bond is listed on the Hong Kong Stock Exchange. The A Bond carries interest at the rate of 5.50% per annum, payable semiannually on 23 January and 23 July in arrears and will mature on 23 January 2018, unless redeemed earlier. The net proceeds, after deducting the direct issuance costs, amounted to approximately RMB1,490,465,000.

On 7 August 2014, the Company issued 4.375% bonds due 2017 (the "B Bond") with an aggregated nominal value of USD500,000,000 at a value equal to 99.31% of the face value. The B Bond is listed on the Hong Kong Stock Exchange. The B Bond carries interest at the rate of 4.375% per annum, payable semiannually on 7 February and 7 August in arrears and will mature on 7 August 2017, unless redeemed earlier. The net proceeds after deducting the direct issuance costs, amounted to approximately USD492,287,000 (equivalent to RMB3,035,935,000).

On 28 July 2016, the Company issued 3.875% bonds due 2019 (the "C Bond") with an aggregated nominal value of USD450,000,000 at a value equal to 99.301% of the face value. The C Bond is listed on the Hong Kong Stock Exchange. The C Bond carries interest at the rate of 3.875% per annum, payable semiannually on 28 January and 28 July in arrears and will mature on 28 July 2019, unless redeemed earlier. The net proceeds after deducting the direct issuance costs, amounted to approximately USD443,986,000 (equivalent to RMB2,956,815,000).

The A Bond, B Bond and C Bond (the "Bonds") have the benefit of a keepwell deed from Greenland Holding Group Company Limited, the intermediate controlling shareholder of the Company.

**35. 債券**

於二零一三年十月十八日，本公司按等同面值99.655%的價值發行於二零一六年到期總面值700,000,000美元的4.75厘債券。債券於香港聯交所上市。債券按年利率4.75厘計息，於每年四月十八日及十月十八日每半年期末付息。經扣除直接發行成本後的所得款項淨額約為692,424,000美元(相等於人民幣4,249,546,000元)。於二零一六年十月十八日，債券到期並已償還。

於二零一四年一月二十三日，本公司按等同面值99%的價值發行於二零一八年到期總面值人民幣1,500,000,000元的5.50厘債券(「甲債券」)。甲債券於香港聯交所上市。甲債券按年利率5.50厘計息，於每年一月二十三日及七月二十三日每半年期末付息，並將於二零一八年一月二十三日到期(除非獲提早贖回)。經扣除直接發行成本後的所得款項淨額約為人民幣1,490,465,000元。

於二零一四年八月七日，本公司按等同面值99.31%的價值發行於二零一七年到期總面值500,000,000美元的4.375厘債券(「乙債券」)。乙債券於香港聯交所上市。乙債券按年利率4.375厘計息，於每年二月七日及八月七日每半年期末付息，並將於二零一七年八月七日期(除非獲提早贖回)。經扣除直接發行成本後的所得款項淨額約為492,287,000美元(相等於人民幣3,035,935,000元)。

於二零一六年七月二十八日，本公司按等同面值99.301%的價值發行於二零一九年到期總面值450,000,000美元的3.875厘債券(「丙債券」)。丙債券於香港聯交所上市。丙債券按年利率3.875厘計息，於每年一月二十八日及七月二十八日每半年期末付息，並將於二零一九年七月二十八日期(除非獲提早贖回)。經扣除直接發行成本後的所得款項淨額約為443,986,000美元(相等於人民幣2,956,815,000元)。

甲債券、乙債券及丙債券(「債券」)附有本公司中介控股股東綠地控股集團有限公司提供的保持良好契據的利益。

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### 35. BONDS (Continued)

The movements of different components of Bonds are set out below:

### 35. 債券(續)

債券不同部分的變動載列如下：

		2016 二零一六年 RMB'000 人民幣千元
As at 1 January 2015	於二零一五年一月一日	8,896,454
Interests and issue cost amortised during the year	年內已攤銷利息及發行成本	452,964
Interest paid during the year	年度已付利息	(423,897)
Exchange loss	匯兌虧損	456,177
As at 31 December 2015	於二零一五年十二月三十一日	9,381,698
Net proceeds from bonds issued in 2016	於二零一六年發行債券所得款項淨額	2,956,815
Interests and issue cost amortised during the year	年內已攤銷利息及發行成本	531,937
Interest paid during the year	年度已付利息	(446,709)
Repayment of bonds	償還債券	(4,706,715)
Exchange loss	匯兌虧損	471,282
As at 31 December 2016	於二零一六年十二月三十一日	8,188,308

#### At 31 December 於十二月三十一日

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Represented by	由下列項目組成		
- Bonds	- 債券	8,038,774	9,243,928
- Other payables-accrued interests	- 其他應付款項-應計利息	149,534	137,770
		<b>8,188,308</b>	9,381,698

The Bonds represent the contractually determined stream of future cash flows discounted at the rate of interest determined by the market instruments of comparable credit status taken into account the business risk and financial risk of the Company. The effective interest rate is 4.355%-5.680% per annum for the year ended 31 December 2016.

債券為按利率折現的約定未來現金流量，利率經考慮本公司的業務風險及財務風險後，按照信貸狀況相若的市場工具釐定。截至二零一六年十二月三十一日止年度，實際年利率為4.355%至5.680%。

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The Bonds was repayable as follows:

<b>At 31 December</b> 於十二月三十一日		<b>2016</b> 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Represented by	由下列項目組成		
Bonds within one year	一年內到期的債券	<b>3,456,778</b>	4,529,407
Bonds	債券		
After one year but within two years	一年後但兩年內	<b>1,496,432</b>	3,218,901
After two years but within five years	兩年後但五年內	<b>3,085,564</b>	1,495,620
		<b>4,581,996</b>	4,714,521

**36. EMPLOYEE RETIREMENT SCHEME**

The employees of the Group are members of a state-managed retirement benefit scheme operated by the PRC government. The subsidiaries are required to contribute 20%-22% of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

The total expense recognised in profit or loss of RMB43,901,000 (2015: RMB41,775,000) represents contributions payable to these plans by the Group at rates specified in the rule of the plans. As at 31 December 2016, contributions of RMB996,000 (2015: RMB119,000) due in respect of the year ended 31 December 2016 (2015) had not been paid over to the plans. The amounts were paid subsequent to the end of the reporting period.

**35. 債券(續)**

債券須於以下年期償還：

**36. 僱員退休計劃**

本集團之僱員均為中國政府管理之國家運營退休福利計劃之成員。該等子公司須按照僱員薪金費用的20%-22%向退休福利計劃供款，以撥支有關福利。就退休福利計劃而言，本集團之唯一責任為作出所訂明供款。

損益中確認的開支總額人民幣43,901,000元(二零一五年：人民幣41,775,000元)乃本集團按該等計劃規則訂明的費率應付該等計劃的供款。於二零一六年十二月三十一日，就截至二零一六年(二零一五年)十二月三十一日止年度的應繳供款人民幣996,000元(二零一五年：人民幣119,000元)仍未支付予有關計劃。該等款項已於報告期末後支付。

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### 37. SHARE-BASED PAYMENT

#### Share award scheme

The Company adopted the Share Award Scheme on 3 December 2010. The purpose of the Share Award Scheme is to recognise and reward the contribution of the executives and employees (whether serving full-time or part-time) and directors of the Group to the growth and development of the Group through an award of the shares of the Company. Details of the Share Award Scheme were set out in the Company's 2012 annual report.

On 2 April 2013, the Board of Directors approved to grant 16,103,000 shares of the Company to the eligible participants, of which 400,000 shares were granted to a director and 2,000,000 shares were granted to four independent non-executive directors (500,000 shares each) respectively. The shares granted to the independent non-executive directors were vested immediately. The vesting date of the remaining granted shares is 31 March 2015.

Movements in the number of shares held for the Share Award Scheme is as follows:

		<b>Shares held for the Share Award Scheme</b> 股份獎勵計劃 所持股份 (thousand) (千股)	<b>Awarded shares</b> 獎勵股份 (thousand) (千股)
Outstanding as of 31 December 2014	於二零一四年十二月三十一日		
	尚未行使	14,308	20,089
Purchased (note 38(b))	已購買(附註38(b))	7,478	-
Exercised	已行使	-	(19,178)
Forfeited	已沒收	911	(911)
Outstanding as of 31 December 2015	於二零一五年十二月三十一日		
	尚未行使	22,697	-
Purchased (note 38(b))	已購買(附註38(b))	-	-
Exercised	已行使	-	-
Forfeited	已沒收	-	-
Outstanding as of 31 December 2016	於二零一六年十二月三十一日	22,697	-

(i) The weighted average fair value of the awarded shares was calculated based on the market prices of the Company's ordinary shares at the respective grant dates.

During the year ended 31 December 2016, no expense (2015: RMB416,000), in relation to share-based payments is charged to administrative expenses in profit or loss.

### 37. 股份支付

#### 股份獎勵計劃

本公司於二零一零年十二月三日採納股份獎勵計劃。股份獎勵計劃的目的是通過授予本公司的股份，肯定及獎賞本集團的主管人員、僱員(不論全職或兼職)及董事為本集團的增長及發展所作出的貢獻。股份獎勵計劃詳情載於本公司二零一二年年報。

於二零一三年四月二日，董事會批准向合資格參與者授出16,103,000股本公司股份，其中400,000股授予一名董事及2,000,000股分別授予四名獨立非執行董事(各500,000股)。向獨立非執行董事授出之股份已即時歸屬。餘下授出股份之歸屬日期為二零一五年三月三十一日。

股份獎勵計劃所持股份的數目變動如下：

	<b>Shares held for the Share Award Scheme</b> 股份獎勵計劃 所持股份 (thousand) (千股)	<b>Awarded shares</b> 獎勵股份 (thousand) (千股)
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(i) 獎勵股份的加權平均公允價值乃按照本公司普通股於各授出日期的市價計算。

截至二零一六年十二月三十一日止年度並無於損益的行政費用就股份支付扣除開支(二零一五年：人民幣416,000元)。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)For the year ended 31 December 2016  
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## 38. SHARE CAPITAL

## 38. 股本

## The Group and the Company

本集團及本公司

		2016		2015	
		二零一六年		二零一五年	
		No. of shares	Amount	No. of shares	Amount
		股份數目	金額	股份數目	金額
		(thousand)	HKD'000	(thousand)	HKD'000
		(千股)	千港元	(千股)	千港元
Authorised:	法定：				
Ordinary shares of HKD0.5 each	每股面值0.5港元的普通股	7,000,000	3,500,000	7,000,000	3,500,000
Convertible preferred shares of HKD0.5 each	每股面值0.5港元的可轉換優先股	3,000,000	1,500,000	3,000,000	1,500,000
Total	合計	10,000,000	5,000,000	10,000,000	5,000,000

## The Group and the Company

本集團及本公司

		2016		2015	
		二零一六年		二零一五年	
		No. of shares	Amount	No. of shares	Amount
		股份數目	金額	股份數目	金額
		(thousand)	RMB'000	(thousand)	RMB'000
		(千股)	人民幣千元	(千股)	人民幣千元
Ordinary shares, issued and fully paid:	普通股，已發行及繳足：				
At 1 January	於一月一日	2,793,677	1,132,855	1,142,291	477,299
Placing shares	配售股份	-	-	228,000	89,956
Transfer from Convertible preference shares	轉撥自可轉換優先股	-	-	1,485,530	590,855
Repurchase and logout shares	購回及註銷股份	-	-	(62,144)	(25,255)
At 31 December	於十二月三十一日	2,793,677	1,132,855	2,793,677	1,132,855
Convertible preference shares, issued and fully paid:	可轉換優先股，已發行及繳足：				
At 1 January	於一月一日	-	-	1,485,530	590,855
Transfer to ordinary shares	轉撥至普通股	-	-	(1,485,530)	(590,855)
At 31 December	於十二月三十一日	-	-	-	-
Total at 31 December	於十二月三十一日合計	2,793,677	1,132,855	2,793,677	1,132,855

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

For the year ended 31 December 2016  
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### 38. SHARE CAPITAL (Continued)

#### (a) Authorised and issued share capital

##### (i) Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at any general meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

##### (ii) Convertible preference shares ("CPS")

The holders of CPS will not have the right to attend and vote at a general meeting (except for the winding up of the Company or for any resolution to vary or abrogate the rights or privileges of such holder or vary the restrictions to which the CPS are subject). The conversion period is any time after issue, provided that the conversion right will be suspended to the extent that it would result in the Company failing to comply with the public float requirement. Each CPS (at the option of the holder) will be convertible at any time (and without payment of any additional consideration) to ordinary shares on a one to one basis. Each CPS will confer on the holder thereof the right to receive dividend *pari passu* with holders of ordinary shares on the basis of the number of ordinary shares into which each CPS may be converted and on an *as converted* basis. On a distribution of assets on liquidation, winding up or a dissolution of the Company, the assets and funds of the Company available for distribution: (a) will first be paid to the holders of CPS *pari passu* among themselves in respect of the aggregate nominal amounts paid up on the CPS held by them; and (b) the remaining assets will be distributed *pari passu* to the holders of any class of shares (including the CPS). The CPS will be transferable without any restriction by the holders thereof. The CPS will be non-redeemable. No application will be made for the listing of the CPS on the Stock Exchange or any other stock exchange. In 2015, the holders of convertible preference shares converted 1,485,530,000 shares to ordinary shares.

### 38. 股本(續)

#### (a) 法定及已發行股本

##### (i) 普通股

普通股持有人有權收取不時宣派的股息，並有權在本公司任何股東大會上按照每持有一股股份獲得一票的比例參與投票。所有普通股均就本公司剩餘資產享有同等權利。

##### (ii) 可轉換優先股(「可轉換優先股」)

可轉換優先股的持有人將無權出席股東大會及於會上表決(惟為本公司清盤或將更改或廢除有關持有人之權利或特權或更改可轉換優先股所受之限制之任何決議案則除外)。轉換期為發行後的任何時間，惟倘會導致本公司無法遵守任何公眾持股量規定，則轉換權將暫告中止。每股可轉換優先股(按持有人選擇權)將可隨時(且毋須支付任何額外代價)按一對一基準轉換為普通股。每股可轉換優先股將賦予其持有人享有與普通股持有人同等之收取股息權利，基準為按每股可轉換優先股可轉換而成之普通股數目計算以及猶如已予以轉換。當本公司清盤、清算或解散時分派資產，本公司可供分派的資產及資金：(a)將首先就可轉換優先股持有人所持有可轉換優先股的已繳足面值總額向可轉換優先股持有人支付，而彼等之間具同等地位；及(b)餘下資產將向任何類別股份(包括可轉換優先股)的持有人分派，而彼等之間具同等地位。可轉換優先股之持有人轉讓可轉換優先股將不受任何限制。可轉換優先股不可贖回。概不會就可轉換優先股在聯交所或其他證券交易所上市提出申請。於二零一五年，可轉換優先股持有人已轉換1,485,530,000股為普通股。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度**38. SHARE CAPITAL (Continued)****(a) Authorised and issued share capital (Continued)**

(iii) On 16 May 2015, the Company and a placing agent entered into a placing agreement under general mandate to place 228,000,000 shares of HK\$7.46 per placing ordinary share. The placing was completed on 26 May 2015. The new ordinary shares rank pari passu with the existing ordinary shares in all respect.

(iv) In 2015, the Company repurchased and logout 62,144,000 shares and the aggregated price paid for such purchases amounted to RMB200,556,000.

No changes in the authorised and issued share capital of the Company during the year.

**(b) Shares held for Share Award Scheme**

During year ended 2015, the Share Award Scheme (note 37) acquired 7,487,000 shares of the Company through purchases on the open market. The total amount paid to acquire the shares during the year ended 2015 was RMB37,660,000.

No changes in the shares held for Share Award Scheme of the Company during the year.

**39. SHARE PREMIUM AND RESERVES****(a) Share premium**

The application of the share premium account is governed by the Companies Law of the Cayman Islands.

**(b) Merger reserves**

The merger reserves represent the difference between the Company's share of the nominal value of the paid-up capital of the subsidiaries acquired over the nominal value of the ordinary shares issued by the Company.

**(c) Capital redemption reserve**

Capital redemption reserve represents the nominal value of the shares repurchased which has been paid out of the Company's distributable reserves.

**38. 股本(續)****(a) 法定及已發行股本(續)**

(iii) 二零一五年五月十六日，本公司與一名配售代理根據一般授權訂立配售協議，以按每股配售普通股7.46港元配售228,000,000股股份。配售事項已於二零一五年五月二十六日完成。新普通股與現有普通股在所有方面均具同等地位。

(iv) 於二零一五年內，本公司購回及註銷62,144,000股股份，就上述購股已支付的價格總額為人民幣200,556,000元。

本公司年內法定及已發行股本概無變動。

**(b) 股份獎勵計劃所持股份**

於二零一五年內，股份獎勵計劃(附註37)透過在公開市場購股，收購了本公司7,487,000股股份。截至二零一五年止年度收購股份所付款項總額為人民幣37,660,000元。

本公司年內股份獎勵計劃下持有的股份概無變動。

**39. 股份溢價及儲備****(a) 股份溢價**

股份溢價賬的動用受開曼群島公司法所規管。

**(b) 合併儲備**

合併儲備指本公司應佔被收購子公司的繳足股本面值與本公司發行的普通股面值的差額。

**(c) 資本贖回儲備**

資本贖回儲備指以本公司可供分派儲備支付之購回股份面值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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### 39. SHARE PREMIUM AND RESERVES (Continued)

#### (d) PRC statutory reserves

Transfers from retained earnings to PRC statutory reserves were made in accordance with the relevant PRC rules and regulations and the articles of association of the Company's subsidiaries incorporated in the PRC and were approved by the respective boards of directors. The statutory reserves consist of:

##### (i) General reserve fund

Transfers from retained earnings to the general reserve fund were made in accordance with the articles of association of the Company's subsidiaries and were approved by the respective boards of directors.

For the entity concerned, the general reserve fund can be used to cover previous years' losses, if any, and may be converted into capital in proportion to equity holders' existing equity holdings, provided that the balance after such conversion is not less than 25% of their registered capital.

##### (ii) Enterprise expansion fund

Transfers from retained earnings to the enterprise expansion fund were made in accordance with the articles of association of the Company's subsidiaries and were approved by the respective boards of directors.

For the entity concerned, the enterprise expansion fund can be used for business development purposes and for working capital purpose. This fund is non-distributable other than upon liquidation. Transfers to this fund must be made before distribution of dividends to the equity holders.

#### (e) Revaluation reserve

The revaluation reserve relates to property reclassified from owner-occupied to investment properties. For such reclassifications, the cumulative increase in the fair value of the property at the date of reclassification in excess of any previous impairment losses is included in the revaluation reserve.

### 39. 股份溢價及儲備(續)

#### (d) 中國法定儲備

由保留溢利轉撥至中國法定儲備乃根據有關中國規則及規例與本公司在中國註冊成立之子公司的章程細則進行，並獲各自董事會批准。法定儲備包括：

##### (i) 法定盈餘公積金

由保留溢利轉撥至法定盈餘公積金乃根據本公司子公司的章程細則進行，並獲各自董事會批准。

就有關的公司而言，法定盈餘公積金可用作彌補上年度虧損(如有)，亦可按股權持有人現時的持股比例兌換為股本，惟兌換後結餘不得少於註冊資本的25%。

##### (ii) 企業發展基金

由保留溢利轉撥至企業發展基金乃根據本公司子公司的章程細則進行，並獲各自董事會批准。

就有關的公司而言，企業發展基金可用作業務發展及營運資金。除清盤外，該基金不可分派。須將保留溢利轉撥至該基金後方可向股權持有人分派股息。

#### (e) 重估儲備

重估儲備與由自用重新分類至投資物業的物業有關。就該等重新分類而言，物業公允價值於重新分類日期的累計增幅超過過往減值虧損的數額計入重估儲備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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截至二零一六年十二月三十一日止年度**40. PERPETUAL SECURITIES**

On 27 July 2016 (the “**Issue Date**”), the Group issued USD denominated senior perpetual capital securities (“**Perpetual Securities**”) with an aggregate principal amount of USD120,000,000. The Perpetual Securities confer the holders a right to receive distributions at the applicable distribution rate from the Issue Date semi-annually in arrears in United States dollars.

The rate of distribution applicable to the Perpetual Securities shall be:

- (i) in respect of the period from, and including, the Issue Date to, but excluding the 5th anniversary from the Issue Date (the “**First Call Date**”), 5.625% per annum; and
- (ii) in respect of the periods (a) from, and including, the First Call Date to, but excluding, the immediately following reset date and (b) from, and including, each reset date falling after the First Call Date to, but excluding, the immediately following reset date, a rate of interest expressed as a percentage per annum equal to the sum of (1) 4.50 per cent, (2) treasury rate; and (3) 5.00 per cent. A reset date is defined as the First Call Date and each day falling on the expiry of every five calendar years after the First Call Date. The treasury rate refers to the prevailing rate that represents the average for the week immediately prior to the date on which the reset is calculated as published by the Board of Governors of the U.S. Federal Reserve.

The Company may at its sole discretion elect to defer any scheduled distribution to the next scheduled distribution payment date by giving prior written notice. The Company may further defer any arrears of distribution following the foregoing notice requirement and is not subject to any limits as to the number of times distributions and arrears of distribution can be deferred. Unless and until the Company satisfies in full all outstanding arrears of distribution and any additional distribution amount, the Company shall not declare or pay any dividends, distributions or make payment on, and will procure that no dividend or other payment is made on or redeem, reduce, cancel, buy-back or acquire for any consideration any share capital thereof.

**40. 永久證券**

二零一六年七月二十七日(「**發行日期**」)，本集團發行本金總額為120,000,000美元的以美元計值的高級永久資本證券(「**永久證券**」)。永久證券賦予持有人權利，自發行日期起按適用的分派率每半年期末收取以美元支付的分派。

適用於永久證券的分派比率為：

- (i) 就發行日期(包括該日)起至發行日期第五個週年日(「**首個贖回日期**」)(惟不包括該日)期間，為每年5.625%；及
- (ii) 就(a)首個贖回日期(包括該日)起至緊隨重設日期後(惟不包括該日)期間及(b)首個贖回日期後各重設日期(包括該日)至緊隨重設日期後(惟不包括該日)期間而言，為相等於(1) 4.50%、(2)國庫債券利率及(3) 5.00%之總和的年利率。重設日期定義為首個贖回日期及首個贖回日期後每五個公曆年屆滿當日各日。國庫債券利率指美國聯邦儲備局理事會所公佈之緊接計算重訂日期前一星期之現行利率平均數。

本公司可全權酌情選擇透過事先發出書面通知，將任何預訂分派延期至下一個預訂分派付款日期。本公司可按照上述通知規定進一步將任何應計分派延期，且遞延分派及應計分派次數不限。除非及直至本公司悉數償付所有未付的應計分派及任何額外分派金額，否則本公司不得就任何股本宣派或支付任何股息、分派或作出付款，並將促使不會對當中任何股本派付股息或作出其他支付或贖回、削減、註銷、購回或以任何代價收購。

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#### 40. PERPETUAL SECURITIES (Continued)

As the Perpetual Securities only impose contractual obligations on the Group to repay principal or to pay any distributions under certain circumstances which are at the Group's discretion, they have in substance confer the Group an unconditional right to avoid delivering cash or other financial asset to settle contractual obligations, therefore they do not meet the definition for classification as financial liabilities under IAS 32 Financial Instruments: Presentation. As a result, the whole instrument is classified as equity, and distributions if and when declared are treated as equity dividends.

The Directors believe that the Perpetual Securities Issue will be beneficial to the Company since it will allow the Company to obtain long-term financing from international investors and to improve its capital structure.

The Company applied the net proceeds from the Perpetual Securities Issue towards refinancing certain of its indebtedness.

The Perpetual Securities have the benefit of a keepwell deed from Greenland Holding Group Company Limited, the intermediate controlling shareholder of the Company.

#### 41. FINANCIAL INSTRUMENTS

The Group conducts its operations in the PRC and accordingly is subject to special considerations and significant risks. These include risks associated with, among others, the political, economic and legal environment, influence of national authorities over pricing regulation and competition in the industry.

The Group has exposure to the following risks from its use of financial instruments:

- market risk (including currency risk and interest rate risk)
- credit risk
- liquidity risk

#### 40. 永久證券(續)

由於永久證券僅對本集團施加在本集團酌情下償付本金或在若干情況下支付任何分派的合約責任，其實際上賦予本集團避免分發現金或其他金融資產以履行合約責任的無條件權利，因此其並不符合國際會計準則第32號「金融工具：呈報」項下之分類為金融負債之定義。因此，整項工具分類作權益，或倘有宣派則在宣派時當作權益股息。

董事相信永久證券發行將對本公司有利，原因在於容許本公司自國際投資者取得長期融資，改進本公司的資本架構。

本公司已將永久證券發行的所得款項淨額用作為其若干債務進行再融資。

永久證券具有本公司中介控股股東綠地控股集團有限公司之良好契據的裨益。

#### 41. 金融工具

本集團在中國經營業務，故須受特定因素及重大風險影響，其中包括政治、經濟及法制環境、國家機構實施價格管制的影響及行業競爭等風險。

本集團使用的金融工具具有以下風險：

- 市場風險(包括外幣風險與利率風險)
- 信貸風險
- 流動性風險

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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截至二零一六年十二月三十一日止年度**41. FINANCIAL INSTRUMENTS (Continued)**

This note presents information about the Group's exposure to each of the above risks, and the Group's objectives, policies and processes for measuring and managing risk.

Management has overall responsibility for the establishment and oversight of the Group's risk management framework. Management establishes policies to identify and analyse the risks faced by the Group, to set up appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. Through training and management standards and procedures, management aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

**41.1 Categories of financial instruments****41. 金融工具(續)**

本附註呈列有關本集團涉及上述各項風險、本集團計量管理風險的目標、政策及程序的資料。

管理層全權負責建立並監督本集團的風險管理架構。管理層建立政策是為了辨明和分析本集團面臨的風險，並設置適當的風險限制和控制措施以監控風險是否在限制範圍內。風險管理政策及系統須定期進行審閱以反映市場環境及本集團經營活動的變化。管理層通過其培訓和管理標準及程序，旨在建立具紀律性及建設性的控制環境，使得身處其中的所有僱員明白自身的角色及義務。

**41.1 金融工具類別**

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
<b>Financial assets</b>	<b>金融資產</b>		
Cash and bank balances	現金及銀行結餘	5,795,243	5,828,805
Loans and receivables	貸款及應收款項	5,819,915	3,696,728
Financial assets carried at FVTPL	按公允價值列賬於損益的金融資產	485,829	-
Available for sale investments	可供出售投資	174,567	174,567
Total	合計	12,275,554	9,700,100
<b>Financial liabilities</b>	<b>金融負債</b>		
Amortised cost	攤銷成本	31,650,243	31,244,203
Financial liabilities carried at FVPL	按公允價值列賬於損益的金融負債	329,543	-
Total	合計	31,979,786	31,244,203

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## 41. FINANCIAL INSTRUMENTS (Continued)

### 41.2 Foreign currency risk management

RMB is not freely convertible into foreign currencies. All foreign exchange transactions involving RMB must take place through the People's Bank of China or other institutions authorised to buy and sell foreign exchange. The exchange rates adopted for the foreign exchange transactions are the rates of exchange quoted by the People's Bank of China and are determined largely by supply and demand.

The Group is exposed to foreign currency risk primarily through borrowings, and bonds that are denominated in a currency other than RMB of the operations to which they relate. The currencies in which these transactions primarily are denominated are HKD and USD.

In respect of the monetary assets and liabilities denominated in foreign currencies, the Group ensures manages the net exposures to this risk by utilizing forward foreign exchange contracts.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

**Denominal in HKD**  
**以港元計價**

		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
Trade, other receivables and advance deposits	應收賬款、其他應收款項及預付按金	<b>88,358</b>	349,526
Cash and cash equivalents	現金及現金等價物	<b>834,397</b>	24,749
Trade, other payables and advance receipts	應付賬款、其他應付款項及預收款項	<b>(375,286)</b>	(632,412)
Interest-bearing loans	計息貸款	<b>(1,227,970)</b>	(2,058,245)
Overall exposure	總風險	<b>(680,501)</b>	(2,316,381)

## 41. 金融工具(續)

### 41.2 外幣風險管理

人民幣不可自由兌換為外幣。所有涉及人民幣的外匯交易須透過中國人民銀行或其他獲授權進行外匯買賣的機構進行。外匯交易採納的匯率乃中國人民銀行所報的匯率(主要按供求釐定)。

本集團主要通過以其相關業務的人民幣以外的貨幣計值的借貸及債券承受外幣風險。該等交易主要計值的貨幣為港元及美元。

有關以外幣計價的貨幣資產及負債，本集團通過遠期外匯合約管理淨風險。

於報告期末，本集團以貨幣資產及貨幣負債計值的外幣賬面值如下。



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## 41. FINANCIAL INSTRUMENTS (Continued)

## 41.2 Foreign currency risk management (Continued)

## 41. 金融工具(續)

## 41.2 外幣風險管理(續)

Denominal in USD 以美元計價		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Trade, other receivables and advance deposits	應收賬款、其他應收款項及預付按金	14	7
Cash and cash equivalents	現金及現金等價物	113,413	62,225
Bonds	債券	(6,542,342)	(7,748,309)
Trade, other payables and advance receipts	應付賬款、其他應付款項及預收款項	(1,617,195)	(119,400)
Interest-bearing loans	計息貸款	(2,525,068)	(3,778,057)
Overall exposure	總風險	(10,571,178)	(11,583,534)

*Foreign currency sensitivity analysis*

The following table details the Group's sensitivity to a 5% strengthening of the RMB against the relevant foreign currencies to which the Group had exposure at 31 December 2016. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. For a 5% weakening of the RMB against the relevant currency, there would be a comparable impact on the profit, and the balances below would be negative.

*外幣敏感度分析*

下表顯示，在人民幣兌以下本集團於二零一六年十二月三十一日有風險的相關外幣升值5%情況下，本集團的敏感度。內部向主要管理人員匯報外幣風險採用5%敏感度比率，乃管理層對合理可能的的外幣匯率變動的評估。倘人民幣兌相關外幣貶值5%，對溢利會有相應的影響，下述結餘會變成負數。

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Profit or loss	溢利或虧損		
HKD	港元	25,519	86,864
USD	美元	398,212	455,986

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#### 41. FINANCIAL INSTRUMENTS (Continued)

##### 41.2 Foreign currency risk management (Continued)

###### Forward foreign exchange contracts

The Group enters into forward foreign exchange contracts to manage the exposure of foreign exchange risk arising from USD loans and bonds.

The follow table details the forward foreign currency contracts, outstanding at the end of the reporting period.

Outstanding contracts	Average exchange rate	Foreign currency	Notional value	Fair value
				assets (liabilities)
未平倉合約	平均匯率	外幣	名義價值	公允價值資產 (負債)
	2016	2016	2016	2016
	二零一六年	二零一六年	二零一六年	二零一六年
		USD'000	RMB'000	RMB'000
		千美元	人民幣千元	人民幣千元
<b>Cash flow</b>	<b>現金流量</b>			
Buy USD	買美元			
within one year	一年內	<b>6.7527</b>	<b>1,180,000</b>	<b>7,968,215</b>
				<b>485,829</b>
Sell USD	沽美元			
within one year	一年內	<b>6.9300</b>	<b>900,000</b>	<b>6,237,000</b>
				<b>(329,543)</b>
				<b>156,286</b>

##### 41.3 Interest rate risk management

The Group's interest rate risk arises primarily from interest-bearing loans, bonds, cash and cash equivalents and restricted cash.

Cash and cash equivalents and restricted cash comprise mainly cash at bank, with an interest rate of 0.35% per annum as at 31 December 2016 (2015: 0.35% per annum). Pledged bank deposits and time deposits maturing after three months are not held for speculative purposes but are placed to satisfy conditions for borrowing facilities granted to the Group and for higher yield returns than cash at bank.

#### 41. 金融工具(續)

##### 41.2 外幣風險管理(續)

###### 遠期外匯合約

本集團訂立遠期外匯合約以管理美元貸款及債券產生的外幣匯兌風險。

下表詳述於報告期末的未平倉遠期外匯合約。

##### 41.3 利率風險管理

本集團的利率風險主要來自計息貸款、債券、現金及現金等價物及受限制現金。

現金及現金等價物及受限制現金主要為銀行存款，於二零一六年十二月三十一日其年利率為0.35厘(二零一五年：年利率0.35厘)。已抵押銀行存款及三個月後到期的定期存款並非為投機而持有，而是為了符合銀行向本集團授予借貸融資的條件，以及為了得到比銀行存款較高的回報率。

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The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. The interest rates and terms of repayment of the interest-bearing loans and bonds are disclosed in notes 33 and 35.

The Group manages the net exposure to interest rate risks by maintaining sufficient lines of credit to obtain acceptable lending costs and by monitoring the exposure to such risks on an ongoing basis. When appropriate and at times of interest rate uncertainty or volatility, interest rate swaps may be used to assist in the Group's management of interest rate exposure.

*Interest rate sensitivity analysis*

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For variable rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

(a) *Interest rate profile*

The following table details the interest rate profile of the Group's interest-bearing borrowings and bonds by the end of reporting period.

**41. 金融工具(續)****41.3 利率風險管理(續)**

本集團的可變利率借貸承受利率變動導致的現金流量變動風險。計息貸款及債券的利率和償還期限披露於附註33及35。

本集團通過維持充足的信貸額度以使借貸成本處於可接受水平及通過持續監控該等風險來管理利率淨風險。在適當時及倘利率不明朗或波動，可以使用利率掉期協助本集團管理利率風險。

*利率敏感度分析*

下述敏感度分析乃根據報告期末非衍生工具利率風險而釐定。就可變利率負債而言，編製該分析時乃假設於報告期末未償還負債金額在全年均為未償還。

(a) *利率情況*

下表詳述於報告期末本集團的計息借貸及債券利率情況。

		2016 二零一六年		2015 二零一五年	
		Effective interest rate 實際利率	RMB'000 人民幣千元	Effective interest rate 實際利率	RMB'000 人民幣千元
<b>Fixed rate borrowings</b>	<b>固定利率借貸</b>				
Secured interest bearing loans	有抵押計息貸款	2.70%	693,700	5.33%	792,389
Unsecured interest bearing loans	無抵押計息貸款	-	-	5.40%	33,970
Bonds	債券	4.85%	8,038,774	5.16%	9,243,928
			<b>8,732,474</b>		10,070,287
<b>Variable rate borrowings</b>	<b>可變利率借貸</b>				
Secured interest bearing loans	有抵押計息貸款	4.70%	7,278,351	4.62%	7,748,614
Unsecured interest bearing loans	無抵押計息貸款	4.94%	1,512,170	6.27%	1,268,248
			<b>8,790,521</b>		9,016,862
Total borrowings	借貸總額		<b>17,522,995</b>		19,087,149
Fixed rate borrowings as a percentage of total borrowings	固定利率借貸佔借貸總額 百分比		<b>50%</b>		53%

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#### 41. FINANCIAL INSTRUMENTS (Continued)

##### 41.3 Interest rate risk management (Continued)

###### (b) Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for interest-bearing loans at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

#### 41. 金融工具(續)

##### 41.3 利率風險管理(續)

###### (b) 敏感度分析

下述敏感度分析乃根據報告期末計息貸款利率風險而釐定。就可變利率負債而言，編製該分析時乃假設於報告期末未償還負債金額在全年均為未償還。內部向主要管理人員匯報利率風險採用100個基點增幅或減幅，乃管理層對合理可能的利率變動的評估。

		Profit or loss		Equity	
		溢利或虧損	溢利或虧損	權益	權益
		100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
		增加100個基點	減少100個基點	增加100個基點	減少100個基點
<b>31 December 2016</b>	<b>二零一六年十二月三十一日</b>				
Variable rate instruments	可變利率工具	(80,514)	80,514	(80,514)	80,514
<b>31 December 2015</b>	<b>二零一五年十二月三十一日</b>				
Variable rate instruments	可變利率工具	(81,287)	81,287	(81,287)	81,287

##### 41.4 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group, arises principally from the Group's trade and other receivables and investments.

The Group's management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis.

The Group's credit risk is primarily attributable to trade, other receivables. In respect of trade and other receivables, individual credit evaluations are performed on each new customer. The Group's review includes external ratings, when available, and in some cases bank references. These evaluations focus on the customer's liquidity to make payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Customers are generally required to transact with the Group on a prepayment basis.

##### 41.4 信貸風險管理

對方違反合約項下的義務對本集團造成的財務損失風險即為信貸風險。信貸風險主要來自本集團的應收賬款及其他應收款項以及投資。

本集團管理層已制訂適當信貸政策，並不斷監察信貸風險。

本集團的信貸風險主要來自應收賬款及其他應收款項。關於應收賬款及其他應收款項，本集團會對每一個新客戶單獨進行信貸評估。本集團的審閱包括外部評級(當可用時)，若干情況下參照銀行。該等評估集中於客戶支付到期款項的流動資金及現時的支付能力，並考慮客戶特定資料及客戶經營所處經濟環境之資料。本集團一般要求客戶與本集團交易時作出預付款。

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The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and country in which customers operate also has influences on credit risk, but to a lesser extent. At 31 December 2016, the Group's concentration of credit risk as 79% (2015: 28%) of the total trade receivables was due from the largest counterparty.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position after deducting any impairment allowance. Except for the financial guarantees given by the Group as set out in note 43, the Group does not provide any other guarantees which would expose the Group or the Company to credit risk.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade, other receivables and advance deposits are set out in note 28.

Cash and cash equivalents and restricted cash are placed with a group of banks and financial institutions which management considers have good credit ratings. Investments are normally only in liquid securities quoted on a recognised stock exchange and management does not expect any investment counterparty to fail to meet its obligations.

**41.5 Liquidity risk management**

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from banks to meet its liquidity requirements in the short and longer term.

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Group's short-, medium- and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

**41. 金融工具(續)****41.4 信貸風險管理(續)**

本集團的信貸風險主要受各客戶的特定情況所影響。客戶營運行業及國家的違約風險對信貸風險亦有影響，但程度較小。於二零一六年十二月三十一日，本集團對應收賬款總額產生的信貸風險集中度為79%(二零一五年：28%)，乃應收最大對手單位的款項。

最高信貸風險為財務狀況表內各金融資產的賬面值，並扣除任何減值撥備。除了附註43所載本集團作出的財務擔保，本集團並無提供任何其他擔保，致使本集團或本公司承受信貸風險。

有關本集團產生於應收賬款、其他應收款項以及預付按金涉及信貸風險的其他量化披露載於附註28。

現金及現金等價物以及受限制現金存放於一組管理層認為具有良好信貸評級的銀行及金融機構。投資對象一般僅為在經認可證券交易所報價的流動證券。管理層預期任何投資對應方不會不履行其責任。

**41.5 流動性風險管理**

流動性風險為本集團在到期日無法履行其財務義務的風險。本集團的政策為定期監控其流動資金需要及遵守借款契約的情況，確保維持充足的現金儲備及從銀行獲得足夠的已訂約融資額度，以應付本集團短期及較長期的流動資金需求。

流動性風險管理的最終責任在於董事會，其已設立合適的流動性風險管理框架，以管理本集團的長、中、短期資金及流動性管理需要。本集團通過維持足夠儲備、銀行融資及儲備借貸融資，以及持續監控預測及實際現金流量，加上將金融資產及負債的到期情況進行匹配，以管理流動性風險。

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#### 41. FINANCIAL INSTRUMENTS (Continued)

##### 41.5 Liquidity risk management (Continued)

###### 41.5.1 Liquidity and interest risk tables

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

#### 41. 金融工具(續)

##### 41.5 流動性風險管理(續)

###### 41.5.1 流動性及利息風險列表

下表詳述本集團具協定還款期間的非衍生金融負債項下合約承擔的其餘到期情況。下表乃按本集團可能需要付款的最早日期為基準，根據金融負債的未貼現現金流量釐定。

		Weighted average effective interest rate	Within 1 year or on demand	Within 2 years but over 1 year	Within 5 years but over 2 years	Over 5 years	Total	Carrying amount
		加權平均 實際利率	一年內或 按要求	兩年內但 一年以上	五年內但 兩年以上	五年 以上	合計	賬面值
		%	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		%	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
31 December 2016	二零一六年十二月三十一日							
Trade and other payables excluding other tax payables	應付賬款及其他應付款項 (不包括其他應付稅項)	-	13,864,019	270,272	-	-	14,134,291	14,134,291
Variable interest rate loans	可變利率貸款	4.74%	3,171,402	4,133,753	1,883,748	330,479	9,519,382	8,790,521
Fixed interest rate loans	固定利率貸款	2.70%	712,411	-	-	-	712,411	693,700
Bonds	債券	4.85%	3,592,311	1,662,214	3,242,614	-	8,497,139	8,038,774
Financial guarantees issued: Maximum amount guaranteed	已出具的財務擔保: 最高擔保額	-	7,274,193	-	-	-	7,274,193	-
			28,614,336	6,066,239	5,126,362	330,479	40,137,416	31,657,286
31 December 2015	二零一五年十二月三十一日							
Trade and other payables excluding other tax payables	應付賬款及其他應付款項 (不包括其他應付稅項)	-	12,064,203	100,066	-	-	12,164,269	12,164,269
Variable interest rate loans	可變利率貸款	4.85%	2,551,705	3,263,118	3,347,767	2,453,053	11,615,643	9,016,862
Fixed interest rate loans	固定利率貸款	5.34%	549,607	331,810	-	-	881,417	826,359
Bonds	債券	5.16%	4,985,980	3,471,348	1,541,250	-	9,998,578	9,243,928
Long-term payable	長期應付款	2.26%	6,000	6,000	18,000	12,000	42,000	32,494
Financial guarantees issued: Maximum amount guaranteed	已出具的財務擔保: 最高擔保額	-	4,513,174	-	-	-	4,513,174	-
			24,670,669	7,172,342	4,907,017	2,465,053	39,215,081	30,458,379

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截至二零一六年十二月三十一日止年度**41. FINANCIAL INSTRUMENTS (Continued)****41.5 Liquidity risk management (Continued)****41.5.1 Liquidity and interest risk tables (Continued)**

The amounts included above for financial guarantee contracts are the maximum amounts the Group could be forced to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the Group considers that such an amount will not be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

**41.6 Fair value measurements**

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

**41.6.1 Fair value of the Group's financial asset that is measured at fair value on a recurring basis**

A certain financial asset is measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined, as well as the level of the fair value hierarchy into which the fair value measurements are categorised based on the degree to which the inputs to the fair value measurements is observable.

**41. 金融工具(續)****41.5 流動性風險管理(續)****41.5.1 流動性及利息風險列表(續)**

上述財務擔保合約金額乃在擔保對手單位作出申索時，本集團根據有關安排被迫全數結付擔保的最高金額。根據於報告期末的預期，本集團認為在有關安排下有關金額應當不需支付。然而，此項估計乃受對手單位就擔保事項作出申索的或然率而變動，而該或然率乃取決於受擔保的由對手單位持有的金融應收款項蒙受信貸虧損的可能性。

**41.6 公允價值計量**

此附註提供有關本集團如何釐定多項金融資產及金融負債的公允價值的資料。

**41.6.1 本集團以經常性基準按公允價值計量的金融資產的公允價值**  
於各報告期末，有某項金融資產按公允價值計量。下表提供的資料，乃有關該等金融資產及金融負債公允價值如何釐定，以及根據公允價值計量輸入數據可以觀察的程度而分類的公允價值計量的公允價值層級。

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**41. FINANCIAL INSTRUMENTS (Continued)**

**41.6 Fair value measurements (Continued)**

**41.6.1 Fair value of the Group's financial asset that is measured at fair value on a recurring basis (Continued)**

Financial assets 金融資產	Fair values as at 31 December 於十二月三十一日的公允價值	Fair value hierarchy 公允價值層級		Valuation techniques and key inputs 估值技巧及主要輸入數據
		2016 二零一六年	2015 二零一五年	
Foreign currency structured forward contracts classified as financial assets carried at FVTPL (note 21) 分類為按公允價值列賬於損益的金融資產的外幣結構性遠期合約(附註21)	<b>Asset - RMB485,829,000 資產 - 人民幣485,829,000元</b>  <b>Liability - RMB329,543,000 負債 - 人民幣329,543,000元</b>	NA 不適用	Level 2 第二層	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contracted forward rates, discounted at a rate that reflects the credit risk of various counterparties  折現現金流量。 未來現金流量乃根據遠期外幣匯率(來自報告期末可觀察的遠期外幣匯率)及合約遠期匯率估計,所用折現率乃反映多個對手單位的信貸風險。

**41.6.2 Fair value of financial assets and financial liabilities that are not measured at fair value**

Except as detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

**41.6.2並非以公允價值計量的金融資產及金融負債的公允價值**

除下表所詳述外,董事認為綜合財務報表內所確認的金融資產及金融負債的賬面值與公允價值相若。

		2016 二零一六年		2015 二零一五年	
		Carrying amount 賬面值 RMB'000 人民幣千元	Fair value 公允價值 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元	Fair value 公允價值 RMB'000 人民幣千元
Bonds	債券	<b>8,038,774</b>	<b>7,993,453</b>	9,243,928	9,366,737



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## 41. FINANCIAL INSTRUMENTS (Continued)

### 41.6 Fair value measurements (Continued)

#### 41.6.3 Estimation of fair values

Fair value estimates are made at a specific point in time and based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

The following methods and assumptions were used to estimate the fair value for each class of financial instruments:

- (1). Cash and cash equivalents, restricted cash, trade, other receivables and advance deposits and trade, other payables and advance receipts.

The carrying values approximate fair value because of the short maturities of these instruments.

- (2). Interest-bearing loans  
The carrying amounts of interest-bearing loans approximate their fair value based on the borrowing rate currently available for interest-bearing loans with similar terms and maturity.
- (3). Bonds  
The fair values of bonds are estimated according to their quoted price in active markets.
- (4). Financial guarantees  
The fair value of financial guarantees issued is determined by reference to fees charged in arms' length transaction for similar services, when such information is obtainable.

## 41. 金融工具(續)

### 41.6 公允價值計量(續)

#### 41.6.3 公允價值估計

公允價值估計是在一個特定的時間按相關市場資料及有關該金融工具的資料而作出。由於該等估計本質上屬主觀，且涉及不明朗因素及相當大程度的判斷，故結果不一定十分準確。任何假設上的變動，均可能會對估計產生重大影響。

估計各類別金融工具公允價值時採用以下方法及假設：

- (1). 現金及現金等價物、受限制現金、應收賬款、其他應收款項及預付按金、應付賬款、其他應付款項及預收款項。

由於該等工具均在短期內到期，故賬面值與公允價值相近。

- (2). 計息貸款  
根據現時可獲取且條款及到期日相若的計息貸款的借貸利率，計息貸款的賬面值與公允價值相近。
- (3). 債券  
債券公允價值乃根據其於活躍市場的報價而估計。
- (4). 財務擔保  
已發出財務擔保的公允價值乃參照按公平原則就類似服務所收取的費用而釐定(如能取得此等資料)。

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## 41. FINANCIAL INSTRUMENTS (Continued)

### 41.6 Fair value measurements (Continued)

#### 41.6.3 Estimation of fair values (Continued)

- (5). Interest rates used for determining fair value  
The interest rates used to discount estimated cash flows, when applicable, are based on the government yield curve at the reporting date plus an adequate credit spread, and were as follows:

	2016 二零一六年	2015 二零一五年
Interest-bearing loans	<b>2.7%-5.68%</b>	2.5%-8.50%
計息貸款		

## 42. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

Consistent with industry practice, the Group monitors its capital structure on the basis of a net gearing ratio (total interest-bearing loans and bonds less cash and cash equivalents (including restricted cash) over total equity). Therefore, the Group defined debts as interest-bearing loans and bonds.

The Group is not subject to any externally imposed capital requirements.

The Group's risk management committee reviews the capital structure of the Group on a semi-annual basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital.

## 41. 金融工具(續)

### 41.6 公允價值計量(續)

#### 41.6.3 公允價值估計(續)

- (5). 用作釐定公允價值之利率  
用以貼現預計現金流量(倘適用)並按照於報告日期的政府孳息曲線加上適當的信貸息差為基準的利率如下：

## 42. 資本管理

本集團管理資本以確保本集團系內公司能夠繼續根據持續經營基準經營，同時透過取得最佳股債平衡，為股東創造最大回報。本集團整體策略與去年保持不變。

根據行業慣例，本集團以負債比率淨額(計息貸款及債券總額減去現金及現金等價物(包括受限制現金)後除以權益總額)作為監控資本架構的基準。因此，本集團界定債項為計息貸款及債券。

本公司並無受外部施加的資本規定所規限。

本集團的風險管理委員會每半年對本集團的資本架構進行審視。委員會審視過程中，會考慮資金成本及各類別資金相關的風險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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The gearing ratio at end of the reporting period was as follows.

**42. 資本管理(續)**

報告期末的槓桿比率如下。

		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
Debts	債項	<b>17,522,995</b>	19,087,149
Cash and bank balances	現金及銀行結餘	<b>(5,795,243)</b>	(5,828,805)
Net debts	淨債項	<b>11,727,752</b>	13,258,344
Equity	權益	<b>9,723,694</b>	7,688,108
Net debt to equity ratio	淨債項佔權益比率	<b>121%</b>	172%

**43. FINANCIAL GUARANTEES**

As at the reporting date, the Group has issued the following guarantees:

The Group has arranged mortgage loan facilities for certain purchasers of property units and provided financial guarantees to secure obligations of such purchasers for repayments. The outstanding guarantees amounted to RMB7,274,193,000 as at 31 December 2016 (2015: RMB4,513,174,000). Such guarantees terminate upon the earlier of (i) the issuance of the real estate ownership certificate which will generally be available within six months after the buyer takes possession of the relevant properties; and (ii) the satisfaction of the mortgaged loan by the buyer of the properties.

In the opinion of directors of the Company, the fair values of the financial guarantee contracts of the Group are insignificant at initial recognition and the directors consider the possibility of default by the parties involved to be remote. Accordingly, no value has been recognised in the statement of financial position as at 31 December 2016 (2015: Nil).

**43. 財務擔保**

於報告日期，本集團已發出以下擔保：

本集團已為部分物業單位的買方提供按揭貸款，並對該等買方的還款責任提供財務擔保。於二零一六年十二月三十一日，已授出的擔保為人民幣7,274,193,000元(二零一五年：人民幣4,513,174,000元)。該等擔保於以下較早期間終止：(i)發出房地產所有權證(一般在買方擁有有關物業後六個月內發出)時；及(ii)物業買方償還按揭貸款時。

本公司董事認為，本集團財務擔保合約於首次確認時的公允價值很低，而董事認為有關訂約方違約的機會極微。因此，並無於二零一六年十二月三十一日的財務狀況表中確認任何價值(二零一五年：無)。

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#### 44. OPERATING LEASE ARRANGEMENTS

##### 44.1 The Group as lessee

###### 44.1.1 Leasing arrangements

Operating leases relate to leases of office with lease terms within 5 years. The Group does not have an option to purchase the leased office at the expiry of the lease periods.

###### 44.1.2 Non-cancellable operating lease commitments

Not later than 1 year	一年內		
Later than 1 year and not later than 5 years	一年以上及五年以內		
Total	合計		

##### 44.2 The Group as lessor

###### 44.2.1 Leasing arrangements

Operating leases relate to the investment properties and completed properties held for sale owned by the Group with lease terms of between 5 to 10 years, with an option to extend. All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.

#### 44. 經營租賃安排

##### 44.1 本集團作為承租人

###### 44.1.1 租賃安排

經營租賃與租期在五年內的辦公室租賃有關。本集團並無選擇權於租期屆滿後購入租賃的辦公室。

###### 44.1.2 不可撤銷經營租賃承擔

2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
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Not later than 1 year	一年內	<b>10,384</b>	6,536
Later than 1 year and not later than 5 years	一年以上及五年以內	<b>18,518</b>	14,353
Total	合計	<b>28,902</b>	20,889

##### 44.2 本集團作為出租人

###### 44.2.1 租賃安排

經營租賃與租期介乎五至十年的由本集團擁有的投資物業及已建成待售物業有關，並附選擇權可展期。所有經營租賃合約均載有市場檢視條文，在承租人行使選擇權續訂租約時適用。承租人並無選擇權於租期屆滿時購入物業。

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(Continued)****44.2 The Group as lessor (Continued)****44.2.2 Non-cancellable operating lease receivables**

		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Not later than 1 year	一年內	<b>21,211</b>	61,766
Later than 1 year and not longer than 5 years	一年以上及五年以內	<b>64,221</b>	200,199
Later than 5 years	超過五年	<b>28,634</b>	211,769
<b>Total</b>	<b>合計</b>	<b>114,066</b>	473,734

All of the Group's investment properties are held for rental purposes. The lease terms ranged from 1 year to 5 years are with fixed-rental contracts.

For the year ended 31 December 2016, RMB41,609,000 (2015: RMB60,227,000) was recognised as rental income in respect of investment properties in profit or loss.

**44. 經營租賃安排(續)****44.2 本集團作為出租人(續)****44.2.2 不可撤銷經營租賃應收款項**

本集團所有投資物業均持有作出租用途。租期介乎1年至5年，為固定租金合約。

截至二零一六年十二月三十一日止年度，已就投資物業在損益確認的租金收入為人民幣41,609,000元(二零一五年：人民幣60,227,000元)。

**45. CAPITAL COMMITMENTS****45. 資本承擔**

		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Property development activities	物業發展活動		
– Contracted but not provided for	– 已訂約但未撥備	<b>6,571,193</b>	5,566,083

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#### 46. RELATED-PARTY TRANSACTIONS

As Greenland Holdings, the holding company of the Company, is controlled by the PRC government, the directors consider that the Company is ultimately controlled by the PRC government and the Group operates in an economic environment currently predominated by entities controlled, jointly controlled or significantly influenced by the PRC government. Apart from the transactions with Greenland holdings and its subsidiaries, and other related parties as disclosed in Note 46, the Group also conducts business with other government related entities in the ordinary course of business. In the opinion of the directors of the Company, these transactions are considered as individually and collectively insignificant to the operation of the Group. The directors consider those government-related entities are independent third parties so far as the Group's business transactions with them are concerned.

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

#### 46. 關連人士交易

由於本公司的控股公司綠地控股由中國政府控制，因此董事認為本公司最終由中國政府控制，而本集團經營所在的經濟環境現時由中國政府所控制、共同控制或發揮重大影響力的實體作主導。除與綠地控股及其子公司以及附註46所披露的其他關連人士進行交易外，本集團在日常業務過程中亦與其他政府相關實體有業務往來。本公司董事認為，該等交易個別及整體對本集團的營運而言並不被視為重大。董事認為，就本集團與該等政府相關實體之間的業務交易而言，該等政府相關實體為獨立第三方。

本公司與子公司(乃本公司的關連人士)之間的結餘及交易，已於綜合賬目時對銷，並無於本附註披露。本集團與其他關連人士之間的交易詳情披露如下。

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截至二零一六年十二月三十一日止年度**46. RELATED-PARTY TRANSACTIONS (Continued)****46.1 Related party disclosure**

During the year, transactions with the following parties were considered as related-party transactions:

**46. 關連人士交易(續)****46.1 關連人士披露**

年內與以下人士進行的交易視為關連人士交易：

<b>Name of Party</b> 有關人士名稱	<b>Relationship</b> 關係
Greenland Holdings 綠地控股	Ultimate controlling shareholder of the Company 本公司最終控股股東
Mr. Wang Weixian 王偉賢先生	Honorary Chairman of the Company; Substantial shareholder of the Company 本公司名譽主席；本公司主要股東
Shanghai Greenland Taiyang Property Co., Limited (“ <b>Greenland Taiyang</b> ”) 上海綠地泰陽置業有限公司(「 <b>綠地泰陽</b> 」)	A subsidiary controlled by Greenland Holdings 由綠地控股控制的子公司
Shanghai Greenland Construction Engineering Co., Ltd. (“ <b>Greenland Engineering</b> ”) 上海綠地建築工程有限公司(「 <b>綠地工程</b> 」)	A subsidiary controlled by Greenland Holdings 由綠地控股控制的子公司
Greenland Hong Kong Investment Group Limited 綠地香港投資集團有限公司	A subsidiary controlled by Greenland Holdings 由綠地控股控制的子公司
Shanghai Greenland Construction (Group) Co., Ltd (“ <b>Greenland Construction</b> ”) 上海綠地建設(集團)有限公司(「 <b>綠地建設</b> 」)	A subsidiary controlled by Greenland Holdings 由綠地控股控制的子公司
Shanghai Senmao Landscape Co., Ltd. (“ <b>Greenland Senmao</b> ”) 上海綠地森茂園林有限公司(「 <b>綠地森茂</b> 」)	A subsidiary controlled by Greenland Holdings 由綠地控股控制的子公司
Vite White International Limited (“ <b>VWIL</b> ”) 維特懷國際有限公司(「 <b>維特懷</b> 」)	A subsidiary controlled by Greenland Holdings 由綠地控股控制的子公司

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**46. RELATED-PARTY TRANSACTIONS  
(Continued)**

**46. 關連人士交易(續)**

**46.1 Related party disclosure (Continued)**

**46.1 關連人士披露(續)**

Name of Party 有關人士名稱	Relationship 關係
Super Talent Resources Limited (" <b>Super Talent</b> ") 超智資源有限公司(「超智」)	A non-controlling equity holder of Xuzhou Mingzhi 徐州銘智的非控股股權持有人
China Resources Land Co., Ltd (" <b>China Resources</b> ") 華潤置地有限公司(「華潤置地」)	Ultimate controlling shareholder of Super Talent 超智的最終控股股東
China Resources Land (Xuzhou) Development Co., Ltd (" <b>China Resources Xuzhou</b> ") 華潤置地(徐州)發展有限公司(「華潤徐州」)	A subsidiary controlled by China Resources 由華潤置地控制的子公司
China Resources Land Nanjing Development Co., Ltd (" <b>China Resources Nanjing</b> ") 華潤置地南京發展有限公司(「華潤南京」)	A subsidiary controlled by China Resources 由華潤置地控制的子公司
Greenland (Group) Taiyuan Property Co., Ltd 綠地集團太原置業有限公司	A subsidiary controlled by Greenland Holdings 由綠地控股控制的子公司
Greenland Financial Investment Holdings Group., Ltd 綠地金融投資控股集團有限公司	A subsidiary controlled by Greenland Holdings 由綠地控股控制的子公司
Nanchang Greenland Shenbo Property Co.,Ltd 南昌綠地申博置業有限公司	A subsidiary controlled by Greenland Holdings 由綠地控股控制的子公司
Nanchang Greenland Shenfei Property Co.,Ltd 南昌綠地申飛置業有限公司	A subsidiary controlled by Greenland Holdings 由綠地控股控制的子公司
Nanchang Greenland Shenxiang Property Co.,Ltd 南昌綠地申翔置業有限公司	A subsidiary controlled by Greenland Holdings 由綠地控股控制的子公司



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截至二零一六年十二月三十一日止年度**46. RELATED-PARTY TRANSACTIONS (Continued)****46. 關連人士交易(續)****46.1 Related party disclosure (Continued)****46.1 關連人士披露(續)**

<b>Name of Party</b> 有關人士名稱	<b>Relationship</b> 關係
Nanchang Greenland Shenxin Property Co., Ltd 南昌綠地申新置業有限公司	A subsidiary controlled by Greenland Holdings 由綠地控股控制的子公司
Great China Properties Holdings Limited 大中華地產控股有限公司	A non-controlling equity holder of Success Yield Group Limited 成耀集團有限公司的非控股股權持有人
Xu Fu Co. Limited ("Xu Fu") 旭富有限公司(「旭富」)	A non-controlling equity holder of Xu Bao BVI 旭寶BVI的非控股股權持有人
CIFI Holdings (Group) Co. Ltd. ("CIFI") 旭輝控股(集團)有限公司(「旭輝」)	Ultimate controlling shareholder of Xu Fu 旭富的最終控股股東
Shanghai Yingkun 上海穎堃	An associate of the Group 本集團聯營公司
China Resources Land (Suzhou) Development Co., Ltd ("China Resources Suzhou") 華潤置地(蘇州)開發有限公司(「華潤蘇州」)	A subsidiary controlled by China Resources 由華潤控制的子公司
Tianjin Xuda Real Estate Information Consultancy Limited ("Tianjin Xuda") 天津旭達房地產信息諮詢有限公司(「天津旭達」)	A subsidiary of CIFI 旭輝的子公司
Forever rich Forever Rich	A joint venture of the Group 本集團的合營企業
Shanxi Greenland Deyi Property Co., Ltd 山西綠地得一置業有限公司	A subsidiary controlled by Greenland Holdings 由綠地控股控制的子公司

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**46. RELATED-PARTY TRANSACTIONS  
(Continued)**

**46. 關連人士交易(續)**

**46.1 Related party disclosure (Continued)**

**46.1 關連人士披露(續)**

Name of Party 有關人士名稱	Relationship 關係
Shanghai Greenland (Group) Jiangxi Shenjiang Property Co., Ltd ("Jiangxi Shenjiang") 上海綠地集團江西申江置業有限公司(「江西申江」)	A subsidiary controlled by Greenland Holdings 由綠地控股控制的子公司
Shanghai Xinhua Faxing Group Limited 上海新華發行集團有限公司	A non-controlling equity holder of Sipo 思博的非控股股權持有人
Shanghai Greenland Kanghe Property Co., Ltd 上海綠地康和置業有限公司	A subsidiary controlled by Greenland Holdings 由綠地控股控制的子公司
Guangxi Real Estate (Group) Co., Limited 廣西地產(集團)有限公司	A non-controlling equity holder of Guangxi Xintie 廣西鑫鐵的非控股股權持有人
Nanchang Zhuoyue Property Development Co., Ltd 南昌卓越房地產開發有限公司	A subsidiary controlled by Greenland Holdings 由綠地控股控制的子公司
Shanghai Xinjiang Property Co., Limited 上海新江實業有限公司	A non-controlling equity holder of Shanghai Xinqi 上海新琪的非控股股權持有人
Shanghai Gaojing Property Co., Limited 上海高境實業有限公司	A non-controlling equity holder of Shanghai Xinqi 上海新琪的非控股股權持有人
Greenland Financial Overseas Investment Group Co. Ltd. Greenland Financial Overseas Investment Group Co. Ltd.	A subsidiary controlled by Greenland Holdings 由綠地控股控制的子公司

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		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Receipt of construction services	收取建造服務		
Greenland Construction	綠地建設	<b>841,145</b>	417,825
Greenland Engineering	綠地工程	<b>548,755</b>	286,692
Greenland Senmao	綠地森茂	<b>176,098</b>	27,204
		<b>1,565,998</b>	731,721
Entrusted loans	委託貸款		
Provide entrusted loan	提供委託貸款		
China Resources	華潤置地	<b>380,230</b>	-
Shanghai Yingkun	上海穎堃	-	100,000
Tianjin Xuda	天津旭達	-	391,000
		<b>380,230</b>	491,000
Receipt of entrusted loan	收取委託貸款		
China Resources Suzhou	華潤蘇州	<b>356,270</b>	165,900
Nanchang Greenland Shenfei Property Co., Ltd	南昌綠地申飛置業有限公司	<b>170,000</b>	200,000
		<b>526,279</b>	365,900
Repayment of entrusted loan from Tianjin Xuda	償還委託貸款 天津旭達	-	391,000
Disposal of Subsidiaries	出售子公司		
Shanghai Xinhua Faxing Group Limited	上海新華發行集團有限公司	<b>347,987</b>	-

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**46. RELATED-PARTY TRANSACTIONS (Continued)**      **46. 關連人士交易(續)**

**46.3 Balances**

**46.3 結餘**

		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Other financial assets (note 21)	其他金融資產(附註21)		
Shanghai Yingkun	上海穎堃	-	100,000
China Resource	華潤置地	<b>380,230</b>	-
		<b>380,230</b>	100,000
Receivables due from related parties (note 28)	應收關連人士款項(附註28)		
Advance payments to related parties	預付關連人士款項		
Greenland Engineering	綠地工程	<b>288,697</b>	9,793
Greenland Senmao	綠地森茂	<b>6,516</b>	4,748
Greenland Construction	綠地建設	<b>21,680</b>	285,216
Non-trade balances due from related parties	應收關連人士其他應收款項結餘		
Greenland Hong Kong Investment Group Limited	綠地香港投資集團有限公司	-	75,400
China Resources	華潤置地	<b>75,000</b>	245,000
Shanghai Greenland Construction (Group) Co., Ltd	上海綠地建設(集團)有限公司	<b>5,694</b>	-
Greenland Taiyang	綠地泰陽	<b>992</b>	992
Great China Properties Holdings Limited	大中華地產控股有限公司	<b>69,280</b>	64,886
Shanghai Greenland Kanghe Property Co., Ltd	上海綠地康和置業有限公司	<b>10</b>	-
Forever Rich	Forever Rich	<b>21,719</b>	20,331
Greenland Senmao	綠地森茂	<b>30</b>	-
Greenland (Group) Taiyuan Property Co., Ltd	綠地集團太原置業有限公司	<b>243,472</b>	-
Shanxi Greenland Deyi Property Co., Ltd	山西綠地得一置業有限公司	<b>39</b>	-
Greenland Construction	綠地建設	-	6,119
Greenland Financial Overseas Investment Group Co., Ltd.	Greenland Financial Overseas Investment Group Co., Ltd.	<b>693,700</b>	-
Guangxi Real Estate (Group) Co., Limited	廣西地產(集團)有限公司	<b>209,396</b>	-
Shanghai Yingkun	上海穎堃	-	75,118
VWIL	維特懷	<b>2,484</b>	2,326
Mr. Wang Weixian and the companies controlled by Mr. Wang Weixian	王偉賢先生及王偉賢先生控制的公司	<b>1</b>	1
CIFI	旭輝	<b>1,608,558</b>	945,614
		<b>3,247,268</b>	1,735,544

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截至二零一六年十二月三十一日止年度**46. RELATED-PARTY TRANSACTIONS (Continued)** **46. 關連人士交易(續)**  
**46.3 Balances (Continued)** **46.3 結餘(續)**

		<b>2016</b> <b>二零一六年</b> <b>RMB'000</b> <b>人民幣千元</b>	2015 二零一五年 RMB'000 人民幣千元
Entrusted loans	委託貸款		
China Resources Suzhou	華潤蘇州	<b>522,170</b>	165,900
Nanchang Greenland Shenfei Property Co., Ltd	南昌綠地申飛置業有限公司	<b>370,000</b>	200,000
		<b>892,170</b>	365,900
Payables due to related parties (note 34)	應付關連人士款項(附註34)		
Trade balances due to related parties	應付關連人士應付賬款結餘		
Greenland Senmao	綠地森茂	<b>10,715</b>	6,059
Non-trade balances due to related parties	應付關連人士其他應付款項結餘		
Mr. Wang Weixian and the companies controlled by Mr. Wang Weixian	王偉賢先生及王偉賢先生控制的公司		
- dividends payable	- 應付股息	<b>6,805</b>	6,805
- other payables	- 其他應付款項	<b>5,332</b>	5,332
Nanchang Greenland Shenbo Property Co., Ltd	南昌綠地申博置業有限公司	<b>20,000</b>	-
Nanchang Greenland Shexiang Property Co., Ltd	南昌綠地申翔置業有限公司	<b>160,000</b>	-
Nanchang Greenland Shexin Property Co., Ltd	南昌綠地申新置業有限公司	<b>237,000</b>	-
Jiangxi Shenjiang	江西申江	<b>150,000</b>	-
Greenland Financial Investment Holdings Group., Ltd	綠地金融投資控股集團有限公司	<b>739,850</b>	-
China Resources Xuzhou	華潤徐州	<b>140</b>	-
China Resources Nanjing	華潤南京	<b>318</b>	-
Nanchang Zhuoyue Property Development Co., Ltd	南昌卓越房地產開發有限公司	<b>200,000</b>	-
Guangxi Real Estate (Group) Co., Limited	廣西地產(集團)有限公司	<b>83,090</b>	-
Greenland Hong Kong Investment Group Limited	綠地香港投資集團有限公司	<b>949,928</b>	7,933
Super Talent Resources Limited	超智資源有限公司	<b>632,419</b>	592,310
Greenland Senmao	綠地森茂	<b>1,050</b>	1,000
Nanchang Greenland Shenfei Property Co., Ltd	南昌綠地申飛置業有限公司	<b>50,000</b>	-
Shanghai Yingkun	上海穎堃	-	2,268,900
Greenland Global Investment Limited	綠地全球投資有限公司	<b>306,384</b>	-
Great China Properties Holdings Limited	大中華地產控股有限公司	<b>69,326</b>	64,930
Greenland Construction	綠地建設	<b>50</b>	200
Xu Fu	旭富	<b>978,545</b>	915,998
CIFI	旭輝	<b>950,447</b>	55,325
Shanghai Xinjiang Property Co., Limited	上海新江實業有限公司	<b>44,240</b>	48,240
Shanghai Gaojing Property Co., Limited	上海高境實業有限公司	<b>11,060</b>	12,060
Greenland Holdings	綠地控股	<b>686,732</b>	1,186,732
		<b>6,293,431</b>	5,171,824

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## 46. RELATED-PARTY TRANSACTIONS (Continued)

### 46.4 Compensation of key management personnel

Remuneration for key management personnel, including amounts paid to the Company's directors as disclosed in note 14 and five of the highest payment to employees as disclosed in note 15, was as follows:

Salaries and other emoluments	工資及其他薪酬
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## 46. 關連人士交易(續)

### 46.4 關鍵管理人員薪酬

關鍵管理人員薪酬包括在附註14中披露支付予本公司董事的薪酬和在附註15中披露支付予五位最高薪酬僱員的薪酬，詳情如下：

2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
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11,917	12,537
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## 47. DISCONTINUED OPERATIONS

During the year, the Group entered into a sale agreement to dispose of its 65.96% equity interest in Shanghai Sipo Education Development Co., Limited ("Sipo") that carried out all of the Group's education operations ("Education Operation"). The disposal was completed on 4 March 2016, on which date the Group lost control of Sipo. The Group's Education Operations are treated as discontinued operations.

The combined results of the discontinued operations included in the profit for the year are set out below. The comparative profit and cash flows from discontinued operations have been re-presented to include those operations classified as discontinued in the current year.

## 47. 終止經營業務

年內，本集團訂立銷售協議出售其於上海思博教育發展有限公司(「思博」)的65.96%股權，思博負責經營本集團的全部教育業務(「教育業務」)。該項出售已於二零一六年三月四日完成，而本集團於當日失去對思博的控制權。本集團的教育業務視作終止經營業務處理。

列入年度溢利的終止經營業務的合併業績載列如下。來自終止經營業務的比較溢利及現金流量已重新呈列以包括分類為本年度終止經營的業務。

### Year ended 31 December 截至十二月三十一日止年度

2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
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Revenue	收益	14,921	114,005
Cost of sales	銷售成本	(10,711)	(10,739)
Administrative expenses	行政費用	(5,198)	(81,102)
Finance income	融資收入		139
Finance expenses	融資成本	(5)	(2,088)
(Loss) profit before tax	除稅前(虧損)溢利	(993)	20,215
Attributable income tax expense	應佔所得稅開支	-	(4,826)
		(993)	15,389
Gains on disposal of Education Operations	出售教育業務之收益	246,569	-
Attributable income tax expense	應佔所得稅開支	(65,513)	-
		181,056	-
Profit for the year from discontinued operations	來自終止經營業務的年內溢利	180,063	15,389

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度**47. DISCONTINUED OPERATIONS (Continued)**      **47. 終止經營業務(續)**

<b>Year ended 31 December</b> <b>截至十二月三十一日止年度</b>		<b>2016</b> <b>二零一六年</b> <b>RMB'000</b> <b>人民幣千元</b>	<b>2015</b> <b>二零一五年</b> <b>RMB'000</b> <b>人民幣千元</b>
<b>Cash flows from discontinued operations</b>	<b>來自終止經營業務的現金流量</b>		
Net cash outflows from operating activities	經營活動的現金流出淨額	<b>(14,626)</b>	(30,716)
Net cash outflows from investing activities	投資活動的現金流出淨額	<b>(44,207)</b>	(7,960)
Net cash inflows from financing activities	融資活動的現金流入淨額	<b>41,640</b>	15,107
Net cash outflows	現金流出淨額	<b>(17,193)</b>	(23,569)

**48. DISPOSAL OF EDUCATION OPERATIONS**

On 4 March 2016, the Group disposed of Sipo which carried out its entire educating operation.

**48.1 Consideration received****Year ended 31 December**  
**截至十二月三十一日止年度**

Total consideration received      已收總代價

**2016**  
**二零一六年**  
**RMB'000**  
**人民幣千元****347,987****48. 出售教育業務**

於二零一六年三月四日，本集團出售負責經營本集團全部教育業務的思博。

**48.1 已收代價****48.2 Analysis of assets and liabilities over which control was lost****Year ended 31 December**  
**截至十二月三十一日止年度**

<b>Year ended 31 December</b> <b>截至十二月三十一日止年度</b>		<b>2016</b> <b>二零一六年</b> <b>RMB'000</b> <b>人民幣千元</b>
<b>Current assets</b>	<b>流動資產</b>	
Cash and cash equivalents	現金及現金等價物	<b>68,783</b>
Trade, other receivables and advance deposits	應收賬款、其他應收款項及預付按金	<b>45,580</b>
Inventories	存貨	<b>2,783</b>
<b>Non-current assets</b>	<b>非流動資產</b>	
Property, plant and equipment	物業、廠房及設備	<b>239,747</b>
Land use rights	土地使用權	<b>49,110</b>
Deferred tax assets	遞延稅項資產	<b>20,394</b>
<b>Current liabilities</b>	<b>流動負債</b>	
Payables	應付款項	<b>(208,483)</b>
Interest-bearing loans within one year	一年內到期的計息貸款	<b>(33,970)</b>
<b>Non-current liabilities</b>	<b>非流動負債</b>	
Interest-bearing loan	計息貸款	<b>(41,640)</b>
Long-term payables	長期應付款	<b>(32,471)</b>
Net assets disposed of	已出售之淨資產	<b>109,833</b>

**48.2 已失去控制權的資產及負債分析****2016**  
**二零一六年**  
**RMB'000**  
**人民幣千元**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

For the year ended 31 December 2016  
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**48. DISPOSAL OF EDUCATION OPERATIONS  
(Continued)**

**48.3 Gain on disposal**

**Year ended 31 December**  
**截至十二月三十一日止年度**

		<b>2016</b>
		<b>二零一六年</b>
		<b>RMB'000</b>
		<b>人民幣千元</b>
Consideration received	已收代價	<b>347,987</b>
Net assets disposed of	已出售之淨資產	<b>(109,833)</b>
Receivables disposed of	已出售之應收款項	<b>(27,676)</b>
Non-controlling interests	非控股權益	<b>36,091</b>
Gain on disposal	出售收益	<b>246,569</b>

The gain on disposal is included in the profit for the year from discontinued operations (see note 47).

**48. 出售教育業務(續)**

**48.3 出售收益**

出售收益列入來自終止經營業務的年內溢利(見附註47)。

**48.4 Net cash inflow on disposal**

**Year ended 31 December**  
**截至十二月三十一日止年度**

		<b>2016</b>
		<b>二零一六年</b>
		<b>RMB'000</b>
		<b>人民幣千元</b>
Consideration received in cash and cash equivalents	以現金及現金等價物形式的已收代價	<b>347,987</b>
Less: cash and cash equivalent balances disposed of	減：已出售之現金及現金等價物結餘	<b>(68,783)</b>
		<b>279,204</b>

**48.4 出售的現金流入淨額**

**49. SUBSEQUENT EVENT**

- On 12 January 2017, the Group entered into the equity transfer agreement with Wuxi Metro Group Co., Ltd (the "Seller"), pursuant to which the Group agreed to purchase from the Seller the 90% interest in the Wuxi Guangcheng Metro Above-Station Property Development Co., Ltd (the "Target Company") together with the Shareholder's Loan for a total transaction amount of approximately RMB2,340 million. Upon completion, the Target Company will become an indirect non-wholly owned subsidiary of the Group.
- On 26 January 2017, the Group distributed the dividend of Perpetual Securities issued on 27 July 2016. The amount is USD3,375,000.

**49. 結算日後事件**

- 二零一七年一月十二日，本集團與無錫地鐵集團有限公司(「賣方」)簽訂了股權轉讓協議，據此，本集團同意向賣方收購無錫廣成地鐵上蓋置業有限公司(「目標公司」)90%的股權連同股東貸款，交易金額總額約為人民幣2,340,000,000元。於完成後，目標公司將成為本集團的間接非全資子公司。
- 於二零一七年一月二十六日，本集團就二零一六年七月二十七日發行的永久證券分派股息，金額為3,375,000美元。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度**50. STATEMENT OF FINANCIAL POSITION OF THE COMPANY**      **50. 公司財務狀況表**

		<b>2016</b>	2015
		<b>二零一六年</b>	二零一五年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
<b>ASSETS</b>	<b>資產</b>		
Investment in subsidiaries	子公司投資	<b>13,958,444</b>	13,362,412
Total non-current assets	非流動資產總額	<b>13,958,444</b>	13,362,412
Trade, other receivables and advance deposits	應收賬款、其他應收款項及預付按金	<b>758,703</b>	520,477
Other financial assets	其他金融資產	<b>141,654</b>	–
Cash and cash equivalents	現金及現金等價物	<b>46,335</b>	175
Total current assets	流動資產總額	<b>946,692</b>	520,652
Total assets	資產總額	<b>14,905,136</b>	13,883,064
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>		
Share capital	股本	<b>1,132,855</b>	1,132,855
Share premium	股份溢價	<b>3,416,546</b>	3,416,546
Reserves	儲備	<b>309,670</b>	309,670
Perpetual securities	永久證券	<b>787,823</b>	–
Accumulated losses	累計虧損	<b>(315,587)</b>	(517,888)
Total equity attributable to equity holders of the Company	本公司股權持有人應佔權益總額	<b>5,331,307</b>	4,341,183
<b>LIABILITIES</b>	<b>負債</b>		
Bonds	債券	<b>4,581,996</b>	4,714,521
Total non-current liabilities	非流動負債總額	<b>4,581,996</b>	4,714,521
Interest-bearing loans	計息貸款	<b>1,207,200</b>	–
Trade and other payables	應付賬款及其他應付款項	<b>327,855</b>	297,953
Bonds within one year	一年內到期的債券	<b>3,456,778</b>	4,529,407
Total current liabilities	流動負債總額	<b>4,991,833</b>	4,827,360
Total liabilities	負債總額	<b>9,573,829</b>	9,541,881
<b>Total equity and liabilities</b>	<b>權益及負債總額</b>	<b>14,905,136</b>	13,883,064

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

**50. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)**      **50. 公司財務狀況表(續)**

		Reserves							
		儲備							
		Share capital	Share premium	Capital redemption reserve	Contributed surplus	Employee share-based compensation	Perpetual securities	Accumulated losses	Total
		股本	股份溢價	資本贖回儲備	實繳盈餘	僱員股份報酬	永久證券	累計虧損	合計
			RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
			人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
					(note i)				
					(附註i)				
<b>At 1 January 2015</b>	<b>於二零一五年一月一日</b>	1,132,855	2,362,986	1,231	308,439	32,089	-	(602,132)	3,235,468
Transfer of fully vested shares for Share Award Scheme	轉撥股份獎勵計劃的全面歸屬股份	-	(9,237)	-	-	(32,505)	-	-	(41,742)
Placing shares issued	已發行配售股份	-	1,238,098	-	-	-	-	-	1,238,098
Repurchase and logout shares	購回及註銷股份	-	(175,301)	-	-	-	-	-	(175,301)
Equity settled share-based transactions	股權結算的股份支付交易	-	-	-	-	416	-	-	416
Profit for the year	年度溢利	-	-	-	-	-	-	84,244	84,244
<b>At 31 December 2015</b>	<b>於二零一五年十二月三十一日</b>	1,132,855	3,416,546	1,231	308,439	-	-	(517,888)	4,341,183
Issue of perpetual securities	發行永久證券	-	-	-	-	-	787,823	-	787,823
Profit for the year	年度溢利	-	-	-	-	-	-	202,301	202,301
<b>At 31 December 2016</b>	<b>於二零一六年十二月三十一日</b>	<b>1,132,855</b>	<b>3,416,546</b>	<b>1,231</b>	<b>308,439</b>	<b>-</b>	<b>787,823</b>	<b>(315,587)</b>	<b>5,331,307</b>

Note (i): The excess of the consolidated net assets represented by the shares of the subsidiaries acquired over nominal value of the shares issued by the Company in exchange under the Reorganisation was transferred to the contributed surplus account in the Company's financial statements.

附註(i)：所收購子公司股份之綜合淨資產超過本公司於重組時發行以交換該等股份面值之差額轉撥至本公司財務報表的實繳盈餘賬。

**51. COMPARATIVES**

The comparative figures in the consolidated financial statements have been reclassified as disclosed in 2016.

**51. 比較數字**

綜合財務報表所載比較數字已按二零一六年所披露重新分類。

# SUMMARY OF CONSOLIDATED FINANCIAL INFORMATION

## 綜合財務資料概要

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

#### 綜合損益及其他全面利潤表

Year ended 31 December 截至十二月三十一日止年度		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
<b>Revenue</b>	<b>收益</b>	<b>16,919,188</b>	5,687,953	2,840,025	5,447,768	1,766,535
Cost of sales	銷售成本	<b>(14,091,196)</b>	(4,647,388)	(2,060,909)	(4,001,353)	(1,361,577)
<b>Gross profit</b>	<b>毛利</b>	<b>2,827,992</b>	1,040,565	779,116	1,446,415	404,958
Other gains and losses	其他收益及虧損	<b>197,969</b>	176,430	11,808	63,515	17,691
Selling and marketing costs	銷售及市場推廣成本	<b>(415,567)</b>	(318,911)	(265,450)	(87,532)	(94,615)
Administrative expenses	行政費用	<b>(499,687)</b>	(428,641)	(427,585)	(329,707)	(316,483)
Other operating expenses	其他經營開支	<b>(844,073)</b>	(887,192)	(12,697)	(344,454)	(571,114)
Net gain (loss) on disposal of equity interest in subsidiaries	出售子公司股權之收益(虧損)淨額	<b>228</b>	590	(500)	214,354	134,499
<b>Results from operating activities</b>	<b>來自經營活動的業績</b>	<b>1,266,862</b>	(417,159)	84,692	962,591	(425,064)
Finance income	融資收入	<b>70,574</b>	58,947	82,980	99,057	99,003
Finance expenses	融資成本	<b>(135,088)</b>	(199,114)	(186,180)	(415,331)	(277,226)
Fair value changes on financial derivatives	衍生金融工具的公允價值變動	-	-	-	112,812	852
<b>Net finance expenses</b>	<b>融資成本淨額</b>	<b>(64,514)</b>	(140,167)	(103,200)	(203,462)	(177,371)
Share of profits (loss) of associates	應佔聯營公司溢利(虧損)	<b>370</b>	(1,007)	94	(114,096)	(102,252)
Share of profit (loss) of joint ventures	應佔合營企業溢利(虧損)	<b>195,015</b>	4	(2,726)	(48,175)	(32,579)
Revaluation gain (loss) on investment properties	投資物業重估收益(虧損)	<b>687,638</b>	1,115,249	522,212	(80,539)	(65,490)
<b>Profit (loss) before income tax</b>	<b>除所得稅前溢利(虧損)</b>	<b>2,085,371</b>	556,920	501,072	516,319	(802,756)
Income tax expense	所得稅開支	<b>(1,024,852)</b>	(540,664)	(436,951)	(483,169)	(185,604)
<b>Profit for the year from continuing operations</b>	<b>來自持續經營業務的 年內溢利</b>	<b>1,060,519</b>	16,256	64,121	33,150	(988,360)
<b>Discontinued operations</b>	<b>終止經營業務</b>					
Profit for the year from discontinued operations	來自終止經營業務的 年內溢利	<b>180,063</b>	15,389	-	-	-
<b>Profit and total comprehensive income for the year</b>	<b>年度溢利及全面收入總額</b>	<b>1,240,582</b>	31,645	64,121	33,150	(988,360)
<b>Attributable to:</b>	<b>以下人士應佔：</b>					
Owners of the Company	本公司擁有人	<b>1,112,543</b>	220,240	107,690	34,513	(938,248)
Non-controlling interests	非控股權益	<b>128,039</b>	(188,595)	(43,569)	(1,363)	(50,112)
<b>Earnings (loss) per share</b>	<b>每股盈利(虧損)</b>					
Basic earnings per share (RMB)	每股基本盈利(人民幣元)	<b>0.39</b>	0.08	0.04	0.02	(0.92)
Diluted earnings per share (RMB)	每股攤薄盈利(人民幣元)	<b>NA不適用</b>	0.08	0.04	0.02	(0.92)

SUMMARY OF CONSOLIDATED FINANCIAL INFORMATION (Continued)  
綜合財務資料概要(續)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
綜合財務狀況表

Year ended 31 December 截至十二月三十一日止年度		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
<b>Assets</b>	<b>資產</b>					
Non-current assets	非流動資產					
Property, plant and equipment	物業、廠房及設備	<b>1,282,241</b>	1,546,906	1,619,850	922,979	959,388
Intangible assets	無形資產	<b>1,341</b>	1,386	1,431	1,476	1,521
Land use rights	土地使用權	<b>24,608</b>	74,738	76,924	74,953	76,826
Other financial assets	其他金融資產	<b>174,567</b>	174,567	2,800	2,800	35,432
Investment properties	投資物業	<b>8,216,000</b>	7,246,000	5,722,000	1,719,000	1,758,000
Properties under development	發展中物業	<b>15,082,454</b>	15,587,580	17,599,647	6,832,762	4,062,629
Investments in associates	聯營公司投資	-	-	3,603	3,509	980,325
Interests in joint ventures	合營企業權益	<b>541,203</b>	296,187	938,022	677,111	702,556
Long-term receivable	長期應收款	-	-	596,096	673,627	746,590
Deferred tax assets	遞延稅項資產	<b>210,427</b>	269,727	185,915	212,882	240,571
<b>Total non-current assets</b>	<b>非流動資產總額</b>	<b>25,532,841</b>	25,197,091	26,746,288	11,121,099	9,563,838
Current assets	流動資產					
Properties under development	發展中物業	<b>3,928,278</b>	8,716,805	4,489,993	2,205,091	2,380,515
Completed properties held for sale	已建成待售物業	<b>9,707,441</b>	4,885,603	1,727,423	2,651,528	2,694,340
Other investments	其他投資	-	-	-	-	165,436
Trade, other receivables and advance deposits	應收賬款、其他應收款項及預付按金	<b>8,275,245</b>	5,214,650	2,760,960	3,964,698	2,230,835
Long-term receivable with one year	一年內到期的長期應收款	-	-	125,561	125,561	175,007
Other financial assets	其他金融資產	<b>866,059</b>	143,000	-	-	-
Restricted cash	受限制現金	<b>1,436,984</b>	621,618	156,693	749,693	832,697
Cash and cash equivalents	現金及現金等價物	<b>4,358,259</b>	5,207,187	5,032,763	922,037	816,836
Assets classified as held for sale	歸類為持作待售的資產	-	-	-	-	4,193,626
<b>Total current assets</b>	<b>流動資產總額</b>	<b>28,572,266</b>	24,788,863	14,293,393	10,618,608	13,489,292
<b>Total assets</b>	<b>資產總額</b>	<b>54,105,107</b>	49,985,954	41,039,681	21,739,707	23,053,130
<b>Equity and Liabilities</b>	<b>權益及負債</b>					
Capital and Reserves	資本及儲備					
Share capital	股本	<b>1,132,855</b>	1,132,855	1,068,154	1,068,154	106,591
Share premium	股份溢價	<b>3,416,546</b>	3,416,546	2,362,986	2,362,986	2,069,086
Reserves	儲備	<b>851,214</b>	829,466	834,203	833,173	790,566
Perpetual securities	永久證券	<b>787,823</b>	-	-	-	-
Retained earnings	保留溢利	<b>2,641,360</b>	1,550,565	1,353,595	1,355,871	1,312,056
<b>Total equity attributable to owners of the Company</b>	<b>本公司擁有人應佔權益總額</b>	<b>8,829,798</b>	6,929,432	5,618,938	5,620,184	4,278,299
<b>Non-controlling interests</b>	<b>非控股權益</b>	<b>893,896</b>	758,676	371,648	86,889	31,273
<b>Total equity</b>	<b>權益總額</b>	<b>9,723,694</b>	7,688,108	5,990,586	5,707,073	4,309,572

SUMMARY OF CONSOLIDATED FINANCIAL INFORMATION (Continued)  
綜合財務資料概要(續)**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)**  
綜合財務狀況表(續)

Year ended 31 December 截至十二月三十一日止年度	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
<b>Liabilities</b>	<b>負債</b>				
Non-current liabilities	非流動負債				
Interest bearing loans	計息貸款	5,770,601	6,577,283	4,454,928	1,441,839
Long-term payable	長期應付款	-	26,494	30,437	33,935
Financial derivatives	衍生金融工具	-	-	-	890
Bonds	債券	4,581,996	4,714,521	8,763,401	4,224,594
Deferred tax liabilities	遞延稅項負債	899,639	875,234	491,791	359,537
<b>Total non-current liabilities</b>	<b>非流動負債總額</b>	<b>11,252,236</b>	12,193,532	13,740,557	6,059,905
Current liabilities	流動負債				
Interest bearing loans	計息貸款	3,713,620	3,265,938	1,227,105	1,725,007
Other financial liabilities	其他金融負債	329,543	-	-	-
Trade, other payables and advance receipts	應付賬款、其他應付款項及預收款項	24,397,814	21,471,556	19,314,718	7,325,317
Tax payable	應付稅項	1,231,422	831,413	760,715	916,405
Bonds within one year	一年內到期的債券	3,456,778	4,529,407	-	-
Long-term payable within one year	一年內到期的長期應付款	-	6,000	6,000	6,000
Total liabilities associated with assets classified as held for sale	與歸類為持作待售的資產有關的負債總額	-	-	-	3,188,578
<b>Total current liabilities</b>	<b>流動負債總額</b>	<b>33,129,177</b>	30,104,314	21,308,538	9,972,729
<b>Total liabilities</b>	<b>負債總額</b>	<b>44,381,413</b>	42,297,846	35,049,095	16,032,634
<b>Total equity and liabilities</b>	<b>權益及負債總額</b>	<b>54,105,107</b>	49,985,954	41,039,681	21,739,707
<b>Net current (liabilities) assets</b>	<b>流動(負債)資產淨額</b>	<b>(4,556,911)</b>	(5,315,451)	(7,015,145)	645,879
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>	<b>20,975,930</b>	19,881,640	19,731,143	11,766,978

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

**Deloitte.**  
德勤

**TO THE SHAREHOLDERS OF GREENLAND HONG KONG HOLDINGS LIMITED**  
*(Incorporated in the Cayman Islands with limited liability)*

We have audited the consolidated financial statements of Greenland Hong Kong Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 87 to 221 which comprise the consolidated statement of financial position as at 31 December 2015, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards 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.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement.

致綠地香港控股有限公司全體股東

*(於開曼群島註冊成立的有限公司)*

本核數師(以下簡稱「我們」)已審核載於第87至221頁綠地香港控股有限公司(「貴公司」)及其子公司(統稱「貴集團」)的綜合財務報表，其中包括於二零一五年十二月三十一日的綜合財務狀況表、截至該日止年度的綜合損益及其他全面利潤表、綜合權益變動表和綜合現金流量表以及主要會計政策概要和其他解釋資料。

### 董事就綜合財務報表須承擔的責任

貴公司董事須負責根據國際財務報告準則及香港公司條例披露規定編製真實和公允的綜合財務報表，以及對董事認為對於編製概無因欺詐或錯誤造成的重大錯誤陳述的綜合財務報表而言必要的內部控制負責。

### 核數師的責任

我們的責任是根據審核的結果，對該等綜合財務報表發表意見，並根據我們協定的委聘條款僅向全體股東報告。除此之外，本報告不可用作其他用途。我們不會就本報告內容向任何其他人士負責或承擔任何責任。我們根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定該等綜合財務報表是否不存有任何重大錯誤陳述。

INDEPENDENT AUDITOR'S REPORT (Continued)  
獨立核數師報告(續)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## OPINION

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2015, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

### Deloitte Touche Tohmatsu

Certified Public Accountants  
Hong Kong

21 March 2016

審核涉及執程序以獲取有關綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該實體編製真實和公允的綜合財務報表相關的內部控制，以設計於該等情況下適當的審核程序，但並非為對實體的內部控制的有效性發表意見。審核亦包括評價董事所採用的會計政策的適當性及所作出的會計估計的合理性，以及評價綜合財務報表的整體呈報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

## 意見

我們認為，該等綜合財務報表已根據國際財務報告準則真實和公允地反映貴集團於二零一五年十二月三十一日的財務狀況，以及貴集團截至該日止年度的財務表現及現金流量，並已按照香港公司條例的披露規定適當地編製。

### 德勤•關黃陳方會計師行

執業會計師  
香港

二零一六年三月二十一日

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面利潤表

For the year ended 31 December 2015  
截至二零一五年十二月三十一日止年度

		Note	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
		附註		
<b>Revenue</b>	<b>收益</b>	8	<b>5,801,958</b>	2,840,025
Cost of sales	銷售成本		<b>(4,658,127)</b>	(2,060,909)
<b>Gross profit</b>	<b>毛利</b>		<b>1,143,831</b>	779,116
Other income	其他收入	9	<b>177,505</b>	11,808
Selling and marketing costs	銷售及市場推廣成本		<b>(318,911)</b>	(265,450)
Administrative expenses	行政費用		<b>(509,743)</b>	(427,585)
Other operating expenses	其他經營開支	10	<b>(245,287)</b>	(12,697)
Net gain (loss) on disposal of interests in subsidiaries	出售子公司權益之收益(虧損)淨額		<b>590</b>	(500)
<b>Results from operating activities</b>	<b>來自經營活動的溢利</b>		<b>247,985</b>	84,692
Finance income	融資收入	13	<b>59,086</b>	82,980
Finance expenses	融資成本	14	<b>(844,182)</b>	(186,180)
<b>Net finance expenses</b>	<b>融資成本淨額</b>		<b>(785,096)</b>	(103,200)
Share of (loss) profit of associates	應佔聯營公司(虧損)溢利		<b>(1,007)</b>	94
Share of profit (loss) of joint ventures	應佔合營企業溢利(虧損)		<b>4</b>	(2,726)
<b>Loss before revaluation gain on investment properties and income tax</b>	<b>未計投資物業重估收益及所得稅前虧損</b>		<b>(538,114)</b>	(21,140)
Revaluation gain on investment properties	投資物業重估收益	24	<b>1,115,249</b>	522,212
<b>Profit before income tax</b>	<b>除所得稅前溢利</b>		<b>577,135</b>	501,072
Income tax expenses	所得稅開支	15	<b>(545,490)</b>	(436,951)
<b>Profit for the year</b>	<b>年度溢利</b>		<b>31,645</b>	64,121
<b>Profit for the year attributable to:</b>	<b>以下人士應佔年度溢利：</b>			
Owners of the Company	本公司擁有人		<b>220,240</b>	107,690
Non-controlling interests	非控股權益		<b>(188,595)</b>	(43,569)
			<b>31,645</b>	64,121
<b>Earnings per share</b>	<b>每股盈利</b>			
Ordinary share (basic and diluted) (RMB)	普通股(基本及攤薄)(人民幣元)	19	<b>0.08</b>	0.04
Convertible preference share (basic and diluted) (RMB)	可轉換優先股(基本及攤薄)(人民幣元)	19	<b>0.08</b>	0.04



CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Continued)  
 綜合損益及其他全面利潤表(續)

For the year ended 31 December 2015  
 截至二零一五年十二月三十一日止年度

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
	Note 附註		
<b>Profit for the year</b>	<b>年度溢利</b>	<b>31,645</b>	64,121
<b>Other comprehensive income</b>	<b>其他全面收入</b>		
Item that may be reclassified subsequently to profit or loss:	其後可重新分類至損益之項目：		
Exchange differences on foreign operations	境外業務匯兌差異	-	(23,374)
<b>Total comprehensive income for the year</b>	<b>年度全面收入總額</b>	<b>31,645</b>	40,747
<b>Attributable to:</b>	<b>以下人士應佔：</b>		
Owners of the Company	本公司擁有人	<b>220,240</b>	96,003
Non-controlling interests	非控股權益	<b>(188,595)</b>	(55,256)
<b>Total comprehensive income for the year</b>	<b>年度全面收入總額</b>	<b>31,645</b>	40,747

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

As at 31 December 2015  
於二零一五年十二月三十一日

		Note	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
		附註		
<b>ASSETS</b>	<b>資產</b>			
<b>Non-Current Assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	20	<b>1,546,906</b>	1,619,850
Intangible assets	無形資產	21	<b>1,386</b>	1,431
Land use rights	土地使用權	22	<b>74,738</b>	76,924
Other financial assets	其他金融資產	23	<b>174,567</b>	2,800
Investment properties	投資物業	24	<b>7,246,000</b>	5,722,000
Properties under development	發展中物業	25	<b>15,587,580</b>	17,599,647
Interests in associates	聯營公司權益	27	<b>-</b>	3,603
Interests in joint ventures	合營企業權益	28	<b>296,187</b>	938,022
Long-term receivable	長期應收款	30	<b>-</b>	596,096
Deferred tax assets	遞延稅項資產	34(iv)	<b>269,727</b>	185,915
<b>Total non-current assets</b>	<b>非流動資產總額</b>		<b>25,197,091</b>	26,746,288
<b>Current Assets</b>	<b>流動資產</b>			
Properties under development	發展中物業	25	<b>8,716,805</b>	4,489,993
Completed properties held for sale	已建成交待售物業	26	<b>4,885,603</b>	1,727,423
Trade, other receivables and advance deposits	應收賬款、其他應收款項及預付按金	29	<b>4,917,358</b>	2,584,310
Tax recoverable	可收回稅項	31	<b>297,292</b>	176,650
Long-term receivable within one year	一年內到期的長期應收款	30	<b>-</b>	125,561
Other financial assets	其他金融資產	23	<b>143,000</b>	-
Restricted cash	受限制現金	32	<b>621,618</b>	156,693
Cash and cash equivalents	現金及現金等價物	33	<b>5,207,187</b>	5,032,763
<b>Total current assets</b>	<b>流動資產總額</b>		<b>24,788,863</b>	14,293,393
<b>Total assets</b>	<b>資產總額</b>		<b>49,985,954</b>	41,039,681
<b>EQUITY AND LIABILITIES</b>	<b>權益及負債</b>			
<b>Capital And Reserves</b>	<b>資本及儲備</b>			
Share capital	股本	41	<b>1,132,855</b>	1,068,154
Share premium	股份溢價	42	<b>3,416,546</b>	2,362,986
Reserves	儲備		<b>829,466</b>	834,203
Retained earnings	保留溢利		<b>1,550,565</b>	1,353,595
Total equity attributable to owners of the Company	本公司擁有人應佔權益總額		<b>6,929,432</b>	5,618,938
Non-controlling interests	非控股權益		<b>758,676</b>	371,648
<b>Total equity</b>	<b>權益總額</b>		<b>7,688,108</b>	5,990,586

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)  
綜合財務狀況表(續)

As at 31 December 2015  
於二零一五年十二月三十一日

		Note 附註	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
<b>LIABILITIES</b>	<b>負債</b>			
<b>Non-Current Liabilities</b>	<b>非流動負債</b>			
Interest-bearing loans	計息貸款	35	<b>6,577,283</b>	4,454,928
Long-term payable	長期應付款	37	<b>26,494</b>	30,437
Bonds	債券	38	<b>4,714,521</b>	8,763,401
Deferred tax liabilities	遞延稅項負債	34(iv)	<b>875,234</b>	491,791
<b>Total non-current liabilities</b>	<b>非流動負債總額</b>		<b>12,193,532</b>	13,740,557
<b>Current Liabilities</b>	<b>流動負債</b>			
Interest-bearing loans	計息貸款	35	<b>3,265,938</b>	1,227,105
Trade, other payables and advance receipts	應付賬款、其他應付款項 及預收款項	36	<b>21,471,556</b>	19,314,718
Tax payable	應付稅項	34(i)	<b>831,413</b>	760,715
Bonds within one year	一年內到期的債券	38	<b>4,529,407</b>	–
Long-term payable within one year	一年內到期的長期應付款	37	<b>6,000</b>	6,000
<b>Total current liabilities</b>	<b>流動負債總額</b>		<b>30,104,314</b>	21,308,538
<b>Total liabilities</b>	<b>負債總額</b>		<b>42,297,846</b>	35,049,095
<b>Total equity and liabilities</b>	<b>權益及負債總額</b>		<b>49,985,954</b>	41,039,681
<b>Net current liabilities</b>	<b>流動負債淨額</b>		<b>(5,315,451)</b>	(7,015,145)
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>19,881,640</b>	19,731,143

The consolidated financial statements on page 87 to 221 were approved and authorised for issue by the board of directors on 21 March 2016 and are signed on its behalf by:

第87至221頁的綜合財務報表於二零一六年三月二十一日獲董事會批准及授權刊發，並由以下代表簽署：

**Chen Jun**

陳軍

Chairman of the Board of Directors and Chief Executive Officer  
董事會主席兼行政總裁

**Hou Guangjun**

侯光軍

Chief Operation Officer  
首席營運官

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 December 2015  
截至二零一五年十二月三十一日止年度

	Reserves										Attributable to Non-controlling interests	Total											
	儲備																						
	Issued capital		Shares premium		Merger reserve		Capital redemption reserve		Shares held for Share Award Scheme		Employee share-based compensation		PRC statutory reserve		Revaluation reserve		Translation reserve		Retained earnings		Subtotal		
		RMB'000	人民幣千元	RMB'000	人民幣千元	RMB'000	人民幣千元	RMB'000	人民幣千元	RMB'000	人民幣千元	RMB'000	人民幣千元	RMB'000	人民幣千元	RMB'000	人民幣千元	RMB'000	人民幣千元	RMB'000	人民幣千元	RMB'000	人民幣千元
<b>At 1 January 2014</b>	1,068,154	2,362,986	455,392	1,231	(48,785)	20,515	367,544	25,589	11,687	1,355,871	5,620,184	86,889	5,707,073										
Profit/loss for the year	-	-	-	-	-	-	-	-	-	-	-	-	64,121										
Other comprehensive income	-	-	-	-	-	-	-	-	(11,687)	-	-	(11,687)	(23,374)										
<b>Total comprehensive income</b>	-	-	-	-	-	-	-	-	(11,687)	107,690	96,003	(55,256)	40,747										
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	102,240										
Capital contribution from a non-controlling shareholder of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	237,775										
Equity settled share-based transactions (note 40)	-	-	-	-	-	11,574	-	-	-	-	-	-	-										
Purchase of shares held for Share Award Scheme	-	-	-	-	(4,576)	-	-	-	-	-	-	-	(4,576)										
Transfer to reserves	-	-	-	-	-	-	-	-	-	(5,719)	-	-	(104,247)										
Payment of dividends	-	-	-	-	-	-	-	-	-	-	-	-	-										
<b>As at 31 December 2014</b>	1,068,154	2,362,986	455,392	1,231	(53,361)	32,089	373,263	25,589	-	1,353,595	5,618,938	371,648	5,990,586										
<b>At 1 January 2015</b>	1,068,154	2,362,986	455,392	1,231	(48,785)	20,515	367,544	25,589	11,687	1,355,871	5,620,184	86,889	5,707,073										
Profit/loss for the year	-	-	-	-	-	-	-	-	-	-	-	-	64,121										
Other comprehensive income	-	-	-	-	-	-	-	-	(11,687)	-	-	(11,687)	(23,374)										
<b>Total comprehensive income</b>	-	-	-	-	-	-	-	-	(11,687)	107,690	96,003	(55,256)	40,747										
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	102,240										
Capital contribution from a non-controlling shareholder of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	237,775										
Equity settled share-based transactions (note 40)	-	-	-	-	-	11,574	-	-	-	-	-	-	-										
Purchase of shares held for Share Award Scheme	-	-	-	-	(4,576)	-	-	-	-	-	-	-	(4,576)										
Transfer to reserves	-	-	-	-	-	-	-	-	-	(5,719)	-	-	(104,247)										
Payment of dividends	-	-	-	-	-	-	-	-	-	-	-	-	-										
<b>As at 31 December 2015</b>	1,068,154	2,362,986	455,392	1,231	(53,361)	32,089	373,263	25,589	-	1,353,595	5,618,938	371,648	5,990,586										

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)  
綜合權益變動表(續)

For the year ended 31 December 2015  
截至二零一五年十二月三十一日止年度

	Reserves										Total		
	Issued capital		Shares premium	Merger reserve	Capital redemption reserve	Shares held for Share Award Scheme		Employee share-based compensation	PRC statutory reserve	Revaluation reserve		Retained earnings	Subtotal
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>At 1 January 2015</b>	1,068,154	2,342,986	455,392	1,231	(53,361)	32,089	373,263	25,589	1,353,595	371,648	5,990,586		
Profit/(loss) for the year	-	-	-	-	-	-	-	-	220,240	188,595	31,645		
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-		
<b>Total comprehensive income</b>	-	-	-	-	-	-	-	-	220,240	188,595	31,645		
Acquisition of subsidiaries (note 47)	-	-	-	-	-	-	-	-	-	576,213	576,213		
Disposal of subsidiaries	-	-	-	-	-	-	-	-	-	(590)	(590)		
Equity settled share-based transactions (note 40)	-	-	-	-	-	416	-	-	-	-	416		
Purchase of shares held for Share Award Scheme	-	-	-	-	(37,660)	-	-	-	-	-	(37,660)		
Transfer of fully vested shares for Share Award Scheme	-	(9,237)	-	-	41,742	(32,505)	-	-	-	-	-		
Repurchase and log-out shares (note 41 and note 42)	(25,255)	(175,301)	-	-	-	-	-	-	-	-	(200,556)		
Placing shares issued (note 41 and note 42)	89,956	1,238,098	-	-	-	-	-	-	-	-	1,328,054		
Transfer to reserves	-	-	-	-	-	-	23,270	-	(23,270)	-	-		
<b>As at 31 December 2015</b>	1,132,855	3,416,546	455,392	1,231	(49,279)	-	396,533	25,589	1,550,565	758,676	6,929,432	7,688,108	

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 December 2015  
截至二零一五年十二月三十一日止年度

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
<b>OPERATING ACTIVITIES</b>	<b>經營業務</b>		
Profit for the year	年度溢利	<b>31,645</b>	64,121
Adjustments for:	調整項目：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	<b>111,447</b>	104,403
Amortization of intangible assets	無形資產攤銷	<b>45</b>	45
Amortization of land use rights	土地使用權攤銷	<b>2,186</b>	1,897
Change in fair value of investment properties	投資物業公允價值改變	<b>(1,115,249)</b>	(522,212)
Write-down (reversal of impairment) of properties under development and completed properties held for sale	發展中物業及已建成待售物業之撇減(減值撥回)	<b>158,031</b>	(16,298)
Write-down (reversal) of impairment of receivables	應收款項減值(撥回)	<b>56,220</b>	(577)
Net finance expenses	融資成本淨額	<b>785,096</b>	103,200
Share of net losses of associates and joint ventures	應佔聯營公司及合營企業淨虧損	<b>1,003</b>	2,632
Net loss on disposal of interests in subsidiaries	出售子公司權益之淨虧損	<b>(590)</b>	500
Gain on combination of subsidiaries	合併子公司之收益	<b>(89,726)</b>	-
Net loss on disposal of other investments	出售其他投資之淨虧損	<b>1,000</b>	-
Net gain on disposal of a joint venture	出售合營企業之收益淨額	<b>-</b>	(5,150)
Net gain on disposal of an associate	出售聯營公司之收益淨額	<b>(546)</b>	-
Net gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益淨額	<b>(76,653)</b>	(75)
Equity-settled share-based payment expenses	股權結算的股份支付開支	<b>416</b>	11,574
Income tax expense	所得稅開支	<b>545,490</b>	436,951
<b>Operating (loss) profit before changes in working capital</b>	<b>營運資金變動前的經營(虧損)溢利</b>	<b>409,815</b>	181,011
(Increase) decrease in trade, other receivables and advance deposits	應收賬款、其他應收款項及預付按金(增加)減少	<b>(117,746)</b>	1,437,935
Increase in properties under development and completed properties held for sale	發展中物業及已建成待售物業增加	<b>(2,473,961)</b>	(15,787,584)
(Decrease) increase in trade, other payables and advance receipts	應付賬款、其他應付款項及預收款項(減少)增加	<b>(12,844)</b>	11,822,468
Income tax paid	已付所得稅	<b>(501,099)</b>	(528,976)
<b>Net cash outflow from operating activities</b>	<b>經營業務現金流出淨額</b>	<b>(2,695,835)</b>	(2,875,146)

CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)  
綜合現金流量表(續)

For the year ended 31 December 2015  
截至二零一五年十二月三十一日止年度

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
<b>INVESTING ACTIVITIES</b>	<b>投資活動</b>		
Proceeds from sale of property, plant and equipment	出售物業、廠房及設備所得款項	97,338	9,897
Interest received	已收利息	22,270	22,446
Proceeds from disposal of interests in an joint venture	出售合營企業權益所得款項	4,149	27,880
Decrease in restricted cash	受限制現金減少	90,000	683,000
Increase in restricted cash	受限制現金增加	(554,925)	(90,000)
Acquisition of a subsidiary	收購子公司	110,078	17,333
Capital contribution to a joint venture	向合營企業出資	(19,725)	(286,367)
Capital contribution to an associate	向聯營公司出資	(100)	-
Acquisition of property, plant and equipment	收購物業、廠房及設備	(126,488)	(44,071)
Acquisition of Intangible assets	收購無形資產	-	(3,868)
Acquisition of financial assets	收購金融資產	(143,000)	-
<b>Net cash (outflow) inflow from investing activities</b>	<b>投資活動現金(流出)流入淨額</b>	<b>(520,403)</b>	336,250
<b>FINANCING ACTIVITIES</b>	<b>融資活動</b>		
Proceeds from interest-bearing loans	計息貸款所得款項	5,902,825	4,278,864
Proceeds from placing shares	配售股份所得款項	1,328,054	4,526,400
Capital contribution from a non-controlling shareholder	非控股股東出資	-	237,775
Repurchase shares to logout	購回股份以註銷	(200,556)	-
Payments for purchase of shares for the Share Award Scheme	就購買股份獎勵計劃之股份付款	(37,660)	(4,576)
Repayment of interest-bearing loans	償還計息貸款	(2,509,338)	(1,763,677)
Interest paid	已付利息	(1,097,376)	(526,853)
Dividends paid	已付股息	-	(106,619)
<b>Net cash inflow from financing activities</b>	<b>融資活動現金流入淨額</b>	<b>3,385,949</b>	6,641,314
<b>Net increase in cash and cash equivalents</b>	<b>現金及現金等價物增加淨額</b>	<b>169,711</b>	4,102,418
<b>Cash and cash equivalents at the beginning of the year</b>	<b>年初的現金及現金等價物</b>	<b>5,032,763</b>	922,037
Effect of foreign exchange rate changes	匯率變動的影響	4,713	8,308
<b>Cash and cash equivalents at the end of the year</b>	<b>年末的現金及現金等價物</b>	<b>5,207,187</b>	5,032,763
<b>REPRESENTED BY BANK BALANCES AND CASH</b>	<b>由下列項目組成： 銀行結餘及現金</b>	<b>5,207,187</b>	5,032,763

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 1. GENERAL

Greenland Hong Kong Holdings Limited ("The Company") was incorporated in the Cayman Islands on 13 April 2006 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 2007, as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681 GT, George Town, Grand Cayman, British West Indies. In 2006, the companies comprising the Group underwent a reorganisation (the "Reorganisation") to rationalise the Group's structure in preparation for the listing of the Company's shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange"). On 30 June 2006, the Company became the holding company of the subsidiaries now comprising the Group. The Company's shares are listed on the Hong Kong Stock Exchange since 10 October 2006.

On 27 August 2013, the subscription of shares of the Company (the "Subscribed Shares") by Gluon Xima International Limited ("GXIL") was successfully completed. GXIL is an indirectly wholly-owned subsidiary of Greenland Holdings Corporation Limited ("Greenland Holdings"). Greenland Holdings is a state-controlled enterprise group headquartered in Shanghai, with its main business in real estate, energy and finance.

The Subscribed Shares represent approximately 60% of the entire issued share capital of the Company and approximately 60% of the voting rights of the Company as enlarged by the Subscribed Shares. Immediately after the subscription, Greenland Holding Group Company Limited became the ultimate controlling shareholder of the Company. At 30 June 2015, Greenland Holdings become the Ultimate Controlling shareholder of the Group.

The consolidated financial statements are presented in Renminbi ("RMB"), which is also the functional currency of the Company.

The Company is an investment holding company. The principal activity of its subsidiaries (together with the Company referred to as the "Group") is the development for sale and rental of residential properties in the PRC and the development of hotels.

### 1. 一般資料

綠地香港控股有限公司(「本公司」)於二零零六年四月十三日根據開曼群島公司法第22章(二零零七年經合併及修訂的第3條法例)在開曼群島註冊成立為受豁免有限公司。本公司註冊辦事處的地址為Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681 GT, George Town, Grand Cayman, British West Indies。二零零六年，為籌備本公司股份於香港聯合交易所有限公司(「香港聯交所」)主板上市，包括在本集團內的公司進行了一項重組(「重組」)，以使本集團的架構合理化。於二零零六年六月三十日，本公司成為本集團現時屬下各子公司的控股公司。本公司股份自二零零六年十月十日起在香港聯交所上市。

於二零一三年八月二十七日，格隆希瑪國際有限公司(「格隆希瑪」)成功完成認購本公司股份(「認購股份」)。格隆希瑪為綠地控股股份有限公司(「綠地控股」)的間接全資子公司，而綠地控股為總部位於上海的國有控股企業集團，主營業務包括房地產、能源及金融。

認購股份佔本公司全部已發行股本(指經認購股份擴大後的股本)約60%及本公司表決權約60%。緊隨認購事項完成後，綠地控股集團有限公司成為本公司的最終控股股東。於二零一五年六月三十日，綠地控股成為本集團的最終控股股東。

該等綜合財務報表以人民幣(「人民幣」)呈列，人民幣亦為本公司的功能貨幣。

本公司為投資控股公司，其子公司(連同本公司統稱「本集團」)的主要業務為在中國開發住宅物業以供銷售及出租以及開發酒店。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)****2.1 Amendments to IFRSs that are mandatorily effective for the current year**

The Group has applied the following amendments to IFRSs issued by the International Accounting Standards Board (“IASB”) for the first time in the current year:

Amendments to IAS 19	Defined Benefit Plan: Employee Contributions
Amendments to IFRSs	Annual Improvements to IFRSs 2010-2012 Cycle
Amendments to IFRSs	Annual Improvements to IFRSs 2011-2013 Cycle

The application of amendments to IFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

**2.2 New and revised IFRSs in issue but not yet effective:**

The Group has not applied the following new and revised IFRSs that have been issued but are not yet effective:

<b>IFRSs</b>	
IFRS 9	Financial Instruments <sup>1</sup>
IFRS 15	Revenue from Contracts with Customers <sup>1</sup>
IFRS 16	Leases <sup>2</sup>
Amendments to IFRS 11	Accounting for Acquisitions of Interests in Joint Operations <sup>3</sup>
Amendments to IAS 1	Disclosure Initiative <sup>3</sup>
Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of depreciation and Amortisation <sup>3</sup>
Amendments to IFRSs	Annual Improvements to IFRSs 2012-2014 Cycle <sup>3</sup>
Amendments to IAS 16 and IAS 41	Agriculture: Bearer Plants <sup>3</sup>
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>
Amendments to IFRS 10, IFRS 12 and IAS 28	Investment Entities: Applying the Consolidation Exception <sup>3</sup>
Amendments to IAS 7	Disclosure Initiative <sup>5</sup>
Amendments to IAS 12	Recognition of Deferred Tax Assets for Unrealised Losses <sup>5</sup>

**2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)****2.1 本年度強制生效的國際財務報告準則修訂**

本集團於本年度首次應用了以下由國際會計準則理事會(「國際會計準則理事會」)頒佈的國際財務報告準則修訂:

國際會計準則第19號之修訂	界定福利計劃: 僱員供款
國際財務報告準則之修訂	國際財務報告準則 二零一零年至二零一二年 週期的年度改進
國際財務報告準則之修訂	國際財務報告準則 二零一一年至二零一三年 週期的年度改進

本年度應用國際財務報告準則之修訂並無對本集團本年度及過往年度的財務表現及狀況及/或本綜合財務報表所載的披露事項造成重大影響。

**2.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則:**

本集團尚未應用下列已頒佈但尚未生效的新訂及經修訂國際財務報告準則:

<b>國際財務報告準則</b>	
國際財務報告準則第9號	金融工具 <sup>1</sup>
國際財務報告準則第15號	來自客戶合約的 收益 <sup>1</sup>
國際財務報告準則第16號	租賃 <sup>2</sup>
國際財務報告準則第11號之修訂	收購聯合經營權益的 會計處理 <sup>3</sup>
國際會計準則第1號之修訂	披露計劃 <sup>3</sup>
國際會計準則第16號及 國際會計準則第38號之修訂	澄清可接受的折舊及 攤銷方法 <sup>3</sup>
國際財務報告準則之修訂	國際財務報告準則 二零一二年至二零一四年 週期的年度改進 <sup>3</sup>
國際會計準則第16號及 國際會計準則第41號之修訂	農業:生產性植物 <sup>3</sup>
國際財務報告準則第10號及 國際會計準則第28號之修訂	投資者與其聯營公司或合營 企業之間出售或注入資產 <sup>4</sup>
國際財務報告準則第10號、 國際財務報告準則第12號及 國際會計準則第28號之修訂	投資實體:應用綜合入賬之 例外情況 <sup>3</sup>
國際會計準則第7號之修訂	披露計劃 <sup>5</sup>
國際會計準則第12號之修訂	確認未發現虧損之遞延稅項 資產 <sup>5</sup>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)

### 2.2 New and revised IFRSs in issue but not yet effective: (Continued)

- 1 Effective for annual periods beginning on or after 1 January 2018
- 2 Effective for annual periods beginning on or after 1 January 2019
- 3 Effective for annual periods beginning on or after 1 January 2016
- 4 Effective for annual periods beginning on or after a date to be determined
- 5 Effective for annual periods beginning on or after 1 January 2017

#### *IFRS 9 Financial Instruments*

IFRS 9 issued in November 2009 introduced new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in November 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS 9 was issued in July 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a ‘fair value through other comprehensive income’ (FVTOCI) measurement category for certain simple debt instruments.

## 2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

### 2.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則：(續)

- 1 於二零一八年一月一日或之後開始的年度期間生效
- 2 於二零一九年一月一日或之後開始的年度期間生效
- 3 於二零一六年一月一日或之後開始的年度期間生效
- 4 於待定期限或之後開始的年度期間生效
- 5 於二零一七年一月一日或之後開始的年度期間生效

#### *國際財務報告準則第9號金融工具*

國際財務報告準則第9號於二零零九年十一月頒佈，引進有關金融資產分類和計量的新規定。國際財務報告準則第9號隨後於二零一零年十月修訂，包括有關金融負債分類和計量及取消確認的規定，其後於二零一三年十一月修訂，以包括有關一般對沖會計法的新規定。於二零一四年七月頒佈了國際財務報告準則第9號的另一經修訂版本，主要包括了a)金融資產的減值規定及b)藉為若干簡單債務工具引入「按公允價值列賬於其他全面收入」計量類別，對分類及計量規定作出有限修訂。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)**  
**(Continued)****2.2 New and revised IFRSs in issue but not yet effective: (Continued)***IFRS 9 Financial Instruments (Continued)*

Key requirements of IFRS 9:

- All recognised financial assets that are within the scope of IAS 39 Financial Instruments: Recognition and Measurement are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.
- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under IAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

**2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)**  
**(續)****2.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則：(續)***國際財務報告準則第9號金融工具*  
*(續)*

國際財務報告準則第9號的主要規定：

- 所有屬國際會計準則第39號金融工具：確認及計量範圍內的已確認金融資產其後均按攤銷成本或公允價值計量。具體而言，目的是收取合約現金流量的業務模式內持有的債務投資，及合約現金流量僅為償還本金及尚未償還本金利息的債務投資，一般於其後會計期末按攤銷成本計量。倘債務工具乃於同時透過收取合約現金流量及出售金融資產而達到目標的業務模式內持有，而其金融資產合約條款於特定日期帶來純粹為本金及尚欠本金額利息付款的現金流，則按公允價值列賬於其他全面收入計量。所有其他債務投資及股權投資均於其後會計期末按其公允價值計量。此外，根據國際財務報告準則第9號，實體可作出不可撤回的選擇，以於其他全面收入呈列股權投資(並非持作交易目的)公允價值的其後變動，而只有股息收入一般於損益確認。
- 就指定為按公允價值列賬於損益的金融負債的計量而言，國際財務報告準則第9號規定因金融負債的信貸風險變動以致該負債公允價值變動的金額於其他全面收入呈列，除非在其他全面收入中確認該負債的信貸風險變動影響會導致或擴大損益內的會計錯配。金融負債的信貸風險變動所引致的金融負債公允價值變動其後不會重新分類至損益。根據國際會計準則第39號，指定為按公允價值列賬於損益的金融負債的整筆公允價值變動金額在損益呈列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

**2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)**

**2.2 New and revised IFRSs in issue but not yet effective: (Continued)**

*IFRS 9 Financial Instruments (Continued)*

- In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.
- The new general hedge accounting requirements retain the three types of hedge accounting. However, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an ‘economic relationship’. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity’s risk management activities have also been introduced.

The directors of the Company (the “Directors”) anticipate that the adoption of IFRS 9 in the future may have an impact on the amounts reported in respect of the Group’s consolidated financial assets and financial liabilities. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

**2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)**

**2.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則：(續)**

*國際財務報告準則第9號金融工具(續)*

- 就金融資產減值而言，與國際會計準則第39號項下按已產生信貸虧損模式計算相反，國際財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式規定實體於各報告日期將預期信貸虧損及該等預期信貸虧損的變動入賬，以反映信貸風險自首次確認以來的變動。換言之，毋須再待發生信貸事件即可確認信貸虧損。
- 新一般對沖會計法規定保留三類對沖會計法，然而，合資格使用對沖會計法的交易類別獲賦予更大靈活性，特別是擴闊合資格作為對沖工具的工具類別以及合資格使用對沖會計法的非金融項目的風險組成部分類別。此外，成效測試已經徹底修改及以「經濟關係」原則取代。對沖成效亦毋須再進行追溯評估。當中亦引入有關實體風險管理活動的強化披露規定。

本公司董事(「董事」)預期，日後採納國際財務報告準則第9號可能會影響本集團的綜合金融資產及金融負債的呈報金額。然而，在完成詳細檢討前對有關影響作出合理估計並不切實可行。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)

### 2.2 New and revised IFRSs in issue but not yet effective: (Continued)

#### IFRS 15 Revenue from Contracts with Customers

In May 2014, IFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related interpretations when it becomes effective.

The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

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

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when ‘control’ of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.

The Directors anticipate that the application of IFRS 15 in the future may have an impact on the amounts reported and disclosures made in the Group’s consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the financial effect until the Group performs a detailed review.

## 2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

### 2.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則：(續)

#### 國際財務報告準則第15號來自客戶合約的收益

國際財務報告準則第15號已於二零一四年五月發佈，當中制定一項單一全面模式供實體用作將來自客戶合約的收益入賬。國際財務報告準則第15號生效後，將會取代國際會計準則第18號收益、國際會計準則第11號建築合約及相關詮釋等現行確認指引。

國際財務報告準則第15號的核心原則為實體所確認描述向客戶轉讓已承諾貨品或服務的收益金額，應反映該實體預期就交換該等貨品或服務有權獲得的代價。具體而言，該準則引入確認收益的五個步驟：

- 步驟1：識別與客戶訂立的合約
- 步驟2：識別合約的履約責任
- 步驟3：釐定交易價格
- 步驟4：按合約的履約責任分配交易價格
- 步驟5：當(或於)實體履行履約責任時確認收益

根據國際財務報告準則第15號，實體當(或於)履行履約責任時確認收益，即當特定履約責任的相關貨品或服務的「控制權」轉移至客戶時。國際財務報告準則第15號已就特別情況的處理方法加入更明確的指引。此外，國際財務報告準則第15號規定作出詳盡的披露。

董事預期，日後應用國際財務報告準則第15號可能影響本集團綜合財務報表內已呈報的金額及作出的披露。然而，在本集團進行詳細檢討前對財務影響作出合理估計並不切實可行。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

**2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)**

**2.2 New and revised IFRSs in issue but not yet effective: (Continued)**

*IFRS 16 Leases*

IFRS 16, which upon the effective date will supersede IAS 17 Leases, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under IFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, IAS 17.

In respect of the lessor accounting, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

The Directors will assess the impact of the application of IFRS 16. For the moment, it is not practicable to provide a reasonable estimate of the effect of the application of IFRS 16 until the Group performs a detailed review.

Except as described above, the directors of the Company anticipate that the application of amendments to IFRSs will have no material effect on the Group’s consolidated financial statements.

**2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)**

**2.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則：(續)**

*國際財務報告準則第16號租賃*

國際財務報告準則第16號於生效日期將會取代國際會計準則第17號租賃，引入單一承租人會計模式，要求承租人就所有租賃期超過12個月的租賃確認資產及負債，惟相關資產的價值較低者除外。具體而言，根據國際財務報告準則第16號，承租人須確認使用權資產(即其使用相關租賃資產的權利)及租賃負債(即其支付租金的責任)。因此，承租人應確認使用權資產折舊及租賃負債權益，將租賃負債的現金還款歸類為本金部分及利息部分，並將兩者呈列於現金流量表。此外，使用權資產及租賃負債初步按現值基準計量。有關計量包括不可註銷租賃付款，亦包括將於選擇性期間作出的付款(若承租人合理確定行使選擇權續租，或不行使選擇權以終止租賃)。與根據前身準則國際會計準則第17號歸類為經營租賃的租賃所用的承租人會計法相比，此會計處理方式有顯著差異。

就出租人會計法而言，國際財務報告準則第16號大致繼承國際會計準則第17號的出租人會計法規定。因此，出租人繼續將其租賃歸類為經營租賃或融資租賃，並以不同方式將該兩類租賃入賬。

董事將會評估應用國際財務報告準則第16號的影響。在本集團進行詳細檢討前，目前對應用國際財務報告準則第16號的影響作出合理估計並不切實可行。

除上文所述者外，本公司董事預期，應用國際財務報告準則之修訂將不會對本集團綜合財務報表造成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 3. PRINCIPAL ACCOUNTING POLICIES

#### 3.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with the following accounting policies which conform to International Financial Reporting Standards (“IFRSs”) issued by IASB. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange of Hong Kong Limited (“Listing Rules”) and by the Hong Kong Companies Ordinance (“CO”).

The provisions of the new Hong Kong Companies Ordinance (Cap 622) regarding preparation of accounts and directors’ reports and audits became effective for the Company for the financial year ended 31 December 2015. Further, the disclosure requirements set out in the Listing Rules regarding annual account have been amended with reference to the new CO and to streamline with IFRSs. According the presentation and disclosure of information in the consolidated financial statements for the financial year ended 31 December 2015 have been changed to comply with these new requirements. Comparative information in respect of the financial year ended 31 December 2014 are presented or disclosed in the consolidated financial statements based on the new requirements. Information previously required to be disclosed under the predecessor CO or Listing Rules but not under the new CO or amended Listing Rules are not disclosed in these consolidated financial statements.

#### 3.2 Basis of preparation

As of 31 December 2015, the Group’s net current liabilities are approximately RMB5,315 million. The Directors consider the Group is able to operate as a going concern, taken into account the cash flows generated from operating activities, and undrawn loan facilities from banks, amounting approximately RMB4,001 million, to meet its liquidity requirements in the next twelve months. The consolidated financial statements have been prepared on the basis that the Group will continue to operate throughout the next twelve months as a going concern.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments and investment properties, which are measured at fair values, as explained in the accounting policies set out below.

### 3. 主要會計政策

#### 3.1 合規聲明

綜合財務報表乃根據符合國際會計準則理事會所頒佈的國際財務報告準則(「國際財務報告準則」)的以下會計政策編製而成。此外，綜合財務報表載有香港聯合交易所有限公司證券上市規則(「上市規則」)及香港公司條例(「公司條例」)所規定的適用披露資料。

新香港公司條例(第622章)有關編製賬目及董事會報告與審計的條文，已於本公司的截至二零一五年十二月三十一日止財政年度生效。此外，上市規則所載有關年度賬目的披露規定，已參照新公司條例予以修訂，以與國際財務報告準則一併簡化。因此，截至二零一五年十二月三十一日止財政年度綜合財務報表內的資料呈列及披露已經更改，以符合該等新規定。有關截至二零一四年十二月三十一日止財政年度的比較資料乃根據新規定於綜合財務報表內呈列或披露。過往根據前身公司條例或上市規則須予披露但根據新公司條例或經修訂上市規則毋須披露之資料，並未於本綜合財務報表內披露。

#### 3.2 編製基準

截至二零一五年十二月三十一日，本集團的流動負債淨額約為人民幣5,315,000,000元。董事經考慮經營業務所得現金流量及未從銀行提取的貸款融資為數約人民幣4,001,000,000元足以應付未來十二個月的流動資金需求後，認為本集團能夠持續經營。綜合財務報表乃按照本集團可繼續在未來十二個月持續經營的基準而編製。

綜合財務報表乃根據歷史成本基準編製而成，惟若干金融工具及投資物業乃按下文所載之會計政策所闡釋以公允價值計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.2 Basis of preparation (Continued)

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2 *Share-based Payment*, leasing transactions that are within the scope of IAS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 *Inventories* or value in use in IAS 36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

### 3. 主要會計政策(續)

#### 3.2 編製基準(續)

歷史成本一般根據就交換貨品及服務而付出的代價公允價值計算。

公允價值為於計量日期市場參與者於有序交易中出售資產所收取或轉讓負債所支付的價格，而不論該價格是直接觀察所得抑或運用另一估值技術估計得出。在估計資產或負債的公允價值時，本集團會考慮市場參與者於計量日期為該資產或負債進行定價時將會考慮的該等特徵。在本綜合財務報表中計量及披露的公允價值均在此基礎上予以釐定，但國際財務報告準則第2號股份支付範圍內的股份支付交易、國際會計準則第17號租賃範圍內的租賃交易以及與公允價值有若干類似之處但並非公允價值的計量(例如國際會計準則第2號存貨中的可變現淨值或國際會計準則第36號資產減值中的使用價值)除外。

此外，就財務報告而言，公允價值計量根據公允價值計量的輸入數據可觀察性及公允價值計量的輸入數據對其整體的重要性分類為第一層次、第二層次或第三層次，詳情如下：

- 第一層次輸入數據為實體於計量日期可以取得的相同資產或負債於活躍市場之報價(未經調整)；
- 第二層次輸入數據為就資產或負債直接或間接地可觀察之輸入數據(第一層次內包括的報價除外)；及
- 第三層次輸入數據為資產或負債的不可觀察輸入數據。

主要會計政策載列如下。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**3. PRINCIPAL ACCOUNTING POLICIES (Continued)****3.3 Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

**3. 主要會計政策(續)****3.3 合併基準**

綜合財務報表納入本公司及由本公司控制的實體(其子公司)的財務報表。當本公司符合以下條件時，即取得控制權：

- 可對被投資公司行使權力；
- 參與被投資公司業務所得可變回報涉及的風險或權利；及
- 能運用其權力影響其回報。

倘有事實及情況顯示上文所列三項控制權要素之一項或以上出現變動，本集團會重新評估其是否對被投資公司擁有控制權。

倘本集團於被投資公司的投票權未能佔大多數，而投票權足以賦予本公司實際能力以單方面指揮被投資公司的相關活動，即對被投資公司擁有權力。本集團於評估本集團於被投資公司的投票權是否足以賦予其權力時，會考慮所有相關事實及情況，包括：

- 相對其他投票權持有人所持投票權的數量及分散情況，本集團持有投票權的數量；
- 本集團、其他投票權持有人或其他人士持有的潛在投票權；
- 其他合約安排產生的權利；及
- 顯示本集團目前能夠或不能在需要作出決定時指揮相關活動的任何額外事實及情況(包括於過往股東大會上的投票模式)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.3 Basis of consolidation (Continued)

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

### 3. 主要會計政策(續)

#### 3.3 合併基準(續)

子公司綜合入賬於本集團取得有關子公司的控制權時開始，並於本集團喪失有關子公司的控制權時終止。具體而言，年內收購或出售的子公司的收入及開支乃自本集團取得控制權當日起計入綜合損益及其他全面利潤表，直至本集團不再控制有關子公司當日為止。

損益及其他全面收入的每個項目乃歸屬於本公司擁有人及非控股權益。子公司的全面收入總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益出現虧絀結餘。

如有需要，將對子公司的財務報表作出調整，以令其會計政策與本集團的會計政策一致。

有關本集團成員間的交易的所有集團內部資產及負債、權益、收入、開支及現金流量均於綜合賬目時全數抵銷。

本集團於現有子公司的擁有權權益變動但並無導致本集團喪失該等子公司的控制權，則入賬作為權益交易。本集團權益與非控股權益的賬面值均會作出調整，以反映彼等於子公司的相對權益變動。非控股權益所調整的金額與所付或所收代價的公允價值之間的任何差額，均直接於權益確認並歸屬於本公司擁有人。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.3 Basis of consolidation (Continued)

When the Group loses control of a subsidiary, it (i) derecognises the assets (including any goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost, (ii) derecognises the carrying amount of any non-controlling interests in the former subsidiary at the date when control is lost (including any components of other comprehensive income attributable to them), and (iii) recognises the aggregate of the fair value of the consideration received and the fair value of any retained interest, with any resulting difference being recognised as a gain or loss in profit or loss attributable to the Group. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Group had directly disposed of the related assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39 when applicable, the cost on initial recognition of an investment in a joint venture or an associate.

#### 3.4 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 *Income Taxes* and IAS 19 *Employee Benefits* respectively;

### 3. 主要會計政策(續)

#### 3.3 合併基準(續)

倘本集團喪失子公司的控制權，則(i)按喪失控制權當日的賬面值取消確認該子公司的資產(包括任何商譽)及負債；(ii)取消確認前子公司於喪失控制權當日的任何非控股權益的賬面值(包括其應佔的任何其他全面收入的組成部分)；及(iii)確認所收代價的公允價值及任何保留權益的公允價值的總額，因此產生的任何差額在本集團應佔損益中確認為盈虧。倘子公司的資產按重估金額或公允價值列賬，而相關累計收益或虧損已於其他全面收入確認並於權益累計，先前於其他全面收入確認並於權益累計的金額則猶如本集團已直接出售相關資產入賬(即按適用國際財務報告準則訂明重新分類至損益或直接轉撥至保留溢利)。於喪失控制權當日在該前子公司保留的任何投資的公允價值，將根據國際會計準則第39號被視為其後入賬首次確認的公允價值，或(如適用)首次確認合營企業或聯營公司投資的成本。

#### 3.4 業務合併

收購業務乃以收購法入賬。業務合併所轉讓代價按公允價值計量，乃按本集團所轉讓資產、所產生對被收購公司前擁有人的負債及所發行以交換被收購公司控制權的股權於收購日期的公允價值總和計算。收購相關成本一般於產生時於損益確認。

於收購日期，已收購可識別資產及已承擔負債乃按其公允價值確認，惟以下除外：

- 遞延稅項資產或負債及有關僱員福利安排的負債或資產乃分別根據國際會計準則第12號*所得稅*及國際會計準則第19號*僱員福利*確認及計量；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.4 Business combinations (Continued)

- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 *Share-based Payment* at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after re-assessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another Standard.

### 3. 主要會計政策(續)

#### 3.4 業務合併(續)

- 有關被收購公司的股份支付安排的負債或股本工具，或由本集團訂立以取代被收購公司的股份支付安排之股份支付安排，乃於收購日期根據國際財務報告準則第2號*股份支付*計量(見下文的會計政策)；及
- 根據國際財務報告準則第5號*待售非流動資產及終止經營業務*分類為待售資產(或出售組別)乃根據該準則計量。

商譽乃按已轉讓代價、於被收購公司的任何非控股權益金額及收購公司先前於被收購公司持有的股權公允價值(如有)的總額超過所收購可識別資產及所承擔負債於收購日期的淨額之差額計量。倘經重新評估後，所收購可識別資產及所承擔負債於收購日期的淨額超過已轉讓代價、於被收購公司的任何非控股權益金額及收購公司先前於被收購公司持有的股權公允價值(如有)的總和，超出部分將即時於損益中確認為議價購買收益。

屬現時擁有權權益且於清盤時賦予其持有人權利按比例分佔實體淨資產的非控股權益可初步按公允價值或非控股權益應佔被收購公司可識別資產淨值已確認金額的比例計量。計量基準視乎每項交易而作出選擇。其他種類的非控股權益乃按其公允價值或(如適用)按其他準則所規定的基準計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**3. PRINCIPAL ACCOUNTING POLICIES (Continued)****3.4 Business combinations (Continued)**

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and considered as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments being made against goodwill or gain on bargain purchase. Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period about facts and circumstances that existed at the acquisition date. Measurement period does not exceed one year from the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IAS 39, or IAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interests were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised at that date.

**3. 主要會計政策(續)****3.4 業務合併(續)**

倘本集團在業務合併中轉讓的代價包括或然代價安排所產生的資產或負債，或然代價則按其於收購日期的公允價值計量，並計入作為在業務合併中所轉讓代價的一部分。合資格作計量期間調整的或然代價公允價值變動會作出追溯調整，並會對商譽或議價購買收益作出相應調整。計量期間調整為於計量期間取得有關於收購日期存在的事實及情況的額外資料所引致的調整。計量期間自收購日期起不超過一年。

或然代價的公允價值變動的其後會計處理如不合資格作計量期間調整乃取決於或然代價的分類方式。分類為權益的或然代價不會於其後報告日期重新計量，而其後結算將於權益內入賬。分類為資產或負債的或然代價按照國際會計準則第39號或國際會計準則第37號撥備、或然負債及或然資產(如適用)於其後報告日期重新計量，而相應收益或虧損則於損益中確認。

倘業務合併乃分階段達成，本集團先前持有的被收購公司股權會按收購日期(即本集團取得控制權當日)的公允價值重新計量，而由此產生的收益或虧損(如有)會在損益中確認。於收購日期前由被收購公司權益產生且先前已於其他全面收入中確認的金額，均重新分類至損益，而此處理方法在處置該權益時亦適用。

倘業務合併的初步會計處理於合併發生的報告期末仍未完成，本集團會呈報未完成會計處理的項目的臨時金額。該等臨時金額會在計量期間(見上文)調整，並會確認額外資產或負債，以反映所取得有關於收購日期已存在的事實及情況的新資料，而倘知悉有關資料，將會影響當日確認的金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.5 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

#### 3.6 Acquisition of assets

When the Group acquires a subsidiary, a group of assets or net assets that does not constitute a business, the cost of the acquisition is allocated between the individual identifiable assets and liabilities in the group based on their relative fair values at the acquisition date. No goodwill will be recognised for acquisition of a subsidiary that is accounted for as acquisition of assets.

#### 3.7 Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

### 3. 主要會計政策(續)

#### 3.5 商譽

收購業務所產生的商譽按收購業務(見上文的會計政策)當日訂立的成本減任何累計減值虧損(如有)列賬。

為進行減值測試，商譽會被分攤至預期可受惠於合併的協同效益的本集團各現金產生單位(或現金產生單位組別)。

獲分攤商譽的現金產生單位每年進行減值測試，或當有跡象顯示該單位可能出現減值則更頻密地進行。就報告期內進行收購所產生的商譽，獲分攤商譽的現金產生單位會於該報告期末前進行減值測試。當現金產生單位的可收回金額低於其賬面值，則首先分攤減值虧損以抵減分攤至該單位的任何商譽的賬面值，其後按單位內各資產的賬面值按比例分攤至單位的其他資產。商譽的任何減值虧損均直接在損益中確認。就商譽確認的減值虧損不會於其後期間撥回。

出售相關現金產生單位時，商譽應佔的金額會在釐定出售損益金額時包括在內。

#### 3.6 收購資產

倘本集團收購一家子公司、一組不構成業務的資產或淨資產，收購成本按其於收購日期的相對公允價值在組別內個別可識別資產及負債之間分配。收購以收購資產入賬的子公司將不會確認商譽。

#### 3.7 於聯營公司及合營企業投資

聯營公司指本集團對其有重大影響力的實體。重大影響力為參與被投資公司的財務及營運決策的權力，但並非對該等政策擁有控制權或共同控制權。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**3. PRINCIPAL ACCOUNTING POLICIES (Continued)****3.7 Investments in associates and joint ventures (Continued)**

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

**3. 主要會計政策(續)****3.7 於聯營公司及合營企業投資(續)**

合營企業指一項合營安排，據此，對該安排擁有共同控制權的訂約人士擁有對該合營安排的淨資產的權利。共同控制權指按照合約協定對某項安排所共有的控制權，共同控制權僅在相關活動的決定需要共同享有控制權的各方一致同意時方始存在。

聯營公司及合營企業的業績及資產與負債以權益會計法計入該等綜合財務報表。用作權益會計目的的聯營公司及合營企業的財務報表，乃使用與本集團在類似情況下就類似交易及事件所採用的一致會計政策編製。根據權益法，聯營公司或合營企業投資初步按成本於綜合財務狀況表確認，並於其後調整以確認本集團應佔聯營公司或合營企業的損益及其他全面收入。倘本集團應佔聯營公司或合營企業的虧損超出本集團於該聯營公司或合營企業的權益(包括實質上構成本集團於聯營公司或合營企業淨投資一部分的任何長期權益)，本集團會終止確認其應佔的進一步虧損。僅於本集團已產生法律或推定責任或已代表聯營公司或合營企業支付款項的情況下，方會確認額外虧損。

於聯營公司或合營企業投資乃自被投資公司成為聯營公司或合營企業當日起按權益法入賬。收購聯營公司或合營企業投資時，投資成本超出本集團應佔被投資公司的可識別資產及負債的公允價值淨額的任何金額會確認為商譽，並計入該投資的賬面值內。本集團應佔可識別資產及負債的公允價值淨額超出投資成本之任何金額，於重新評估後會即時在收購該投資的期間內於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.7 Investments in associates and joint ventures (Continued)

The requirements of IAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment (or a portion thereof) is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IAS 39. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

### 3. 主要會計政策(續)

#### 3.7 於聯營公司及合營企業投資(續)

國際會計準則第39號的規定乃用於釐定有否必要確認本集團於聯營公司或合營企業投資的任何減值虧損。如必要，則根據國際會計準則第36號資產減值將投資的全部賬面值(包括商譽)作為單一資產，透過比較其可收回金額(使用價值及公允價值減銷售成本兩者中的較高者)與其賬面值進行減值測試。任何已確認的減值虧損構成投資賬面值的一部分。倘其後投資的可收回金額增加，則根據國際會計準則第36號確認該減值虧損撥回。

本集團自投資不再為聯營公司或合營企業當日起或投資(或其中一部分)分類為持作待售時終止使用權益法。倘本集團保留於前聯營公司或合營企業的權益且該保留權益為金融資產，本集團會於該日按公允價值計量保留權益，而該公允價值根據國際會計準則第39號被視為於首次確認時的公允價值。聯營公司或合營企業於終止使用權益法當日的賬面值與出售聯營公司或合營企業部分權益的任何保留權益及任何所得款項公允價值之間的差額，會於釐定出售聯營公司或合營企業的收益或虧損時包括在內。此外，本集團會將先前在其他全面收入就該聯營公司或合營企業確認的所有金額入賬，基準與該聯營公司或合營企業直接出售相關資產或負債所需基準相同。因此，該聯營公司或合營企業先前已於其他全面收入確認的收益或虧損，會於出售相關資產或負債時重新分類至損益。本集團會於終止使用權益法時將收益或虧損由權益重新分類至損益(作為重新分類調整)。

當聯營公司投資變為合營企業投資或合營企業投資變為聯營公司投資，本集團會繼續使用權益法。發生該等擁有權權益變動時，不會對公允價值重新計量。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**3. PRINCIPAL ACCOUNTING POLICIES (Continued)****3.7 Investments in associates and joint ventures (Continued)**

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group (such as a sale or contribution of assets), profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

**3.8 Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

**(i) Sales of properties**

Revenue from sales of properties is recognised when a Group entity has delivered the relevant properties to the customers and collectability of the related receivables is reasonably assured. Deposits and instalments received on properties sold prior to the date of revenue recognition are recorded as advances from customers and presented as trade, other payables and advance deposits under current liabilities.

**(ii) Sales of goods and services rendered**

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods, or where there is continuing management involvement with the goods. Revenue in relation to property management and hotel operation is recognised when the services are rendered.

**3. 主要會計政策(續)****3.7 於聯營公司及合營企業投資(續)**

倘本集團削減其於聯營公司或合營企業的擁有權權益而本集團繼續使用權益法，若有關收益或虧損會於出售相關資產或負債時重新分類至損益，則本集團會將先前已於其他全面收入確認與削減擁有權權益有關的收益或虧損比例重新分類至損益。

倘集團實體與本集團的聯營公司或合營企業進行交易(例如出售或注入資產)，與有關聯營公司或合營企業進行交易產生的溢利及虧損會在本集團綜合財務報表確認，惟僅以與本集團並無關連的聯營公司或合營企業權益為限。

**3.8 收益確認**

收益按已收或應收代價的公允價值計量。倘經濟利益可能流向本集團而能夠可靠計算收益及成本(如適用)，則在損益中確認如下：

**(i) 物業銷售**

當集團實體將有關物業交付客戶及合理確定能收取有關應收款項時確認物業銷售收益。在確認收益當日前出售物業所收取的訂金及分期付款項列作預收客戶款項，並在流動負債列為應付賬款、其他應付款項及預付按金。

**(ii) 銷售貨品及提供服務**

銷售貨品收益於所有權重大風險及回報轉讓至買方時確認。倘若到期收回的代價、附加成本或可能退貨存在重大不明確因素，或持續擁有貨品管理權時，則不會確認收益。有關物業管理及酒店營運的收益於提供服務時確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.8 Revenue recognition (Continued)

- (ii) *Sales of goods and services rendered (Continued)*  
Revenue from landscape projects is recognised in proportion to the stage of completion of the projects by the end of reporting period. The stage of completion is assessed by reference to work performed. An expected loss on a contract is recognised immediately in profit or loss.
- (iii) *Rental income*  
The Group's accounting policy for recognition of revenue from operating leases is described in the accounting policy for lease below.
- (iv) *Education income*  
Revenue from provision of education services is recognised on a time-proportion basis using the straight-line method. Education income received prior to the date of revenue recognition is included in non-trade payables and presented under current liabilities.
- (v) *Interest income*  
Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### 3.9 Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

### 3. 主要會計政策(續)

#### 3.8 收益確認(續)

- (ii) *銷售貨品及提供服務(續)*  
園藝項目的收益於報告期末按項目完成階段的比例確認。完成階段參考所進行的工作而評估。有關合約預期虧損即時在損益中確認。
- (iii) *租金收入*  
本集團確認經營租賃收益的會計政策於下文有關租賃的會計政策中載述。
- (iv) *教育收入*  
提供教育服務的收益按時間比例以直線法確認。在確認收益日期前收取的教育收入計入其他應付款項，並列為流動負債。
- (v) *利息收入*  
金融資產的利息收入在經濟利益可能會流入本集團且收入金額能可靠計量時確認。利息收入乃參照未償還本金及適用實際利率，按時間基準累計。適用實際利率指透過金融資產預計年期將估計未來現金收入貼現至該資產於初步確認時的賬面淨值的利率。

#### 3.9 外幣

於編製各個別集團實體的財務報表時，以該實體功能貨幣以外的貨幣(外幣)進行的交易，按交易日期的現行匯率確認。於各報告期末，以外幣結算的貨幣項目乃按當日的現行匯率重新換算。以公允價值列賬的外幣計值非貨幣項目，會按釐定公允價值當日的現行匯率重新換算，而以外幣按歷史成本計量的非貨幣項目則不會重新換算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**3. PRINCIPAL ACCOUNTING POLICIES (Continued)****3.9 Foreign currencies (Continued)**

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

**3.10 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the year in which they are incurred.

**3. 主要會計政策(續)****3.9 外幣(續)**

貨幣項目的匯兌差額於其產生期間在損益中確認，惟以下除外：

- 有關用作未來生產的在建資產的外幣借貸的匯兌差額，會在其被視為該等外幣借貸利息成本的調整時，計入該等資產的成本；
- 為對沖若干外幣風險所訂立的交易的匯兌差額；及
- 並無計劃亦不大可能將其結算的應收或應付境外業務貨幣項目(因此構成境外業務投資淨額的一部分)的匯兌差額，初步會在其他全面收入確認，並在償還貨幣項目時由權益重新分類至損益。

**3.10 借貸成本**

因收購、興建或生產需要長時間方可達到可使用狀態或出售的資產而直接產生的借貸成本，將加入至該等資產的成本，直至有關資產大致達到可使用狀態或可供出售時為止。

在等待使用於合資格資產前將特定借貸暫時投資所賺取的投資收入會從合資格進行資本化的借貸成本中扣除。

所有其他借貸成本均於產生的年度於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.11 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "profit before income tax" as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income and expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, and interests in associate and joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

### 3. 主要會計政策(續)

#### 3.11 稅項

所得稅開支指即期應付稅項及遞延稅項的總和。

即期應付稅項乃按年內應課稅溢利計算。應課稅溢利有別於綜合損益及其他全面利潤表所呈報的「除所得稅前溢利」，原因為其不包括於其他年度的應課稅或可扣稅的收入及開支項目，亦不包括毋須課稅或可扣稅的項目。本集團的即期稅項負債乃按報告期末已執行或實際已執行的稅率計算。

遞延稅項就綜合財務報表內資產及負債的賬面值與計算應課稅溢利所用的相應稅基之間的暫時差額而確認。遞延稅項負債一般就所有應課稅暫時差額確認，遞延稅項資產則在可能有應課稅溢利以供扣減可扣稅暫時差額時確認。倘在某項交易中，商譽或首次確認(業務合併除外)其他資產及負債所產生的暫時差額不會影響應課稅溢利或會計溢利，有關資產及負債則不予確認。

由子公司投資、聯營公司及合營企業權益產生的應課稅暫時差額會確認遞延稅項負債，惟倘本集團能夠控制暫時差額的撥回及暫時差額很大機會於可見將來不會撥回則除外。與該等投資有關的可扣稅暫時差額所產生的遞延稅項資產只有在有足夠應課稅溢利可供動用暫時差額的利益並預期於可見將來撥回的情況下方始確認。

遞延稅項資產的賬面值於報告期末審閱，倘不再可能有足夠應課稅溢利以收回全部或部分資產，則削減遞延稅項資產的賬面值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.11 Taxation (Continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities or deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. If the presumption is rebutted, deferred tax liabilities and deferred tax assets for such investment properties are measured in accordance with the above general principles set out in IAS 12 (i.e. based on the expected manner as to how the properties will be recovered).

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

### 3. 主要會計政策(續)

#### 3.11 稅項(續)

遞延稅項資產及負債乃按預期適用於清償負債或變現資產期間的稅率(以報告期末已執行或實際已執行的稅率(及稅法)為基準)計量。遞延稅項負債及資產計量反映本集團預期於報告期末收回或清償其資產及負債賬面值的方式所產生的稅務結果。

為計量按公允價值模型計量的投資物業的遞延稅項負債或遞延稅項資產，除非假設被推翻，否則有關物業的賬面值乃假設為可通過出售全數收回。當投資物業可予折舊，並於旨在隨著時間的推移而非通過出售消耗絕大部分包括在投資物業內的經濟利益的業務模式內持有時，有關假設會被推翻。倘假設被推翻，該等投資物業的遞延稅項負債及遞延稅項資產則根據上述國際會計準則第12號所載的一般原則計量(即按照預期收回物業的方式)。

即期及遞延稅項會在損益中確認，除非其與於其他全面收入確認或直接於權益確認的項目有關(在該情況下，即期及遞延稅項亦分別於其他全面收入或直接於權益確認)。倘即期稅項或遞延稅項源自業務合併的首次入賬，有關稅務影響則計入業務合併入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.12 Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

#### 3.13 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

##### *The Group as lessor*

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

##### *The Group as lessee*

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

### 3. 主要會計政策(續)

#### 3.12 政府補助

只有在合理確定本集團將會遵守其附帶條件時及將可收取補助時，方會確認政府補助。

政府補助在本集團將補貼擬補償的相關成本確認為開支期間按有系統的基準於損益確認。為補償已招致的開支或虧損或為對本集團給予即時財務支持而沒有未來相關成本的應收政府補助，乃於應收期間在損益中確認。

#### 3.13 租賃

當租賃條款將絕大部分有關擁有權的風險及回報轉移至承租人，租賃則歸類為融資租賃。所有其他租賃均歸類為經營租賃。

##### *本集團作為出租人*

經營租賃的租金收入按相關租賃年期以直線法於損益確認。磋商及安排經營租賃所產生的初始直接成本會加入租賃資產的賬面值，並按租賃年期以直線法確認為開支。

##### *本集團作為承租人*

經營租賃付款按相關租賃年期以直線法確認為開支。作為訂立經營租賃的優惠而已收取及應收取的利益，乃按租賃年期以直線法確認為租金開支扣減。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**3. PRINCIPAL ACCOUNTING POLICIES (Continued)****3.13 Leasing (Continued)***Leasehold land and buildings*

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance lease or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “prepaid lease payments” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under the fair value model. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment, unless it is clear that both elements are operating leases, in which case the entire lease is classified as an operating lease.

**3.14 Employee benefits***Retirement benefit costs and termination benefits*

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

The Group participates in state-managed retirement benefit schemes, which are defined contribution schemes, pursuant to which the Group pays a fixed percentage of its qualifying staff's wages as contributions to the plans. Payments to such retirement benefit schemes are charged as an expense when employees have rendered service entitling them to the contributions.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

**3. 主要會計政策(續)****3.13 租賃(續)***租賃土地及樓宇*

凡租賃包括土地及樓宇兩種部分，本集團會評估各部分的擁有權所承擔的絕大部分風險及回報是否已轉移本集團，作為獨立評估其分類屬於融資租賃或經營租賃的依據。具體而言，最低租賃款項(包括任何一次性預付款)會按租賃開始時土地部分及樓宇部分租賃權益的相對公允價值的比例，在土地與樓宇部分之間分配。

倘能可靠地分配租賃款項，入賬為經營租賃的租賃土地權益會在綜合財務狀況表呈列為「預付租賃款項」，並按租賃年期以直線法攤銷，惟根據公允價值模型分類及入賬作為投資物業者除外。在租賃款項不能在土地與樓宇部分之間可靠分配的情況下，整份租賃一般會分類為融資租賃，並入賬作為物業、廠房及設備，但當兩個部分均明顯為經營租賃，則整份租賃歸類為經營租賃。

**3.14 僱員福利***退休福利成本及離職福利*

就界定供款退休福利計劃所支付的款項在僱員已提供可享該等供款的服務時確認為開支。

本集團參加由國家管理的退休福利計劃，該等計劃為界定供款計劃，據此，本集團按合資格員工的工資的固定百分比向該等計劃供款。向該等退休福利計劃支付的款項在僱員已提供可享該等供款的服務時作為開支扣除。

離職福利負債在實體不再可撤回離職福利要約及實體確認任何相關重組成本時(以較早者為準)確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.14 Employee benefits (Continued)

##### *Short-term and other long-term employee benefits*

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

##### *Share award scheme*

The Company operates a share award scheme (the "Share Award Scheme") where directors and employees of the Group are granted ordinary shares of the Company. Ordinary shares purchased under the Share Award Scheme are held by a trust (the "Trust").

Where the Trust purchases the Company's shares from the market, the consideration paid, including any directly attributable incremental costs, is presented as Shares held for Share Award Scheme and deducted from total equity.

For shares granted under the Share Award Scheme the estimated fair value of the awarded shares are recognised as employee share-based compensation expense and credited to employee share-based compensation reserve under equity over the vesting periods. The fair value of the awarded shares is measured by reference to the quoted market price of the shares at grant date.

Upon vesting, the related costs of the vested awarded shares recognised are credited to Shares held for Share Award Scheme, with a corresponding decrease in employee share-based compensation reserve for shares purchased with contributions paid to the Trust, with the difference released directly to the retained earnings.

### 3. 主要會計政策(續)

#### 3.14 僱員福利(續)

##### *短期及其他長期僱員福利*

僱員就工資及薪金、年假及病假累計方面的福利會在提供相關服務期間，按預期將予支付以換取該服務的福利的未貼現金額確認負債。

就短期僱員福利確認的負債乃按預期將予支付以換取相關服務的福利的未貼現金額計量。

就其他長期僱員福利確認的負債乃按本集團就僱員截至報告日期止所提供的服務而預期作出的估計未來現金流出的現值計量。

##### *股份獎勵計劃*

本公司經營一項股份獎勵計劃(「股份獎勵計劃」)，據此，本集團董事及僱員獲授予本公司普通股。根據股份獎勵計劃購買的普通股由一項信託(「該信託」)持有。

如該信託在市場上購買本公司的股份，已付代價(包括任何直接應佔增量成本)則呈列為股份獎勵計劃所持股份，並從權益總額中扣減。

就根據股份獎勵計劃授出的股份而言，獎勵股份的估計公允價值於歸屬期內確認為僱員股份報酬開支並計入權益項下的僱員股份報酬儲備。獎勵股份的公允價值乃參考該等股份於授出日期的市場報價而計量。

在歸屬後，已確認的已歸屬獎勵股份的相關成本乃計入股份獎勵計劃所持股份，並就所購入的股份連同已向該信託支付的供款相應調減僱員股份報酬儲備，而有關差額直接撥回至保留溢利。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**3. PRINCIPAL ACCOUNTING POLICIES (Continued)****3.14 Employee benefits (Continued)***Share award scheme (Continued)*

At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to employee share-based compensation.

When share options are exercised, the amount previously recognized in shares held for share award scheme and employee share-based compensation will be transferred to share premium.

**3.15 Property, plant and equipment**

Property, plant and equipment, including land and buildings held for use in the production or supply of goods or services, or for administrative purposes other than construction in progress, are stated in the consolidated statement of financial position at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment other than construction in progress less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives for the current and comparative periods are as follows:

Items	Residential rate	Charging period
Buildings situated on leasehold land	5%–10%	20-40 years
Motor vehicles	5%–10%	5 years
Fixtures, fittings and equipment	5%–10%	2-10 years
Leasehold improvements	5%–10%	Shorter of leasehold period and 5 years

**3. 主要會計政策(續)****3.14 僱員福利(續)***股份獎勵計劃(續)*

於各報告期末，本集團會修訂其對預期歸屬的股本工具數目的估計。修訂的影響(如有)會於損益確認，致令累計開支反映經修訂的估計，並會對僱員股份報酬作出相應調整。

購股權獲行使時，先前於股份獎勵計劃所持股份及僱員股份報酬確認的金額會轉撥至股份溢價。

**3.15 物業、廠房及設備**

物業、廠房及設備包括持作生產或供應貨品或服務用途，或作行政用途的土地及樓宇(在建工程除外)，乃按成本減累計折舊及累計減值虧損(如有)在綜合財務狀況表列賬。

折舊按撇銷物業、廠房及設備(在建工程除外)項目成本減估計可使用年期的剩餘價值，以直線法確認。估計可使用年期、剩餘價值及折舊方法會於各報告期末審閱，而任何估計變動的影響則按未來基準入賬。

本期間及比較期間的估計可使用年期如下：

項目	住宅率	計提期間
建於租賃土地上的樓宇	5%-10%	20年至40年
汽車	5%-10%	5年
裝置、傢俱及設備	5%-10%	2年至10年
租賃物業裝修	5%-10%	租賃期或5年(以較短者為準)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.15 Property, plant and equipment (Continued)

Property, plant and equipment in the course of construction for production, supply or administrative purposes are carried at cost less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy and, where appropriate, the amortisation of prepaid lease payments provided during the construction period. Such properties are classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

An item of property, plant and equipment is transferred to investment property when the management changes the intention from self-use to earn rentals or for capital appreciation.

#### 3.16 Investment properties

Investment properties are properties (including the leasehold interest under an operating lease for a property which would otherwise meet the definition of an investment property) held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values using the fair value model. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

Construction costs incurred for investment properties under construction are capitalised as part of the carrying amount of the investment properties under construction.

### 3. 主要會計政策(續)

#### 3.15 物業、廠房及設備(續)

建設中以供生產、供應或行政用途的物業、廠房及設備按成本減任何已確認的減值虧損列賬。成本包括專業費用及(就合資格資產而言)根據本集團會計政策資本化的借貸成本，以及(如適用)於建設期間計提的預付租賃款項攤銷。該等物業於竣工及可作擬定用途時歸類至物業、廠房及設備的適當類別。該等資產在可作擬定用途時，開始按其他物業資產的相同基準計提折舊。

物業、廠房及設備項目於出售或預期不會因持續使用該資產產生日後經濟利益時取消確認。因出售或報廢物業、廠房及設備項目所產生的任何收益或虧損按資產的出售所得款項與賬面值之間的差額釐定，並於損益中確認。

倘管理層改變意向，將物業、廠房及設備項目由自用改為賺取租金收入或資本增值用途，物業、廠房及設備項目則轉撥至投資物業。

#### 3.16 投資物業

投資物業為持有目的在於賺取租金收入及/或資本增值的物業(包括在其他方面符合投資物業定義的物業在經營租賃項下的租賃權益)。

投資物業初始按成本(包括任何直接應佔支出)計量。首次確認後，投資物業乃使用公允價值模型按其公允價值計量。投資物業公允價值變動所產生的收益或虧損會在產生期間計入損益。

在建投資物業招致的建造成本會資本化為在建投資物業賬面值的一部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**3. PRINCIPAL ACCOUNTING POLICIES (Continued)****3.16 Investment properties (Continued)**

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use or no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year in which the item is derecognised.

**3.17 Intangible assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with effect of any changes in estimate being accounted for a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

An intangible asset is derecognised on disposals, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the assets, are recognised in profit or loss when the asset is derecognised.

**3. 主要會計政策(續)****3.16 投資物業(續)**

投資物業於永久不再使用或預期不會因其出售產生日後經濟利益時取消確認。因取消確認資產所產生的任何收益或虧損(按資產的出售所得款項淨額與賬面值之間的差額計算)在項目取消確認的年度內計入損益。

**3.17 無形資產**

分開收購且具有有限可使用年期的無形資產按成本減累計攤銷及累計減值虧損列賬。攤銷乃按其估計可使用年期以直線法確認。估計可使用年期及攤銷方法於各報告期末審閱，而任何估計變動的影響則按未來基準入賬。分開收購且具有無限可使用年期的無形資產按成本減累計減值虧損列賬。

無形資產於出售或預期不會因使用或出售該資產產生日後經濟利益時取消確認。因取消確認無形資產所產生的收益或虧損按資產的出售所得款項淨額與賬面值之間的差額計量，並在資產取消確認時於損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.18 Impairment of tangible and intangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the assets may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

### 3. 主要會計政策(續)

#### 3.18 有形及無形資產(商譽除外)減值

於報告期末，本集團審閱其有形資產及無形資產的賬面值，以釐定該等資產是否有任何減值虧損跡象。如有任何有關跡象，則估計資產的可收回金額，以釐定減值虧損(如有)的程度。如不可能估計個別資產的可收回金額，本集團估計該資產所屬現金產生單位的可收回金額。如可識別合理及一致的分配基準，企業資產亦分配至個別現金產生單位，或將其分配至可識別合理及一致的分配基準的最小現金產生單位組別。具有無限可使用年期的無形資產及尚未可供使用的無形資產至少每年及在有跡象顯示資產可能出現減值時進行減值測試。

可收回金額為公允價值減出售成本與使用價值兩者的較高者。在評估使用價值時，估計未來現金流量將使用可反映當時市場對貨幣時間價值及資產(其未來現金流量估計乃未經調整)特定風險的評估的稅前貼現率貼現至其現值。

倘估計資產的可收回金額低於其賬面值，則將該資產賬面值撇減至其可收回金額。減值虧損即時確認為開支。

倘於其後撥回減值虧損，則將該資產的賬面值調增至經修訂的估計可收回金額，惟增加後的賬面值不得超過該資產於過往年度未曾確認減值虧損而應有的賬面值。減值虧損的撥回即時確認為收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**3. PRINCIPAL ACCOUNTING POLICIES (Continued)****3.19 Properties under development**

Properties under development, representing leasehold land and buildings located in the PRC under development for future sale in the ordinary course of business, are stated at the lower of cost and net realisable value. Cost comprises the costs of land use rights, construction costs, borrowing costs capitalised and other direct development expenditure. Net realisable value represents the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale. Properties under development are transferred to completed properties for sale upon completion of development.

An item of properties under development is transferred to property, plant and equipment when the management changes the intention from future sales to self-use and the properties under development completed and ready for intended use.

**3.20 Completed properties for sale**

Completed properties for sale are stated at the lower of cost and net realisable value. Cost comprises the costs of land use rights, construction costs, borrowing costs capitalised and other direct development expenditure. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

The Group transfers a property from completed properties for sale to investment property when there is a change of intention to hold the property to earn rentals or/and for capital appreciation rather than for sale in the ordinary course of business, which is evidenced by the commencement of an operating lease to another party. Any difference between the fair value of the property at the date of transfer and its previous carrying amount is recognised in profit or loss.

**3. 主要會計政策(續)****3.19 發展中物業**

發展中物業指位於中國發展中的租賃土地及樓宇，以供日後在日常業務過程中出售，乃按成本及可變現淨值兩者的較低者列賬。成本包括土地使用權成本、建造成本、資本化借貸成本及其他直接發展開支。可變現淨值指日常業務過程中的估計售價減去估計竣工成本及出售所需的估計成本。發展中物業會在發展完成後轉撥至已建成待售物業。

倘管理層改變意向，將發展中物業項目由未來銷售改為自用，而該發展中物業已竣工及可供擬定用途，投資物業項目則轉撥至物業、廠房及設備。

**3.20 已建成待售物業**

已建成待售物業按成本或可變現淨值兩者的較低者列賬。成本包括土地使用權成本、建造成本、資本化借貸成本及其他直接發展開支。可變現淨值指日常業務過程中的估計售價減去出售所需的估計成本。

倘改變意向，將已建成待售物業由在日常業務過程中出售改為持有物業以賺取租金收入或／及資本增值(證據為出租予另一方的經營租賃開始)，本集團則將已建成待售物業項目轉撥至投資物業。物業於轉撥當日的公允價值與其先前的賬面值之間的差額會在損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.21 Financial instruments

Financial assets and financial liabilities are recognised on the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

(i) *Financial assets*

The Group's financial assets are classified into the following specified categories: financial assets at fair value through profit or loss ("FVTPL"), loans and receivables and available-for-sale financial assets. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

*Effective interest method*

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL, of which interest income is included in net gains or losses.

### 3. 主要會計政策(續)

#### 3.21 金融工具

當集團實體成為工具合約條文之訂約方，則於綜合財務狀況表確認金融資產及金融負債。

金融資產及金融負債初步按公允價值計量。收購或發行金融資產及金融負債(按公允價值列賬於損益的金融資產及金融負債除外)直接應佔的交易成本乃於首次確認時加入金融資產或金融負債(按適用者)的公允價值或自當中扣除。收購按公允價值列賬於損益的金融資產或金融負債直接應佔的交易成本即時於損益內確認。

(i) *金融資產*

本集團的金融資產分類以下特定類別：按公允價值列賬於損益(「按公允價值列賬於損益」)的金融資產、貸款及應收款項以及可供出售金融資產。此分類取決於金融資產的性質和用途並在首次確認時予以確定。

*實際利率法*

實際利率法是計算金融資產攤銷成本以及按有關期間攤分利息收入的方法。實際利率乃按金融資產預計年期或(如適當)較短期間精確貼現估計未來現金收入(包括所付或所收的一切費用作為實際利率的一部分、交易成本及其他溢價或貼現)至首次確認時的賬面淨值的比率。

除分類為按公允價值列賬於損益的該等金融資產(其利息收入計入收益或虧損淨額)外，債務工具的利息收入按實際利率法確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.21 Financial instruments (Continued)

##### (i) Financial assets (Continued)

###### Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. Fair value is determined in the manner described in Note 3.2.

###### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, amounts due from related parties, long-term receivables, restricted cash, bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

### 3. 主要會計政策(續)

#### 3.21 金融工具(續)

##### (i) 金融資產(續)

###### 按公允價值列賬於損益的金融資產

倘金融資產乃持作交易目的或指定為按公允價值列賬於損益，則分類為按公允價值列賬於損益。

金融資產於下列情況下分類為持作交易目的：

- 主要為於不久的將來出售而購入；或
- 於首次確認時屬於本集團一併管理的可識別金融工具組合的一部分，且最近有短期獲利的實際模式；或
- 為衍生工具，但並非指定為對沖工具，亦非有效對沖工具。

按公允價值列賬於損益的金融資產按公允價值列賬，重新計量所產生的任何收益或虧損在損益中確認。公允價值按附註3.2所述的方式釐定。

###### 貸款及應收款項

貸款及應收款項指並非於活躍市場報價而具有固定或可確定付款的非衍生金融資產。於首次確認後，貸款及應收款項(包括應收賬款及其他應收款項、應收關連人士款項、長期應收款、受限制現金、銀行結餘及現金)以實際利率法按攤銷成本減任何已識別減值虧損列賬(見下文有關金融資產減值虧損的會計政策)。

除利息確認並不重大的短期應收款外，利息收入乃應用實際利率確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.21 Financial instruments (Continued)

(i) *Financial assets (Continued)*

*Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at FVTPL, loans and receivables or held-to-maturity investments.

Equity and debt securities held by the Group that are classified as available-for-sale and are traded in an active market are measured at fair value at the end of each reporting period. Changes in the carrying amount of available-for-sale monetary financial assets relating to interest income calculated using the effective interest method and dividends on available-for-sale equity investments are recognised in profit or loss. Other changes in the carrying amount of available-for-sale financial assets are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss (see the accounting policy in respect of impairment loss on financial assets below).

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, they are measured at cost less any identified impairment losses at the end of the reporting period (see accounting policy on impairment loss on financial assets below).

*Impairment of financial assets*

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of the reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

### 3. 主要會計政策(續)

#### 3.21 金融工具(續)

(i) *金融資產(續)*

*可供出售金融資產*

可供出售金融資產為非衍生工具，指定為可供出售或不會分類為按公允價值列賬於損益的金融資產、貸款及應收款項或持有至到期投資。

本集團持有的分類為可供出售，並於活躍市場買賣的股本及債務證券按各報告期末的公允價值計量。以實際利率法計算的利息收入有關的可供出售貨幣金融資產賬面值變動及可供出售股本投資的股息於損益內確認。可供出售金融資產賬面值的其他變動乃於其他全面收入內確認，並於投資重估儲備項下累計。倘投資被出售或確定為出現減值，過往於投資重估儲備累計的累計收益或虧損重新分類至損益(見下文有關金融資產減值虧損的會計政策)。

當本集團確立可獲得股息的權利時，則於損益確認可供出售股本工具的股息。

於活躍市場並無市場報價且其公允價值不能可靠計量的可供出售股本投資，於報告期末按成本減任何已識別減值虧損計量(見下文有關金融資產減值虧損的會計政策)。

*金融資產減值*

金融資產(除按公允價值列賬於損益外)於報告期末評估有否出現虧損跡象。倘有客觀證據證明因首次確認金融資產後發生的一項或多項事件令金融資產的估計未來現金流量受到影響，則金融資產被視為已減值。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**3. PRINCIPAL ACCOUNTING POLICIES (Continued)****3.21 Financial instruments (Continued)***(i) Financial assets (Continued)**Impairment of financial assets (Continued)*

For an available-for-sale equity investment, a significant or prolonged decline in the fair value of that investment below cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation

For certain categories of financial assets, such as trade and other receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 90 days, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

**3. 主要會計政策(續)****3.21 金融工具(續)***(i) 金融資產(續)**金融資產減值(續)*

就可供出售股本投資而言，該投資的公允價值顯著或持續下降至低於其成本值，將被視為減值的客觀證據。

就所有其他金融資產而言，減值的客觀證據可包括：

- 發行人或對手方遭遇重大財務困難；或
- 違約，如拖欠或無法如期償還利息或本金；或
- 借款人可能會宣告破產或進行其他財務重組

就評估為不作個別減值的若干類別金融資產(例如應收賬款及其他應收款項)而言，會另行按集體基準評估減值。應收款項組合減值的客觀證據可包括本集團的過往收款經驗、組合內超過90日平均信貸期的遞延付款數目增加、有關拖欠應收款項的國家或地方經濟狀況的可觀察變動。

就按攤銷成本列賬的金融資產而言，所確認的減值虧損金額為該資產賬面值與按該金融資產原實際利率貼現的估計未來現金流量現值兩者之間的差額。

就按成本列賬的金融資產而言，減值虧損金額按資產賬面值與按類似金融資產當前市場回報率貼現的估計未來現金流量現值兩者之間的差額計量。有關減值虧損將不會於其後期間撥回。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.21 Financial instruments (Continued)

##### (i) Financial assets (Continued)

###### *Impairment of financial assets (Continued)*

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade or other receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity investments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income. In respect of available-for-sale debt investments, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

### 3. 主要會計政策(續)

#### 3.21 金融工具(續)

##### (i) 金融資產(續)

###### *金融資產減值(續)*

就所有金融資產而言，金融資產賬面值直接按減值虧損扣減，惟應收賬款及其他應收款項例外，其賬面值乃透過使用撥備賬目扣減。撥備賬的賬面值變動於損益內確認。倘應收賬款或其他應收款項被視為無法收回，則從撥備賬撤銷。其後收回過往撤銷的款項乃計入損益。

倘可供出售金融資產被視為出現減值，先前於其他全面收入確認的累計收益或虧損會在期內重新分類至損益。

就按攤銷成本計量的金融資產而言，倘於其後期間減值虧損金額減少，而該減少可客觀地與確認減值虧損後發生的事件相關連，則先前確認的減值虧損透過損益撥回，惟該資產於撥回減值日期的賬面值不得超過在並無確認減值情況下應有的攤銷成本。

就可供出售股本投資而言，先前於損益確認的減值虧損不會透過損益撥回。減值虧損後的任何公允價值增幅會在其他全面收入確認。就可供出售債務投資而言，倘投資公允價值增加可客觀地與確認減值虧損後發生的事件相關連，則透過損益撥回減值虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**3. PRINCIPAL ACCOUNTING POLICIES (Continued)****3.21 Financial instruments (Continued)***(ii) Financial liabilities and equity*

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

*Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

*Financial liabilities*

The Group's financial liabilities are generally classified into financial liabilities at fair value through profit or loss ("FVTPL") and other financial liabilities.

*Effective interest method*

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Interest expense is recognised on an effective interest basis.

**3. 主要會計政策(續)****3.21 金融工具(續)***(ii) 金融負債及股本*

集團實體發行的債務及股本工具乃根據所訂立合約安排的性質與金融負債及股本工具的定義分類為金融負債或股本。

*股本工具*

股本工具是能證明在扣除本集團所有負債後在本集團的資產中擁有剩餘權益的任何合約。本集團發行的股本工具乃按已收所得款項扣除直接發行成本確認。

購回本公司自有股本工具乃直接於權益確認及扣減。概不就買賣、發行或註銷本公司自有股本工具而於損益確認收益或虧損。

*金融負債*

本集團的金融負債一般分類為按公允價值列賬於損益的金融負債及其他金融負債。

*實際利率法*

實際利率法是計算金融負債攤銷成本以及按有關期間攤分利息費用的方法。實際利率乃按金融負債預計年期或(如適當)較短期間精確貼現估計未來現金付款(包括所付或所收的一切費用及利率差價作為實際利率的一部分、交易成本及其他溢價或貼現)至首次確認時的賬面淨值的比率。利息費用按實際利率法確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.21 Financial instruments (Continued)

##### (ii) Financial liabilities and equity (Continued)

##### Financial liabilities (Continued)

##### Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration that may be paid by an acquirer as part of a business combination to which IFRS 3 applies, or (ii) held for trading.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term;
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration that may be paid by an acquirer as part of a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 permits the entire combined contract to be designated as at FVTPL.

### 3. 主要會計政策(續)

#### 3.21 金融工具(續)

##### (ii) 金融負債及股本(續)

##### 金融負債(續)

按公允價值列賬於損益的金融負債

當金融負債為(i)收購公司作為業務合併(應用國際財務報告準則第3號)一部分而可能支付的或然代價；或(ii)持作交易目的，則分類為按公允價值列賬於損益的金融負債。

金融負債於下列情況下分類為持作交易目的：

- 主要為於不久的將來購回而招致；
- 於首次確認時屬於本集團一併管理的可識別金融工具組合的一部分，且最近有短期獲利的實際模式；或
- 為衍生工具，但並非指定為對沖工具，亦非有效對沖工具。

除持作交易目的之金融負債或收購公司作為業務合併一部分而可能支付的或然代價外，金融負債如符合以下條件，可於初步確認時指定為按公允價值列賬於損益：

- 有關指定抵銷或大幅減少可能出現不一致的計量或確認歧異；
- 根據本集團既定風險管理或投資策略管理構成一組金融資產或金融負債或兩者其中部分的金融負債，並按公允價值基準評估其表現，且有關分類的資料乃按該基準由內部提供；或
- 金融負債屬於包含一項或以上嵌入式衍生工具的合約的其中部分，且國際會計準則第39號准許整份合併合約指定為按公允價值列賬於損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.21 Financial instruments (Continued)

##### (ii) Financial liabilities and equity (Continued)

###### Financial liabilities (Continued)

###### Financial liabilities at FVTPL (Continued)

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item.

###### Other financial liabilities

Other financial liabilities including bank and other borrowings, trade and other payables, long-term payables, amounts due to related parties, bonds are subsequently measured at amortised cost, using the effective interest method.

###### Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

### 3. 主要會計政策(續)

#### 3.21 金融工具(續)

##### (ii) 金融負債及股本(續)

###### 金融負債(續)

按公允價值列賬於損益的金融負債(續)

按公允價值列賬，重新計量所產生的任何收益或虧損會在損益確認。於損益確認的收益或虧損淨額包括金融負債的任何已付利息，並計入「其他收益及虧損」項目。

###### 其他金融負債

其他金融負債包括銀行及其他借貸、應付賬款及其他應付款項、長期應付款、應付關連人士款項、債券，其後以實際利率法按攤銷成本計量。

###### 取消確認

本集團僅在從資產收取現金流量的合約權利屆滿，或向另一實體轉讓金融資產及資產擁有權的絕大部分風險及回報時，方會取消確認金融資產。倘本集團既無轉讓亦無保留擁有權的絕大部分風險及回報而繼續控制所轉讓的資產，則本集團仍會繼續將其持續涉及的有關資產確認入賬，並確認相關負債。倘本集團保留所轉讓金融資產擁有權的絕大部分風險及回報，則本集團仍會繼續確認有關金融資產，並就已收的所得款項確認有抵押借貸。

完全取消確認金融資產時，資產賬面值與已收及應收代價以及已於其他全面收入確認並於權益累計的累計收益或虧損總和之間的差額，會在損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.21 Financial instruments (Continued)

##### (ii) Financial liabilities and equity (Continued)

###### Financial liabilities (Continued)

###### Derecognition (Continued)

On derecognition of a financial asset other than in its entirety, the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing in the near future; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

### 3. 主要會計政策(續)

#### 3.21 金融工具(續)

##### (ii) 金融負債及股本(續)

###### 金融負債(續)

###### 取消確認(續)

如非完全取消確認金融資產，本集團會將金融資產的先前賬面值，按其繼續確認部分與不再確認部分於轉撥日期的相對公允價值，在兩者間作出分配。不再確認部分獲分配的賬面值與不再確認部分已收代價及在其他全面收入確認的其獲分配的任何累計收益或虧損的總和之間的差額，會在損益中確認。已於其他全面收入確認的累計收益或虧損，則按繼續確認部分及不再確認部分的相對公允價值，在兩者間作出分配。

本集團當及僅當本集團的責任已解除、取消或屆滿時取消確認金融負債。所取消確認的金融負債賬面值與已付及應付代價之間的差額在損益中確認。

金融負債於下列情況下分類為持作交易目的：

- 主要為於不久的將來購回而招致；或
- 於首次確認時屬於本集團一併管理的可識別金融工具組合的一部分，且最近有短期獲利的實際模式；或
- 為衍生工具，但並非指定為對沖工具，亦非有效對沖工具。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 3.21 Financial instruments (Continued)

##### (ii) Financial liabilities and equity (Continued)

###### Financial liabilities (Continued)

###### Derecognition (Continued)

Financial liabilities at FVTPL are measured at fair value, with changes in fair value arising on remeasurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any interest paid on the financial liabilities and is included in the other income item.

###### Embedded derivatives

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the contracts are not measured at FVTPL.

###### Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. A financial guarantee contract issued by the Group and not designated as at fair value through profit or loss is recognised initially at its fair value. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of obligation under the contract, as determined in accordance with IAS 37 *provisions, Contingent Liabilities and Contingent Assets*; and (ii) the amount initially recognised less, when appropriate, cumulative amortization recognised in accordance with the revenue recognition policy.

### 3. 主要會計政策(續)

#### 3.21 金融工具(續)

##### (ii) 金融負債及股本(續)

###### 金融負債(續)

###### 取消確認(續)

按公允價值列賬於損益的金融負債按公允價值計量，重新計量所產生的公允價值變動於產生期間直接在損益確認。於損益確認的收益或虧損淨額不包括金融負債的任何已付利息，並計入其他收入項目。

###### 嵌入式衍生工具

倘嵌入非衍生主合約的衍生工具符合衍生工具的定義，其風險及特徵並非與主合約密切相關，而合約不會以按公允價值列賬於損益的方式計量，則視作獨立衍生工具處理。

###### 財務擔保合約

財務擔保合約乃要求發行人就持有人因特定債務人未能根據債務工具的原定或經修訂條款於到期時付款而蒙受的損失，而向持有人支付特定款項的合約。由本集團發出而並無指定為按公允價值列賬於損益的財務擔保合約首次按其公允價值確認。首次確認後，本集團會按以下兩者中的較高者計量財務擔保合約：(i)合約項下的責任金額，按國際會計準則第37號撥備、或然負債及或然資產釐定；及(ii)首次確認金額減(如適用)根據收益確認政策確認的累計攤銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

#### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The following critical accounting judgement and key sources of estimation uncertainty are used in the preparation of the consolidated financial statements.

##### (i) Valuation of investment properties

An external, independent valuation company, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued, values the Group's investment property portfolio every six months. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in arms' length transaction.

In the absence of current prices in an active market, the valuations are prepared by considering the aggregate of the estimated cash flows expected to be received from renting out the property. A yield that reflects the specific risks inherent in the net cash flows then is applied to the net annual cash flows to arrive at the property valuation.

Valuations reflect, where appropriate: the type of tenants actually in occupation or responsible for meeting lease commitments or likely to be in occupation after letting vacant accommodation, and the market's general perception of their creditworthiness; the allocation of maintenance and insurance responsibilities between the Group and the lessee; and the remaining economic life of the property. When rent reviews or lease renewals are pending with anticipated reversionary increases, it is assumed that all notices and where appropriate counter-notices have been served validly and within the appropriate time.

Investment property under construction or development is valued by estimating the fair value of the completed investment property and then deducting from that amount the estimated costs to complete construction or development, financing costs and a reasonable profit margin.

#### 4. 重大會計判斷及估計不確定因素

編製綜合財務報表時所用的重大會計判斷及估計不確定因素的主要來源如下。

##### (i) 投資物業估值

一間外部獨立測量師行(該測量師行具有適當獲認可之專業資格，且對被估值物業之位置及種類有近期經驗)對本集團的投資物業組合每六個月評估一次。公允價值按市值(即自願買方及自願賣方雙方經公平磋商於估值日期買賣一項物業的估計款額)釐定。

若缺乏活躍市場現時價格，則會在考慮到預期可由出租物業中收取的估計現金流總額後作出評估。反映當時現金流量淨額所含特定風險的收益率被應用於淨年度現金流量中以釐定物業的估值結果。

估值反映(如適用)：實際佔用物業或有支付租賃承擔義務，或有可能在租出空置物業後佔用物業的租戶的類型，及市場對彼等可信度的普遍看法；本集團與承租人之間維修及保險責任的分配；及物業的剩餘經濟壽命。當續期租金或續期租約因預期會出現復歸的增加而未能決定時，則假定所有通知及反向通知(如適用)已有效並在適當的時間內送達。

興建中或發展中的投資物業的估值是估計已建成投資物業的公允價值並從該金額扣減估計完成建築或發展的成本、融資成本及合理的利潤率。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

#### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

##### (ii) Impairment of non-financial assets

If circumstances indicate that the carrying amounts of non-financial assets (other than investment properties, properties under development, completed properties held for sale, inventories and deferred tax assets) may not be recoverable, the assets may be considered impaired and are tested for impairment. An impairment loss is recognised when the asset's recoverable amount has declined below its carrying amount. The recoverable amount is the greater of the fair value less costs of disposal and value in use. In determining the recoverable amount which requires significant judgements, the Group estimates the future cash flows to be derived from continuing use and ultimate disposal of the asset and applies an appropriate discount rate to these future cash flows.

##### (iii) Write-down of properties under development and completed properties held for sale

Management performs a regular review on the carrying amounts of properties under development and completed properties held for sale. Based on management's review, write-down of properties under development and completed properties held for sale will be made when the estimated net realisable value has declined below the carrying amount.

In determining the net realisable value of completed properties held for sale, management refers to prevailing market data such as recent sales transactions, market survey reports available from independent property valuers and internally available information, as basis for evaluation.

In respect of properties under development, the estimate of net realisable value requires the application of a risk-adjusted discount rate to the estimated future cash flows to be derived from these properties. These estimates require judgement as to the anticipated sale prices by reference to recent sales transactions in nearby locations, rate of new property sales, marketing costs (including price discounts required to stimulate sales) and the estimated costs to completion of properties, the legal and regulatory framework and general market conditions. As of 31 December 2015, the amount of the write-down of completed properties held for sale is RMB212,263,000.

#### 4. 重大會計判斷及估計不確定因素(續)

##### (ii) 非金融資產之減值

當情況顯示非金融資產(投資物業、發展中物業、已建成待售物業、存貨及遞延稅項資產除外)之賬面值可能不可收回時，該等資產可能會被視為已減值及會進行減值測試。當資產之可收回金額跌至低於其賬面值時，則會確認減值虧損。資產的可收回金額乃其公允價值減出售成本與使用價值兩者中的較高者。於釐定須作出重大判斷之可收回金額時，本集團會估計持續使用及最終出售資產所產生之未來現金流量及採用合適折現率折現此等未來現金流量。

##### (iii) 發展中物業及已建成待售物業之撇減

管理層對發展中物業及已建成待售物業之賬面值進行定期審閱。根據管理層之審閱，當估計可變現淨值跌至低於賬面值時，將會對發展中物業及已建成待售物業作出撇減。

於釐定已建成待售物業之可變現淨值時，管理層會以最近銷售交易、由獨立物業估值師所提供之市場調查報告及內部可得資料等當時市場數據作為評估基準。

就發展中物業而言，可變現淨值之估計須應用已調整風險折現率，折現該等物業產生之估計未來現金流量。此等估計需要透過參考附近地點之最近銷售交易、新物業售價、市場推廣成本(包括促銷所需之價格折讓)及建成物業之估計成本、法律及監管架構以及一般市場情況，對預期銷售價格作出判斷。於二零一五年十二月三十一日，已建成待售物業之撇減金額為人民幣212,263,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

#### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

##### (iv) Recognition of deferred tax assets

At 31 December 2015, the Group has recognised deferred tax assets in relation to the unused tax losses as set out in note 34(ii). The ability to realise the deferred tax assets mainly depends on whether it is probable that future taxable profits will be available against which related tax benefits under the deferred tax assets can be utilised. In cases where the actual future taxable profits generated are less than expected, a reversal of deferred tax assets may arise, which will be recognised in profit or loss for the period in which such a reversal takes place.

The Group recognises deferred tax in respect of the changes in fair value of the investment properties based on directors' best estimate assuming future tax consequences through usage of such properties for rental purpose, rather than through sale. The final tax outcome could be different from the deferred tax liabilities recognised in the consolidated financial statements should the investment properties are subsequently disposed by the Group, rather than consumed substantially all of the economic benefits embodied in the investment properties by leasing over time. In the event the investment properties are being disposed, the Group may be liable to higher tax upon disposal considering the impact of enterprise income tax and land appreciation tax.

##### (v) PRC land appreciation taxes

The Group is subject to land appreciation taxes in the PRC. However, the implementation and settlement of these taxes varies among various tax jurisdictions in cities of the PRC, and the Group has not finalised its PRC land appreciation taxes calculation and payments with most of local tax authorities in the PRC. Accordingly, significant judgement is required in determining the amount of the land appreciation and its related taxes. The Group recognised these PRC land appreciation taxes based on management's best estimates according to the understanding of the tax rules. The final tax outcome could be different from the amounts that were initially recorded, and these differences will impact the taxation and tax provisions in the years in which such taxes have been finalised with local tax authorities.

#### 4. 重大會計判斷及估計不確定因素(續)

##### (iv) 遞延稅項資產確認

如附註34(ii)所載，於二零一五年十二月三十一日，本集團就未使用稅務虧損確認遞延稅項資產。遞延稅項資產能否變現主要取決於是否很可能獲得能利用該等遞延稅項資產的相關稅務利益進行抵扣之未來應課稅溢利。倘若產生之未來實際應課稅溢利少於預期金額，該等遞延稅項資產可能出現撥回，並將於有關撥回發生期間之損益內確認。

本集團根據董事的最佳估計確認投資物業公允價值變動的遞延稅項，假設未來稅務結果是通過將該等物業用作出租用途而非通過出售引致。倘投資物業其後被本集團出售，而非以租賃方式隨著時間的推移消耗絕大部分包括在投資物業內的經濟利益，則最終稅務結果可能與綜合財務報表內確認的遞延稅項負債有別。倘投資物業被出售，考慮到企業所得稅及土地增值稅的影響，本集團在出售時可能須繳納更高的稅項。

##### (v) 中國土地增值稅

本集團須支付中國之土地增值稅。然而，有關稅項之執行及結算在中國各城市不同稅務司法權區有異，而本集團尚未與中國大部分地方稅務機關落實中國土地增值稅之計算及付款方法。因此，須作出重大判斷以釐定土地增值及其相關稅項之金額。本集團根據管理層按其對稅務規則之理解作出之最佳估計，確認此等中國土地增值稅。最終稅務結果可能與初步記錄的金額有別，而有關差異將影響地方稅務機關落實有關稅項年度之稅項及稅項撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

#### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

##### (vi) Write-down of receivables

When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The allowance for doubtful debts is the difference between the debt's carrying amount and the present value of the estimated future cash flows. The recognition of allowance of doubtful debts requires judgement and estimation. If difference occurs from re-estimation, it will influence the carrying amount of debts in the re-estimation period. As of 31 December 2015, the amount of the write-down of receivables is RMB56,235,000.

#### 5. CAPITAL RISK MANAGEMENT

The Group's primary objective in managing capital is to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurate with the level of risks and by securing access to finance at a reasonable cost.

Consistent with industry practice, the Group monitors its capital structure on the basis of a net debt-to-adjusted-equity ratio. For this purpose the Group defines net debt as total debt (including interest-bearing loans, bonds, long-term payable, trade, other payables and advance receipts) plus unaccrued proposed dividends, less cash and cash equivalents and restricted cash. Adjusted capital comprises all components of equity less unaccrued proposed dividends.

The net debt-to-adjusted-equity ratio as at 31 December 2015 was 452% (2014: 477%). There were no changes in the Group's approach to capital management during the year.

The Company is not subject to externally imposed capital requirements.

#### 4. 重大會計判斷及估計不確定因素(續)

##### (vi) 應收款項撇減

如有客觀減值證據，本集團會考慮未來現金流量的估計。呆賬撥備為債務賬面值與估計未來現金流量現值兩者的差額。確認呆賬撥備需要作出判斷及估計。倘重新估計結果有異，將會影響重新估計期間債務的賬面值。於二零一五年十二月三十一日，應收款項撇減金額為人民幣56,235,000元。

#### 5. 資本管理

本集團管理資本之首要目標乃保障本集團能夠繼續根據持續經營基準經營，從而透過與風險水平相對應之產品和服務定價以及獲得合理成本的融資，持續為股東創造回報及為其他利益相關者帶來利益。

根據行業慣例，本集團以淨債項佔經調整權益比率作為監控資本架構的基準。為此，本集團界定淨債項為總債項(包括計息貸款、債券、長期應付款、應付賬款、其他應付款項及預收款項)加未產生之擬派股息減去現金及現金等價物及受限制現金。經調整資本包括權益之所有部分減去未產生之擬派股息。

於二零一五年十二月三十一日，淨債項佔經調整權益比率為452%(二零一四年：477%)。年內，本集團之資本管理方法並無改變。

本公司並無受外部施加的資本規定所規限。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 6. FINANCIAL INSTRUMENTS

The Group conducts its operations in the PRC and accordingly is subject to special considerations and significant risks. These include risks associated with, among others, the political, economic and legal environment, influence of national authorities over pricing regulation and competition in the industry.

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk (including interest rate risk and currency risk)

This note presents information about the Group's exposure to each of the above risks, and the Group's objectives, policies and processes for measuring and managing risk.

Management has overall responsibility for the establishment and oversight of the Group's risk management framework. Management establishes policies to identify and analyse the risks faced by the Group, to set up appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. Through training and management standards and procedures, management aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

## 6. 金融工具

本集團在中國經營業務，故須受特定因素及重大風險影響，其中包括政治、經濟及法制環境、國家機構實施價格管制的影響及行業競爭等風險。

本集團使用的金融工具具有以下風險：

- 信貸風險
- 流動性風險
- 市場風險(包括利率風險及貨幣風險)

本附註呈列有關本集團涉及上述各項風險、本集團計量管理風險的目標、政策及程序的資料。

管理層全權負責建立並監督本集團的風險管理架構。管理層建立政策是為了辨明和分析本集團面臨的風險，並設置適當的風險限制和控制措施以監控風險是否在限制範圍內。風險管理政策及系統須定期進行審閱以反映市場環境及本集團經營活動的變化。管理層通過其培訓和管理標準及程序，旨在建立具紀律性及建設性的控制環境，使得身處其中的所有僱員明白自身的角色及義務。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**6. FINANCIAL INSTRUMENTS (Continued)****(i) Categories of financial instruments**

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
<b>Financial assets</b>	<b>金融資產</b>		
Loans and receivables	貸款及應收款項	<b>9,173,541</b>	7,552,196
Available for sale	可供出售	<b>174,567</b>	2,800
<b>Financial liabilities</b>	<b>金融負債</b>		
Amortised cost	攤銷成本	<b>31,307,661</b>	28,642,240

**(ii) Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade and other receivables and investments.

The Group's management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis.

The Group's credit risk is primarily attributable to trade, other receivables. In respect of trade and other receivables, individual credit evaluations are performed on each new customer. The Group's review includes external ratings, when available, and in some cases bank references. These evaluations focus on the customer's liquidity to make payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Customers are generally required to transact with the Group on a prepayment basis.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and country in which customers operate also has influences on credit risk, but to a lesser extent. At 31 December 2015, the Group had a certain concentration of credit at 24% (2014: 23%) of the total trade, other receivables and advance deposits arising from the Group's non-trade receivables.

**6. 金融工具(續)****(i) 金融工具類別**

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
<b>Financial assets</b>	<b>金融資產</b>		
Loans and receivables	貸款及應收款項	<b>9,173,541</b>	7,552,196
Available for sale	可供出售	<b>174,567</b>	2,800
<b>Financial liabilities</b>	<b>金融負債</b>		
Amortised cost	攤銷成本	<b>31,307,661</b>	28,642,240

**(ii) 信貸風險**

金融工具涉及的顧客或對方無法履行合約項下的義務對本集團造成的財務損失，即為信貸風險。信貸風險主要來自本集團的應收賬款及其他應收款項以及投資。

本集團管理層已制訂適當信貸政策，並不斷監察信貸風險。

本集團的信貸風險主要來自應收賬款及其他應收款項。關於應收賬款及其他應收款項，本集團會對每一個新客戶單獨進行信貸評估。本集團的審閱包括外部評級(當可用時)，若干情況下參照銀行。該等評估集中於客戶支付到期款項的流動資金及現時的支付能力，並考慮客戶特定資料及客戶經營所處經濟環境之資料。本集團一般要求客戶與本集團交易時作出預付款。

本集團的信貸風險主要受各客戶的特定情況所影響。客戶營運行業及國家的違約風險對信貸風險亦有影響，但程度較小。於二零一五年十二月三十一日，本集團對應收賬款、其他應收款項以及本集團其他應收款項產生的預付按金總額的信貸集中度為24%(二零一四年：23%)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 6. FINANCIAL INSTRUMENTS (Continued)

### (ii) Credit risk (Continued)

The maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, in the statement of financial position after deducting any impairment allowance. Except for the financial guarantees given by the Group as set out in note 43, the Group does not provide any other guarantees which would expose the Group or the Company to credit risk. The maximum exposure to credit risk in respect of these financial guarantees at 31 December 2015 is disclosed in note 43.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade, other receivables and advance deposits are set out in note 29.

Cash and cash equivalents and restricted cash are placed with a group of banks and financial institutions which management considers have good credit ratings. Investments are normally only in liquid securities quoted on a recognised stock exchange and management does not expect any investment counterparty to fail to meet its obligations.

### (iii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from banks to meet its liquidity requirements in the short and longer term.

## 6. 金融工具(續)

### (ii) 信貸風險(續)

最高信貸風險為財務狀況表內各金融資產(包括衍生金融工具)的賬面值，並扣除任何減值撥備。除了附註43所載本集團作出的財務擔保，本集團並無提供任何其他擔保，致使本集團或本公司承受信貸風險。於二零一五年十二月三十一日，有關該等財務擔保的最高信貸風險披露於附註43。

有關本集團產生於應收賬款、其他應收款項以及預付按金涉及信貸風險的其他量化披露載於附註29。

現金及現金等價物以及受限制現金存於一組管理層認為具有良好信貸評級的銀行及金融機構。投資對象一般僅為在經認可證券交易所報價的流動證券。管理層預期任何投資對應方不會不履行其責任。

### (iii) 流動性風險

流動性風險為本集團在到期日無法履行其財務義務的風險。本集團的政策為定期監控其流動資金需要及遵守借款契約的情況，確保維持充足的現金儲備及從銀行獲得足夠的已訂約融資額度，以應付本集團短期及較長期的流動資金需求。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**6. FINANCIAL INSTRUMENTS (Continued)****(iii) Liquidity risk (Continued)**

The following table details the remaining contractual maturities at the statement of financial position (including assets and liabilities held for sale) of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the reporting date) and the earliest date the Group can be required to pay:

		Carrying amount	Undiscounted contractual cash flow	Within 1 year or on demand	Within 2 years but over 1 year	Within 5 years but over 2 years	Over 5 years
		賬面值	未貼現已訂約現金流量	一年內或按要求	兩年內但一年以上	五年內但兩年以上	五年以上
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>31 December 2015</b>							
二零一五年十二月三十一日							
Trade, other payables and advance receipts excluding advance receipts from customers and other taxes payable	應付賬款、其他應付款項及預收款項但不包括預收客戶款項及其他應付稅項	12,164,089	(12,164,089)	(12,064,203)	(100,066)	-	-
Unsecured interest-bearing loans	無抵押計息貸款	1,302,218	(1,489,327)	(766,112)	(477,165)	(202,720)	(43,330)
Secured interest-bearing loans	有抵押計息貸款	8,541,003	(9,438,585)	(2,653,039)	(3,175,460)	(3,374,206)	(235,880)
Bonds	債券	9,243,928	(9,998,578)	(4,985,980)	(3,471,348)	(1,541,250)	-
Long-term payable	長期應付款	32,494	(42,000)	(6,000)	(6,000)	(18,000)	(12,000)
		<b>31,283,732</b>	<b>(33,132,579)</b>	<b>(20,475,334)</b>	<b>(7,230,039)</b>	<b>(5,136,176)</b>	<b>(291,210)</b>
Financial guarantees issued: Maximum amount guaranteed	所發出的財務擔保: 最高擔保金額	-	(4,513,174)	(4,513,174)	-	-	-
31 December 2014							
二零一四年十二月三十一日							
Trade, other payables and advance receipts excluding advance receipts from customers and other taxes payable	應付賬款、其他應付款項及預收款項但不包括預收客戶款項及其他應付稅項	14,566,132	(14,566,132)	(14,469,257)	(96,875)	-	-
Unsecured interest-bearing loans	無抵押計息貸款	607,771	(769,053)	(24,471)	-	(629,928)	(114,654)
Secured interest-bearing loans	有抵押計息貸款	5,074,262	(5,949,264)	(1,265,020)	(1,271,912)	(3,412,332)	-
Bonds	債券	8,763,401	(9,940,023)	(419,810)	(4,703,110)	(4,817,103)	-
Long-term payable	長期應付款	36,437	(48,000)	(6,000)	(6,000)	(18,000)	(18,000)
		<b>29,048,003</b>	<b>(31,272,472)</b>	<b>(16,184,558)</b>	<b>(6,077,897)</b>	<b>(8,877,363)</b>	<b>(132,654)</b>
Financial guarantees issued: Maximum amount guaranteed	所發出的財務擔保: 最高擔保金額	-	(2,969,788)	(2,969,788)	-	-	-

**6. 金融工具(續)****(iii) 流動性風險(續)**

下表詳述財務狀況表內本集團非衍生金融負債項下合約承擔的其餘到期情況(包括持作出售資產及負債),乃按已訂約未貼現現金流量(包括按合約利率或(倘屬浮動)報告日期當日利率計算的利息付款)及本集團可能需要付款的最早日期為基準作出:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 6. FINANCIAL INSTRUMENTS (Continued)

### (iv) Interest rate risk

The Group's interest rate risk arises primarily from interest-bearing loans, bonds, cash and cash equivalents and restricted cash.

Cash and cash equivalents and restricted cash comprise mainly cash at bank, with an interest rate of 0.35% per annum as at 31 December 2015 (2014: 0.35% per annum). Pledged bank deposits and time deposits maturing after three months are not held for speculative purposes but are placed to satisfy conditions for borrowing facilities granted to the Group and for higher yield returns than cash at bank.

The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. The interest rates and terms of repayment of the interest-bearing loans, and bonds are disclosed in notes 35 and 38.

The Group manages the net exposure to interest rate risks by maintaining sufficient lines of credit to obtain acceptable lending costs and by monitoring the exposure to such risks on an ongoing basis. When appropriate and at times of interest rate uncertainty or volatility, interest rate swaps may be used to assist in the Group's management of interest rate exposure.

## 6. 金融工具(續)

### (iv) 利率風險

本集團的利率風險主要來自計息貸款、債券、現金及現金等價物及受限制現金。

現金及現金等價物及受限制現金主要為銀行存款，於二零一五年十二月三十一日其年利率為0.35厘(二零一四年：每年0.35厘)。已抵押銀行存款及三個月後到期的定期存款並非為投機而持有，而是為了符合銀行向本集團授予借貸融資的條件，以及為了得到比銀行存款較高的回報率。

本集團的可變利率借貸承受利率變動導致的現金流量變動風險。計息貸款及債券的利率和償還期限披露於附註35及38。

本集團通過維持充足的信貸額度以使借貸成本處於可接受水平及通過持續監控該等風險來管理利率淨風險。在適當時及倘利率不明朗或波動，可以使用利率掉期協助本集團管理利率風險。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 6. FINANCIAL INSTRUMENTS (Continued)

### (iv) Interest rate risk (Continued)

#### (a) Interest rate profile

The following table details the interest rate profile of the Group's interest-bearing borrowings and bonds by the end of reporting period.

		2015 二零一五年		2014 二零一四年	
		Effective interest rate	RMB'000	Effective interest rate	RMB'000
		實際利率	人民幣千元	實際利率	人民幣千元
<b>Fixed rate borrowings</b>	<b>固定利率借貸</b>				
Secured interest bearing loans	有抵押計息貸款	5.33%	792,389	7.13%	855,000
Unsecured interest bearing loans	無抵押計息貸款	5.40%	33,970	8.50%	64,771
Bonds	債券	5.16%	9,243,928	5.17%	8,763,401
			<b>10,070,287</b>		<b>9,683,172</b>
<b>Variable rate borrowings</b>	<b>可變利率借貸</b>				
Secured interest bearing loans	有抵押計息貸款	4.62%	7,748,614	5.07%	4,219,262
Unsecured interest bearing loans	無抵押計息貸款	6.27%	1,268,248	6.67%	543,000
			<b>9,016,862</b>		<b>4,762,262</b>
Total borrowings	借貸總額		<b>19,087,149</b>		<b>14,445,434</b>
Fixed rate borrowings as a percentage of total borrowings	固定利率借貸佔借貸總額百分比		<b>53%</b>		<b>67%</b>

## 6. 金融工具(續)

### (iv) 利率風險(續)

#### (a) 利率情況

下表詳述於報告期末本集團的計息借貸及債券利率情況：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 6. FINANCIAL INSTRUMENTS (Continued)

### (iv) Interest rate risk (Continued)

#### (b) Sensitivity analysis

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. As of 31 December 2015, the Fair value of the above assets and liabilities is close to the carrying amount. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

A change of 100 basis points in interest rates applicable to variable rate instruments at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below. At 31 December 2015, no effects have been recognised in profit or loss arising from variable rate deposits because the directors consider it is immaterial. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis as in 2014.

## 6. 金融工具(續)

### (iv) 利率風險(續)

#### (b) 敏感度分析

本集團並無計入按公允價值列賬於損益的固定利率金融資產及負債。於二零一五年十二月三十一日，上述資產及負債的公允價值與賬面值相近。因此，於報告日期的利率變動不會影響損益。

於報告日期可變利率工具適用利率變動100個基點將增加/(減少)權益及損益，金額列於下表。於二零一五年十二月三十一日，概無在可變利率存款所產生的損益內確認任何影響，原因是董事認為其並不重要。本分析假設所有其他可變因素(尤其是外幣匯率)保持不變。二零一四年的分析按相同基準進行。

		Profit or (loss)		Equity	
		溢利或(虧損)		權益	
		100 bp increase 增加100個基點	100 bp decrease 減少100個基點	100 bp increase 增加100個基點	100 bp decrease 減少100個基點
<b>31 December 2015</b>	<b>二零一五年 十二月三十一日</b>				
Variable rate instruments	可變利率工具	(81,287)	81,287	(81,287)	81,287
<b>31 December 2014</b>	<b>二零一四年 十二月三十一日</b>				
Variable rate instruments	可變利率工具	(35,717)	35,717	(35,717)	35,717

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**6. FINANCIAL INSTRUMENTS (Continued)****(v) Currency risk**

RMB is not freely convertible into foreign currencies. All foreign exchange transactions involving RMB must take place through the People's Bank of China or other institutions authorised to buy and sell foreign exchange. The exchange rates adopted for the foreign exchange transactions are the rates of exchange quoted by the People's Bank of China and are determined largely by supply and demand.

The Group is exposed to foreign currency risk primarily through borrowings, and bonds that are denominated in a currency other than the functional currency of the operations to which they relate. The currencies in which these transactions primarily are denominated are HKD and USD.

In respect of the monetary assets and liabilities denominated in foreign currencies, the Group ensures that the net exposures to this risk is kept to an acceptable level by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances. Management does not enter into currency hedging transactions.

**6. 金融工具(續)****(v) 貨幣風險**

人民幣不可自由兌換為外幣。所有涉及人民幣的外匯交易須透過中國人民銀行或其他獲授權進行外匯買賣的機構進行。外匯交易採納的匯率乃中國人民銀行所報的匯率(主要按供求釐定)。

本集團主要通過以其相關業務功能貨幣以外的貨幣計值的借貸及債券承受外幣風險。該等交易主要計值的貨幣為港元及美元。

有關以外幣計值的貨幣資產及負債，本集團通過必要時以現貨匯率買賣外幣，確保其淨風險保持在可接受的水平，以解決短期不平衡。管理層並無進行貨幣對沖交易。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 6. FINANCIAL INSTRUMENTS (Continued)

### (v) Currency risk (Continued)

#### (a) Exposure to currency risk

The following table details the Group's exposure by the end of reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity based on notional amounts.

#### 31 December 2015

		HKD 港元 '000 千元	USD 美元 '000 千元
Trade, other receivables and advance deposits	應收賬款、其他應收款項及預付按金	215,494	1
Cash and cash equivalents	現金及現金等價物	27,668	8,970
Bonds	債券	-	(1,200,000)
Trade, other payables and advance receipts	應付賬款、其他應付款項及預收款項	(707,000)	(17,212)
Interest-bearing borrowings	計息借貸	(2,301,000)	(544,624)
Overall exposure	總風險	(2,764,838)	(1,752,865)

#### 31 December 2014

		HKD 港元 '000 千元	USD 美元 '000 千元
Trade, other receivables and advance deposits	應收賬款、其他應收款項及預付按金	77,500	-
Cash and cash equivalents	現金及現金等價物	72,086	367,252
Restricted cash	受限制現金	2,113	-
Bonds	債券	-	(1,203,793)
Trade, other payables and advance receipts	應付賬款、其他應付款項及預收款項	(85,645)	(464,361)
Interest-bearing borrowings	計息借貸	(741,000)	(270,000)
Overall exposure	總風險	(674,946)	(1,570,902)

## 6. 金融工具(續)

### (v) 貨幣風險(續)

#### (a) 所面臨的貨幣風險

下表詳述本集團於報告期末產生於已確認根據名義賬目以實體功能貨幣以外的貨幣計值的資產或負債的貨幣風險。

#### 二零一五年十二月三十一日

	HKD 港元 '000 千元	USD 美元 '000 千元
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#### 二零一四年十二月三十一日

	HKD 港元 '000 千元	USD 美元 '000 千元
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**6. FINANCIAL INSTRUMENTS (Continued)****(v) Currency risk (Continued)****(a) Exposure to currency risk (Continued)**

The following significant exchange rates applied during the year:

		Average rates 平均匯率		Reporting date spot rate 報告日期現貨匯率	
		2015 二零一五年	2014 二零一四年	2015 二零一五年	2014 二零一四年
HKD 1	1港元	<b>0.8133</b>	0.7961	<b>0.8378</b>	0.7889
USD 1	1美元	<b>6.3063</b>	6.1753	<b>6.4936</b>	6.1190

**(b) Sensitivity analysis**

The following table indicates the approximate change in the Group's profit and other components of consolidated equity in response to a 5% strengthening of the RMB against the foreign currencies to which the Group had exposure at 31 December 2015. This analysis assumes that the reasonably possible change in foreign exchange rates had occurred at the end of reporting period and had been applied to each for the Group entities' exposure to currency risk for financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2014.

		Profit or (loss) 溢利或(虧損)	
		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
HKD	港元	<b>86,864</b>	19,965
USD	美元	<b>426,840</b>	360,463

A 5% weakening of the RMB against the above currencies at 31 December would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

**6. 金融工具(續)****(v) 貨幣風險(續)****(a) 所面臨的貨幣風險(續)**

以下為年內採用的主要匯率：

**(b) 敏感度分析**

下表顯示，倘人民幣兌以下本集團於二零一五年十二月三十一日有風險的外幣升值5%，本集團的溢利及綜合權益其他部分的概約變動。本分析假設已於報告期末發生合理可能的的外幣匯率變動，並已影響本集團各實體於該日存在的金融工具貨幣風險，且所有其他可變因素(尤其是利率)保持不變。二零一四年的分析按相同基準進行。

		Profit or (loss) 溢利或(虧損)	
		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
HKD	港元	<b>86,864</b>	19,965
USD	美元	<b>426,840</b>	360,463

倘人民幣於十二月三十一日兌上述貨幣貶值5%，則對上述貨幣具有相等於上表金額但為反方向的影響，此乃假設所有其他可變因素保持不變。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 6. FINANCIAL INSTRUMENTS (Continued)

### (vi) Fair value measurements of financial instruments

#### (a) Fair value of the Group's financial asset that is measured at fair value on a recurring basis

A certain financial asset is measured at fair value at the end of each reporting period with carrying amount of Nil (2014: Nil). It is measured at Level 3 with income approach. In this approach, the discounted cash flow was used to capture the present value of the expected future economic benefits to be derived from the ownership of this option, based on an appropriate discount rate. The discount rate, which was USD swap+3.04%, was a significant unobservable input. The discount rate was the sum of the estimated risk-free rate and the implied credit spread. The implied credit spread was a premium above the yield of a default-free bond issued necessary to compensate for the risks associated with the Bonds. The risk-free rate was determined with reference to the United States Dollar Swap Curve as extracted from Bloomberg. A significant increase in the discounted rate would result in a significant decrease in the fair value.

#### (b) Fair value of financial assets and financial liabilities that are not measured at fair value

Except as detailed in the following table, the directors consider that the carrying amount of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values:

## 6. 金融工具(續)

### (vi) 金融工具的公允價值計量

(a) 本集團以經常性基準按公允價值計量的金融資產的公允價值於各報告期末，按公允價值計量的一項金融資產的賬面值為零(二零一四年：無)，並採用收入法按第三層次計量。在此方法中會按照適當的貼現率，使用貼現現金流量捕捉擁有此選擇權將產生的預期未來經濟利益的現值。貼現率為美元掉期+3.04%，乃重大的不可觀察輸入數據。貼現率為估計無風險利率及引伸期權差價的總和。引伸期權差價是為補償債券相關風險所需發行的無違約債券的收益率的溢價。無風險利率乃參考摘錄自彭博的美元掉期曲線而釐定。貼現率顯著增加，會導致公允價值顯著減少。

#### (b) 並非以公允價值計量之金融資產及金融負債的公允價值

除下表所述外，董事認為於綜合財務報表確認的金融資產及金融負債之賬面值與其公允價值相若：

		2015 二零一五年		2014 二零一四年	
		Carrying amount	Fair value	Carrying amount	Fair value
		賬面值	公允價值	賬面值	公允價值
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Bonds	債券	(9,243,928)	(9,366,737)	(8,763,401)	(8,793,552)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 6. FINANCIAL INSTRUMENTS (Continued)

### (vi) Fair value measurements of financial instruments (Continued)

#### (c) Estimation of fair values

Fair value estimates are made at a specific point in time and based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

The following methods and assumptions were used to estimate the fair value for each class of financial instruments:

- (1) Cash and cash equivalents, restricted cash, trade, other receivables and advance deposits and trade, other payables and advance receipts.

The carrying values approximate fair value because of the short maturities of these instruments.

- (2) Interest-bearing loans  
The carrying amounts of interest-bearing loans approximate their fair value based on the borrowing rate currently available for interest-bearing loans with similar terms and maturity.
- (3) Long-term receivable and long-term payable  
The fair values of long-term receivable and long-term payable are estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

## 6. 金融工具(續)

### (vi) 金融工具的公允價值計量(續)

#### (c) 公允價值估計

公允價值估計是在一個特定的時間按相關市場資料及有關該金融工具的資料而作出。由於該等估計本質上屬主觀，且涉及不明朗因素及相當程度的判斷，故結果不一定十分準確。任何假設上的變動，均可能會對估計產生重大影響。

估計各類別金融工具公允價值時採用以下方法及假設：

- (1) 現金及現金等價物、受限制現金、應收賬款、其他應收款項及預付按金、應付賬款、其他應付款項及預收款項。

由於該等工具均在短期內到期，故賬面值與公允價值相近。

- (2) 計息貸款  
根據現時可獲取且條款及到期日相若的計息貸款的借貸利率，計息貸款的賬面值與公允價值相近。
- (3) 長期應收款及長期應付款  
長期應收款及長期應付款的公允價值按未來現金流量的現值進行估計，並按於報告日期的市場利率貼現。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 6. FINANCIAL INSTRUMENTS (Continued)

### (vi) Fair value measurements of financial instruments (Continued)

#### (c) Estimation of fair values

- (4) Bonds  
The fair values of bonds are estimated according to their quoted price in active markets.
- (5) Financial guarantees  
The fair value of financial guarantees issued is determined by reference to fees charged in arms' length transaction for similar services, when such information is obtainable. The basis for determining the fair value is disclosed in note 43.
- (6) Interest rates used for determining fair value  
The interest rates used to discount estimated cash flows, when applicable, are based on the government yield curve at the reporting date plus an adequate credit spread, and were as follows:

		2015 二零一五年	2014 二零一四年
Long-term receivable	長期應收款	7.13%	7.13%
Long-term payable	長期應付款	6.90%	6.90%
Interest-bearing loans and bonds	計息貸款及債券	2.5%–8.50%	2.48%–9.23%

## 7. SEGMENT REPORTING

The Group has five reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the chief operating decision maker (the "CODM"), Group's senior executive management, reviews internal management reports at least on a monthly basis. The following summary describes the operations in each of the Group's reportable segments.

## 6. 金融工具(續)

### (vi) 金融工具的公允價值計量(續)

#### (c) 公允價值估計(續)

- (4) 債券  
債券公允價值乃根據其於活躍市場的報價而估計。
- (5) 財務擔保  
已發出財務擔保的公允價值乃參照按公平原則就類似服務所收取的費用而釐定(如能取得此等資料)。釐定公允價值的基準於附註43披露。
- (6) 用作釐定公允價值之利率  
用以貼現預計現金流量(倘適用)並按照於報告日期的政府孳息曲線加上適當的信貸息差為基準的利率如下：

## 7. 分部報告

如下文所述，本集團有五個可申報分部，為本集團的策略性業務單位。策略性業務單位提供不同的產品及服務，由於需要不同的技術及營銷策略，因此獨立管理。就各策略性業務單位而言，主要經營決策者(本集團之高層行政管理人員)最少每月審閱內部管理報告。以下概要說明本集團各可申報分部的營運。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 7. SEGMENT REPORTING (Continued)

Sales of properties: this segment develops and sells residential properties, including villas, townhouses and apartments, etc. Currently the Group's activities in this unit are carried out in Shanghai, Kunming, Changshu, Wuxi, Suzhou, Haikou, Taiyuan, Ningbo, Huangshan, Hangzhou, Xuzhou and Nanning.

Lease of properties: this segment leases commercial and residential properties to generate rental income and gain from the appreciation in the properties' values in the long term. Currently the Group's investment property portfolio is located in Shanghai, Suzhou, Nanning and Wuxi.

Hotel and related services: this segment operates hotels and service apartments to generate accommodation service and related income. Currently the Group's activities in this unit are carried out in Shanghai, Suzhou and Huangshan.

Education: this segment provides education and accommodation service to college students. Currently the Group's activities in this unit are carried out in Shanghai.

Property management and other related services: this segment provides property management services, project management services, greenery construction services and other related services to external customers and group companies. Currently the Group's activities in this unit are carried out in Shanghai, Kunming, Changshu, Huangshan, Wuxi, Nanning, Suzhou, Haikou, Taiyuan, Xi'an and Ningbo.

For the purposes of assessing segment performance and allocating resources between segments, the Group's CODM monitors the results, assets and liabilities attributable to each reportable segment on the following basis:

Segment assets include all current and non-current assets with the exception of interests in associates and interests in joint ventures. Segment liabilities include all current and non-current liabilities except for bonds managed at corporate level.

## 7. 分部報告(續)

物業銷售：本分部發展及銷售住宅物業，包括別墅、連排別墅及公寓等。目前本集團於上海、昆明、常熟、無錫、蘇州、海口、太原、寧波、黃山、杭州、徐州及南寧經營此單位的業務。

物業租賃：本分部出租商業及住宅物業以產生租金收入以及長期物業升值的收益。目前本集團的投資物業組合位於上海、蘇州、南寧及無錫。

酒店及配套服務：本分部經營酒店及服務式公寓，以產生住宿服務及相關收入。目前本集團於上海、蘇州及黃山經營此單位的業務。

教育：本分部向大專學生提供教育及住宿服務。目前本集團在上海經營此單位的業務。

物業管理及其他相關服務：本分部向外部客戶及集團公司提供物業管理服務、項目管理服務、綠化建設服務以及其他相關服務。目前本集團於上海、昆明、常熟、黃山、無錫、南寧、蘇州、海口、太原、西安及寧波經營此單位的業務。

為評估分部表現及於各分部間進行資源配置，本集團之主要經營決策者按以下基準監控各可申報分部之業績、資產及負債：

分部資產包括所有流動及非流動資產(除聯營公司權益及合營企業權益外)。分部負債包括所有流動及非流動負債(除由企業階層管理之債券外)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 7. SEGMENT REPORTING (Continued)

Revenue and expenses are allocated to the reportable segments with reference to the revenue generated and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. Segment results do not include fair value change on financial derivatives, share-based payments, net (loss) gain on disposal of equity interests in subsidiaries, share of profits of associates, share of losses of joint ventures and any other transactions managed at the corporate level.

### For the year ended 31 December 2015

Expressed in RMB'000		Sales of properties	Lease of properties	Hotel & related services	Education	Property management & other related services	Total
以人民幣千元列值		物業銷售	物業租賃	酒店及 配套服務	教育	物業管理及 其他相關服務	合計
<b>Revenue from external customers</b>	<b>外部客戶收益</b>	<b>5,290,053</b>	<b>60,227</b>	<b>179,210</b>	<b>114,005</b>	<b>158,463</b>	<b>5,801,958</b>
Inter-segment revenue	分部間收益	-	-	-	-	139,605	139,605
<b>Reportable segment revenue</b>	<b>可申報分部收益</b>	<b>5,290,053</b>	<b>60,227</b>	<b>179,210</b>	<b>114,005</b>	<b>298,068</b>	<b>5,941,563</b>
<b>Reportable segment (loss) profit</b>	<b>可申報分部(虧損)溢利</b>	<b>(746,187)</b>	<b>815,367</b>	<b>(39,566)</b>	<b>15,389</b>	<b>(12,529)</b>	<b>32,474</b>
Interest income	利息收入	54,674	1,272	1,075	139	1,926	59,086
Interest expenses	利息費用	(172,007)	(14,456)	(12,119)	-	(532)	(199,114)
Revaluation gains on investment properties	投資物業重估收益	-	1,115,249	-	-	-	1,115,249
<b>Reportable segment assets</b>	<b>可申報分部資產</b>	<b>41,687,253</b>	<b>7,246,000</b>	<b>3,062,789</b>	<b>470,598</b>	<b>909,108</b>	<b>53,375,748</b>
Additions to non-current segment assets during the year	年內增加分部非流動資產	2,679	798,067	7,180	83,092	8,983	900,001
<b>Reportable segment liabilities</b>	<b>可申報分部負債</b>	<b>27,934,629</b>	<b>4,418,293</b>	<b>2,765,456</b>	<b>351,224</b>	<b>554,718</b>	<b>36,024,320</b>
Depreciation and amortization	折舊及攤銷	24,132	-	68,166	17,182	4,198	113,678

## 7. 分部報告(續)

收益及開支乃參照可申報分部產生之收益及開支或因分部應佔之資產折舊或攤銷而產生者，分配至該等分部。分部業績並不包括衍生金融工具公允價值變動、股份支付、出售子公司股權之(虧損)收益淨額、應佔聯營公司溢利、應佔合營企業虧損及任何其他由企業階層管理之交易。

### 截至二零一五年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 7. SEGMENT REPORTING (Continued)

For the year ended 31 December 2014

## 7. 分部報告(續)

截至二零一四年十二月三十一日止年度

Expressed in RMB'000		Sales of properties	Lease of properties	Hotel & related services 酒店及 配套服務	Education	Property management & other related services 物業管理及 其他相關服務	Total
以人民幣千元列值		物業銷售	物業租賃		教育		合計
<b>Revenue from external customers</b>	<b>外部客戶收益</b>	2,262,698	66,643	168,106	89,739	252,839	2,840,025
Inter-segment revenue	分部間收益	-	-	-	-	37,048	37,048
<b>Reportable segment revenue</b>	<b>可申報分部收益</b>	2,262,698	66,643	168,106	89,739	289,887	2,877,073
<b>Reportable segment (loss) profit</b>	<b>可申報分部(虧損)溢利</b>	(519,486)	575,279	(74,381)	10,327	95,312	87,051
Interest income	利息收入	68,642	1,596	3,125	193	9,424	82,980
Interest expenses	利息費用	(128,473)	(16,131)	(18,251)	(508)	(2,659)	(166,022)
Revaluation gains on investment properties	投資物業重估收益	-	522,212	-	-	-	522,212
<b>Reportable segment assets</b>	<b>可申報分部資產</b>	32,910,968	5,722,000	3,017,245	422,931	565,305	42,638,449
Additions to non-current segment assets during the year	年內增加分部 非流動資產	22,293	3,497,804	739,779	57,335	2,420	4,319,631
<b>Reportable segment liabilities</b>	<b>可申報分部負債</b>	21,260,075	3,535,788	2,657,239	322,746	372,557	28,148,405
Depreciation and amortization	折舊及攤銷	26,757	-	63,166	13,325	3,097	106,345

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

**7. SEGMENT REPORTING (Continued)**

**Reconciliation of reportable segment revenue, profit/  
(loss), assets and liabilities**

**7. 分部報告(續)**

**可申報分部收益、溢利/(虧損)、資  
產及負債的對賬**

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
<b>Revenue</b>	<b>收益</b>		
Reportable segment revenue	可申報分部收益	<b>5,941,563</b>	2,877,073
Elimination of inter-segment revenue	分部間收益對銷	<b>(139,605)</b>	(37,048)
Consolidated revenue	綜合收益	<b>5,801,958</b>	2,840,025
<b>Profit</b>	<b>溢利</b>		
Reportable segment profit	可申報分部溢利	<b>32,474</b>	87,051
Elimination of inter-segment profits	分部間溢利對銷	-	(8,224)
Share-based payments	股份支付	<b>(416)</b>	(11,574)
Net gain (loss) on disposal of interests in subsidiaries	出售子公司權益之 收益(虧損)	<b>590</b>	(500)
Share of (loss) gain of associates	應佔聯營公司(虧損)收益	<b>(1,007)</b>	94
Share of losses of joint ventures	應佔合營企業虧損	<b>4</b>	(2,726)
Consolidated profit after income tax	除所得稅後綜合溢利	<b>31,645</b>	64,121
<b>Assets</b>	<b>資產</b>		
Reportable segment assets	可申報分部資產	<b>53,375,748</b>	42,638,449
Elimination of inter-segment receivables	分部間應收款項對銷	<b>(2,970,402)</b>	(1,862,711)
Elimination of inter-segment investments	分部間投資對銷	<b>(715,579)</b>	(677,682)
Interests in associates	聯營公司權益	-	3,603
Interests in joint ventures	合營企業權益	<b>296,187</b>	938,022
Consolidated total assets	綜合資產總額	<b>49,985,954</b>	41,039,681
<b>Liabilities</b>	<b>負債</b>		
Reportable segment liabilities	可申報分部負債	<b>36,024,320</b>	28,148,405
Elimination of inter-segment payables	分部間應付款項對銷	<b>(2,970,402)</b>	(1,862,711)
Bonds	債券	<b>9,243,928</b>	8,763,401
Consolidated total liabilities	綜合負債總額	<b>42,297,846</b>	35,049,095

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 7. SEGMENT REPORTING (Continued)

### Geographical information

In view of the fact that the Group mainly operates in the PRC, no geographical segment information is presented.

### Information about major customers

For the year ended 31 December 2015 and 2014, no single customer contributes 10% or more of the total sales of the Group.

## 7. 分部報告(續)

### 地區資料

由於本集團主要在中國營運，故概無呈列地區分部資料。

### 有關主要客戶的資料

截至二零一五年及二零一四年十二月三十一日止年度，概無單一客戶貢獻本集團總銷售的10%或以上。

## 8. REVENUE

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Sales of properties	物業銷售	5,290,053	2,262,698
Rental income	租金收入	60,227	66,643
Hotel operation income	酒店運營收入	179,210	168,106
Education income	教育收入	114,005	89,739
Property management income and other related services	物業管理收入及其他相關服務	158,463	252,839
		<b>5,801,958</b>	2,840,025

## 8. 收益

## 9. OTHER INCOME

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Gain on re-measurement of joint ventures to acquisition date fair value in business combination (note 47)	在業務合併中將合營企業重新計量為收購日期公允價值之收益(附註47)	89,726	-
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	76,728	140
Government grants	政府補助	3,547	2,220
Forfeited deposits from customers	來自客戶的沒收違約金	2,809	2,921
Gain on disposal of an associate (note 27 (i))	出售聯營公司之收益(附註27(i))	546	-
Gain on disposal of a joint venture	出售合營企業之收益	-	5,150
Others	其他	4,149	1,377
		<b>177,505</b>	11,808

## 9. 其他收益

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 10. OTHER OPERATING EXPENSES

## 10. 其他經營開支

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Write-down (reversal of impairment) of properties under development and completed properties held for sale	發展中物業及已建成待售物業之撇減(減值撥回)	<b>158,031</b>	(16,298)
Write-down (reversal of impairment) of receivables	應收款項撇減(減值撥回)	<b>56,220</b>	(562)
Penalties	罰金	<b>25,720</b>	24,354
Loss on disposal of other investment	出售其他投資的虧損	<b>1,000</b>	-
Donations	捐款	<b>600</b>	-
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	<b>75</b>	-
Others	其他	<b>3,641</b>	5,203
Total	合計	<b>245,287</b>	12,697

## 11. PERSONNEL EXPENSES

## 11. 員工開支

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Profit before taxation has been arrived at after charging:	除稅前溢利乃經扣除下列各項後達致：		
Wages and salaries	工資及薪金	<b>222,990</b>	204,320
Contributions to defined contribution plans	向界定供款計劃供款	<b>42,249</b>	41,779
Staff welfare, bonuses and other allowances	僱員福利、花紅及其他津貼	<b>21,073</b>	14,064
Equity-settled share-based payment expenses (note 40)	股權結算的股份支付開支(附註40)	<b>416</b>	11,574
Total	合計	<b>286,728</b>	271,737

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**12. EXPENSES BY NATURE**

The following expenses are included in results from operating expenses:

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
Cost of properties sold	已出售物業成本	<b>4,060,997</b>	1,616,688
Auditors' remuneration	核數師酬金		
– audit services	– 審核服務	<b>2,660</b>	2,460
– audit-related services	– 審核相關服務	–	320
Depreciation of property, plant and equipment	物業、廠房及設備折舊	<b>111,447</b>	104,403
Amortisation of land use rights	土地使用權攤銷	<b>2,186</b>	1,897
Amortisation of intangible assets	無形資產攤銷	<b>45</b>	45
Operating lease charges	經營租賃支出	<b>24,316</b>	24,837

**12. 按性質劃分的費用**

以下費用已計入經營開支的業績中：

**13. FINANCE INCOME**

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
Interest income on bank deposits	銀行存款利息收入	<b>22,270</b>	30,551
Interest income on long-term receivable measured at amortised cost (note 30)	按攤銷成本計算的長期應收款的 利息收入(附註30)	<b>36,816</b>	52,429
Finance income	融資收入	<b>59,086</b>	82,980

**13. 融資收入**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 14. FINANCE EXPENSES

## 14. 融資成本

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Interest expenses on interest-bearing loans, and bonds	計息貸款及債券利息費用	1,271,109	619,748
Interest expenses on long-term payable measured at amortised cost	按攤銷成本計算的長期應付款的利息費用	2,088	2,502
Less: interest capitalised (note 24 and note 25)	減：資本化的利息 (附註24及附註25)	(1,071,995)	(453,726)
Net interest expenses on interest-bearing loans, bonds	計息貸款及債券利息費用淨額	201,202	168,524
Foreign exchange loss	匯兌虧損	759,164	17,656
Less: exchange loss capitalised	減：資本化的匯兌虧損	(116,184)	-
Net exchange loss	匯兌虧損淨額	642,980	17,656
Finance expenses	融資成本	844,182	186,180

## 15. INCOME TAX EXPENSES

## 15. 所得稅開支

(i) Income tax in the consolidated statement of profit or loss and comprehensive income represents:

(i) 綜合損益及全面利潤表內的所得稅指：

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
<b>Current tax (note 34(i))</b>	<b>即期稅項(附註34(i))</b>		
Provision for PRC enterprise income tax for the year	本年度中國企業所得稅撥備	311,717	78,457
Under provision in prior years	過往年度撥備不足	12,186	17,947
Provision for land appreciation tax for the year	本年度土地增值稅撥備	127,256	181,326
		451,159	277,730



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**15. INCOME TAX EXPENSES (Continued)****(i) Income tax in the consolidated statement of profit or loss and comprehensive income represents: (Continued)**

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
<b>Deferred tax (note 34(ii) and (iii))</b>	<b>遞延稅項(附註34(ii)及(iii))</b>		
Origination and reversal of temporary differences	暫時差異的產生及撥回	<b>83,485</b>	141,063
Benefit of tax losses recognised	已確認稅項虧損影響	-	18,158
Land appreciation tax	土地增值稅	<b>10,846</b>	-
		<b>94,331</b>	159,221
Total income tax expenses	所得稅開支總額	<b>545,490</b>	436,951

**Enterprise income tax**

No provision for Hong Kong Profits Tax has been made (2014: Nil) as the Group did not earn any income subject to Hong Kong Profits Tax during the year.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands.

Pursuant to the Enterprise Income Tax Law of the PRC, the Group's main operating companies were subject to PRC income tax at a rate of 25% (2014: 25%).

**Land appreciation tax**

Land appreciation tax is levied on properties developed for sale by the Group at progressive rates ranging from 30% to 60% on the appreciation of land value, which under the applicable regulations is calculated based on the proceeds of sales of properties less deductible expenditures including lease charges of land use rights, borrowing costs and all property development expenditures. Land appreciation tax of RMB127,256,000 has been included in profit or loss during the year. (2014: RMB181,326,000).

**15. 所得稅開支(續)****(i) 綜合損益及全面利潤表內的所得稅指：(續)**

	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
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<b>Deferred tax (note 34(ii) and (iii))</b>		
Origination and reversal of temporary differences	<b>83,485</b>	141,063
Benefit of tax losses recognised	-	18,158
Land appreciation tax	<b>10,846</b>	-
	<b>94,331</b>	159,221
Total income tax expenses	<b>545,490</b>	436,951

**企業所得稅**

由於本集團於年內並無賺取任何須繳納香港利得稅的收入，故並無作出香港利得稅撥備(二零一四年：無)。

根據開曼群島及英屬處女群島的規則及規例，本集團毋須繳納任何開曼群島及英屬處女群島所得稅。

根據中國企業所得稅法，本集團的主要營運中公司均須按25%的稅率繳納中國所得稅(二零一四年：25%)。

**土地增值稅**

本集團銷售所發展的物業須按土地價值增幅以30%至60%的累進稅率繳納土地增值稅，根據有關規例，土地增值稅乃按出售物業所得款項減可扣稅開支(包括土地使用權出讓支出、借貸成本及所有物業發展開支)計算。年內計入損益中的土地增值稅為人民幣127,256,000元(二零一四年：人民幣181,326,000元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 15. INCOME TAX EXPENSES (Continued)

(i) Income tax in the consolidated statement of profit or loss and comprehensive income represents: (Continued)

*Land appreciation tax (Continued)*

Deferred land appreciation tax is levied on investment properties which is held within a business model whose objective is to consume all of the economic benefits through sale. Deferred land appreciation tax of RMB10,846,000 has been included in profit or loss during the year. (2014: Nil).

(ii) Reconciliation between tax expense and accounting profit at applicable tax rate:

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Profit before income tax	除所得稅前溢利	577,135	501,072
Less: Current land appreciation tax (note 34(i))	減：即期土地增值稅 (附註34(i))	(127,256)	(181,326)
Deferred land appreciation tax	遞延土地增值稅	(10,846)	-
		<b>439,033</b>	319,746
Tax calculated at the rates applicable to respective companies that comprise the Group	按本集團屬下各公司 適用稅率計算的稅項	<b>109,758</b>	79,936
Tax effect of share of results of associates and joint ventures	應佔聯營公司及合營企業業績 的稅務影響	(251)	658
Non-deductible expenses, net of non-taxable income	不可扣稅支出 (已扣除毋須課稅收入)	<b>50,418</b>	33,797
Unrecognised deferred tax assets	未確認遞延稅項資產	<b>235,277</b>	123,287
Under provision in prior years	過往年度撥備不足	<b>12,186</b>	17,947
		<b>407,388</b>	255,625
Current land appreciation tax	即期土地增值稅	<b>127,256</b>	181,326
Deferred land appreciation tax	遞延土地增值稅	<b>10,846</b>	-
Total	合計	<b>545,490</b>	436,951

In accordance with the accounting policy set out in note 3.11, the Group has not recognised deferred tax assets in respect of cumulative tax losses of certain subsidiaries for the year as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity.

### 15. 所得稅開支(續)

(i) 綜合損益及全面利潤表內的所得稅指：(續)

*土地增值稅(續)*

於旨在通過出售消耗所有經濟利益的業務模式內持有的投資物業須繳納遞延土地增值稅。年內計入損益中的遞延土地增值稅為人民幣10,846,000元(二零一四年：無)。

(ii) 稅項開支和會計溢利按適用稅率計算的對賬：

根據附註3.11所載的會計政策，由於部分子公司不大可能在有關稅務司法權區及實體取得未來應課稅溢利以抵銷可動用的虧損，故本集團在年內未就累計稅項虧損確認遞延稅項資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 16. DIRECTORS' REMUNERATION

## 16. 董事酬金

		Directors' Fee	Basic salaries, allowances and other benefits	Contributions to retirement benefit schemes	Bonus	Share-based payment (note 40)	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>For the year ended</b>	<b>截至二零一五年</b>						
<b>31 December 2015</b>	<b>十二月三十一日止年度</b>						
<b>Executive Directors</b>	<b>執行董事</b>						
Mr. Chen Jun	陳軍先生	-	3,008	80	111	-	3,199
Mr. Hou Guangjun	侯光軍先生	-	2,042	80	81	-	2,203
Mr. Wu Zhengkui	吳正奎先生	-	-	-	-	-	-
Mr. You Defeng	游德鋒先生	-	1,633	80	74	490	2,277
Mr. Wang Weixian	王偉賢先生	-	303	14	-	-	317
Ms. Wang Xuling	王煦菱女士	-	1,633	94	74	481	2,282
<b>Independent Non-Executive Directors</b>	<b>獨立非執行董事</b>						
Mr. Cheong Ying Chew, Henry	張英潮先生	303	-	-	-	-	303
Mr. Fang Wo, Felix, JP	方和先生(太平紳士)	303	-	-	-	-	303
Mr. Kwan Kai Cheong	關啟昌先生	303	-	-	-	-	303
Total	合計	909	8,619	348	340	971	11,187

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

**16. DIRECTORS' REMUNERATION  
(Continued)**

**16. 董事酬金(續)**

		Directors Fee	Basic salaries, allowances and other benefits 基本薪金、 津貼及其他福利	Contributions to retirement benefit schemes 退休福利 計劃供款	Bonus	Share-based payment (note 40) 股份支付 (附註40)	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>For the year ended</b>	<b>截至二零一四年</b>						
<b>31 December 2014</b>	<b>十二月三十一日止年度</b>						
<b>Executive Directors</b>	<b>執行董事</b>						
Mr. Chen Jun	陳軍先生	-	4,472	71	118	-	4,661
Mr. Hou Guangjun	侯光軍先生	-	2,209	75	197	-	2,481
Mr. Wu Zhengkui	吳正奎先生	-	-	-	-	-	-
Mr. You Defeng	游德鋒先生	-	1,596	75	59	1,951	3,681
Mr. Wang Weixian	王偉賢先生	-	985	22	-	-	1,007
Ms. Wang Xuling	王煦菱女士	-	1,899	96	60	1,915	3,970
<b>Independent Non-Executive Directors</b>	<b>獨立非執行董事</b>						
Mr. Cheong Ying Chew, Henry	張英潮先生	301	-	-	-	-	301
Mr. Fong Wo, Felix, JP	方和先生(太平紳士)	301	-	-	-	-	301
Mr. Kwan Kai Cheong	關啟昌先生	301	-	-	-	-	301
Mr. Jiang Simon X. (i)	蔣小明先生(i)	200	-	-	-	-	200
Total	合計	1,103	11,161	339	434	3,866	16,903

(i): Mr. Jiang Simon X. resigned as an independent non-executive director of the Company on 4 June 2014.

(i): 蔣小明先生於二零一四年六月四日辭任本公司獨立非執行董事。

(ii): During 2015, no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office.

(ii): 二零一五年度本集團並無向董事支付任何酬金作為加入或於加入本集團時之獎勵或作為離職補償。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**17. EMPLOYEES' REMUNERATION**

The five highest paid individuals of the Group during the year ended 31 December 2015 comprise four directors of the Company (2014: three), whose remuneration is disclosed in note 16. Details of remuneration paid to the remaining highest paid individuals of the Group are as follows:

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
Basic salary, allowances and other benefits	基本薪金、津貼及其他福利	<b>2,576</b>	6,339

The emoluments of the one (2014: two) individuals with the highest emoluments are within the following bands:

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
Hong Kong Dollar	港元		
2,500,001–3,000,000	2,500,001–3,000,000	<b>1</b>	–
3,000,001–4,000,000	3,000,001–4,000,000	–	2

**17. 僱員酬金**

本集團截至二零一五年十二月三十一日止年度的五名最高薪酬人士包括本公司四名(二零一四年:三名)董事,其酬金已於附註16披露。向本集團其餘最高薪酬人士支付的酬金詳情如下:

一名(二零一四年:兩名)最高薪酬人士的酬金介乎以下範圍:

**18. DIVIDENDS**

Final dividend in respect of previous financial year, declared and paid during the year

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
Final dividend in respect of previous financial year, declared and paid during the year	年內已宣派及派付之過往財政年度末期股息	–	104,247

The Board of Directors has resolved not to propose dividends in respect of the year ended 31 December 2015.

**18. 股息**

董事會議決不就截至二零一五年十二月三十一日止年度建議任何股息。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 19. EARNINGS PER SHARE

### (a) Earnings per ordinary share (basic)

Earnings per ordinary share (basic) is calculated by dividing the profit attributable to owners of the Company allocated to ordinary shares by the weighted average number of ordinary shares in issue during the year and excluding ordinary shares purchased by the Group and held for Share Award Scheme (as defined in note 40).

		2015 二零一五年	2014 二零一四年
Profit attributable to owners of the Company allocated to ordinary shares (RMB'000)	分配至普通股的本公司擁有人應佔溢利(人民幣千元)	170,006	46,812
Weighted average number of ordinary shares (basic)	普通股加權平均數(基本)	2,097,268,026	1,109,057,392

### (b) Earnings per convertible preference share (basic)

Earnings per convertible preference share (basic) is calculated by dividing the profit attributable to owners of the Company allocated to convertible preference shares by the number of convertible preference shares in issue during the year.

		2015 二零一五年	2014 二零一四年
Profit attributable to owners of the Company allocated to convertible preference shares (RMB'000)	分配至可轉換優先股的本公司擁有人應佔溢利(人民幣千元)	50,234	60,878
Weighted average Number of convertible preference shares (basic) (2014: approximate number of convertible preference shares)	可轉換優先股加權平均數(基本)(二零一四年: 可轉換優先股概約數目)	619,701,588	1,485,530,000

### (c) Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding based on the assumption that all dilutive potential ordinary shares are converted as follows:

		2015 二零一五年	2014 二零一四年
Weighted average number of ordinary shares (basic)	普通股加權平均數(基本)	2,097,268,026	1,109,057,392
Effect of convertible preference shares	可轉換優先股的影響	619,701,588	1,485,530,000
Effect of Share Award Scheme	股份獎勵計劃的影響	4,757,972	23,585,822
Weighted average number of shares (diluted)	加權平均股數(攤薄)	2,721,727,586	2,618,173,214

## 19. 每股盈利

### (a) 每股普通股盈利(基本)

每股普通股盈利(基本)乃以分配至普通股的本公司擁有人應佔溢利除以年內已發行普通股(不包括本集團已購買之普通股及股份獎勵計劃(定義見附註40)所持普通股)之加權平均數計算。

### (b) 每股可轉換優先股盈利(基本)

每股可轉換優先股盈利(基本)乃以分配至可轉換優先股的本公司擁有人應佔溢利除以年內已發行的可轉換優先股數目計算。

### (c) 每股攤薄盈利

每股攤薄盈利是按所有潛在攤薄普通股已轉換的假設而調整已發行普通股的加權平均數計算如下：

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綜合財務報表附註(續)

## 20. PROPERTY, PLANT AND EQUIPMENT

## 20. 物業、廠房及設備

		Buildings	Leasehold improvements	Motor vehicles	Fixtures, fittings & equipment	Construction in progress	Total
		樓宇	租賃物業裝修	汽車	裝置、傢俱及設備	在建工程	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Cost</b>	<b>成本</b>						
<b>Balance at 1 January 2014</b>	<b>於二零一四年一月一日的結餘</b>	842,206	32,243	41,193	327,781	27,183	1,270,606
Additions	添置	-	999	8,369	34,704	56,353	100,425
Transfer from properties under development (note 25)	從發展中物業轉撥(附註25)	677,877	39,660	-	-	-	717,537
Transfer to investment properties (note 24)	轉撥至投資物業(附註24)	(6,866)	-	-	-	-	(6,866)
Disposals	轉讓	-	-	(13,514)	(2,809)	-	(16,323)
<b>Balance at 31 December 2014</b>	<b>於二零一四年十二月三十一日的結餘</b>	1,513,217	72,902	36,048	359,676	83,536	2,065,379
Addition/Adjustments	添置/調整	(8,948)	3,961	10,714	48,924	6,535	61,186
Addition through business combination	透過業務合併添置	-	-	182	452	-	634
Transfer to completed properties held for sale (note 26)	轉撥至已建成待售物業(附註26)	(3,809)	-	-	-	-	(3,809)
Disposals	轉讓	(32,105)	-	(227)	(813)	-	(33,145)
<b>Balance at 31 December 2015</b>	<b>於二零一五年十二月三十一日的結餘</b>	1,468,355	76,863	46,717	408,239	90,071	2,090,245
<b>Depreciation</b>	<b>折舊</b>						
<b>Balance at 1 January 2014</b>	<b>於二零一四年一月一日的結餘</b>	161,425	26,749	26,969	132,484	-	347,627
Charge for the year	年內折舊	48,372	8,413	4,371	43,247	-	104,403
Disposals	轉讓	-	-	(4,876)	(1,625)	-	(6,501)
<b>Balance at 31 December 2014</b>	<b>於二零一四年十二月三十一日的結餘</b>	209,797	35,162	26,464	174,106	-	445,529
Charge for the year	年內折舊	58,002	8,567	5,584	39,294	-	111,447
Transfer to completed properties held for sale (Note 26)	轉撥至已建成待售物業(附註26)	(1,177)	-	-	-	-	(1,177)
Disposals	轉讓	(11,475)	-	(204)	(781)	-	(12,460)
<b>Balance at 31 December 2015</b>	<b>於二零一五年十二月三十一日的結餘</b>	255,147	43,729	31,844	212,619	-	543,339
<b>Carrying amounts</b>	<b>賬面值</b>						
<b>At 31 December 2014</b>	<b>於二零一四年十二月三十一日</b>	1,303,420	37,740	9,584	185,570	83,536	1,619,850
<b>At 31 December 2015</b>	<b>於二零一五年十二月三十一日</b>	1,213,208	33,134	14,873	195,620	90,071	1,546,906

(i) All buildings owned by the Group are located in the PRC.

(i) 本集團擁有的所有樓宇均位於中國。

(ii) As at 31 December 2015, property, plant and equipment with a total carrying value of RMB1,033,690,000 (2014: RMB887,798,000) were pledged as collateral for the Group's borrowings.

(ii) 於二零一五年十二月三十一日，本集團已抵押賬面總值人民幣1,033,690,000元(二零一四年：人民幣887,798,000元)的物業、廠房及設備作為本集團借貸的抵押品。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 21. INTANGIBLE ASSETS

## 21. 無形資產

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
<b>Cost</b>	<b>成本</b>		
Balance at 1 January	於一月一日的結餘	<b>1,700</b>	1,700
<b>Amortisation</b>	<b>攤銷</b>		
Balance at 1 January	於一月一日的結餘	<b>269</b>	224
Amortisation charge for the year	年內攤銷開支	<b>45</b>	45
Balance at 31 December	於十二月三十一日的結餘	<b>314</b>	269
<b>Carrying amounts</b>	<b>賬面值</b>		
Balance at 31 December	於十二月三十一日的結餘	<b>1,386</b>	1,431
Total year for amortisation	總攤銷年份	<b>38 years 年</b>	38 years 年

Intangible assets represent contractor qualification in PRC, for own use purpose.

無形資產為供自用的中國承包商資格。

## 22. LAND USE RIGHTS

## 22. 土地使用權

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
<b>Cost</b>	<b>成本</b>		
Balance at 1 January	於一月一日的結餘	<b>95,133</b>	91,265
Transfer from properties under development (note 25)	轉撥自發展中物業(附註25)	-	3,868
Balance at 31 December	於十二月三十一日的結餘	<b>95,133</b>	95,133
<b>Amortisation</b>	<b>攤銷</b>		
Balance at 1 January	於一月一日的結餘	<b>18,209</b>	16,312
Amortisation charge for the year	年內攤銷開支	<b>2,186</b>	1,897
Balance at 31 December	於十二月三十一日的結餘	<b>20,395</b>	18,209
<b>Carrying amounts</b>	<b>賬面值</b>		
Balance at 31 December	於十二月三十一日的結餘	<b>74,738</b>	76,924
Total year for amortisation	總攤銷年份	<b>39-42 years 年</b>	39-42 years 年

Land use rights represent lease prepayments for acquiring rights to use land, which is all located in the PRC, for own use properties.

土地使用權指收購使用土地權利的租賃預付款項，全部位於中國，用作自用物業。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 23. OTHER FINANCIAL ASSETS

## 23. 其他金融資產

		2015	2014
		二零一五年	二零一四年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>Available for sale investments</b>	<b>可供出售投資</b>		
Equity (i)	權益(i)	<b>174,567</b>	2,800
<b>Loans</b>	<b>貸款</b>		
Loans to related parties (note 46 (c))	向關連人士作出貸款(附註46 (c))	<b>100,000</b>	-
Loans to other entities	向其他實體作出貸款	<b>43,000</b>	-
		<b>317,567</b>	2,800
Current	流動	<b>143,000</b>	-
Non-current	非流動	<b>174,567</b>	2,800
		<b>317,567</b>	2,800

(i). The Group holds the interest on the following companies:

(i). 本集團於下列公司持有權益：

		2015	2014
		二零一五年	二零一四年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Shanghai Jianbang Dining limited	上海建邦餐飲有限公司		
Company		<b>1,800</b>	1,800
Hainan Tianhong Jiye Real Estate Co., Ltd ("Tianhong Real Estate") (note 47)	海南天泓基業房地產開發有限公司 ([天泓房地產])(附註47)	<b>172,767</b>	-
Shanghai Putaihui Commerce Co., Ltd	上海浦台匯商務有限公司	-	1,000
		<b>174,567</b>	2,800

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 24. INVESTMENT PROPERTIES

## 24. 投資物業

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Investment properties under development	發展中投資物業		
Balance at 1 January	於一月一日的結餘	<b>3,994,000</b>	–
Cost capitalised	成本資本化	<b>798,067</b>	3,497,682
Net increase in fair value recognised in profit and loss	在損益確認的公允價值增加淨額	<b>1,063,933</b>	496,318
Balance at 31 December	於十二月三十一日的結餘	<b>5,856,000</b>	3,994,000
Interest capitalisation included in the above:	上述包括利息資本化：		
Balance at 1 January	於一月一日的結餘	–	–
Cost capitalised (note 14)	成本資本化(附註14)	<b>272,674</b>	–
Balance at 31 December	於十二月三十一日的結餘	<b>272,674</b>	–
Completed investment properties	已建成投資物業		
Balance at 1 January	於一月一日的結餘	<b>1,728,000</b>	1,719,000
Cost capitalised	成本資本化	–	31,240
Transfer from property, plant and equipment (note 20)	轉撥自物業、廠房及設備(附註20)	–	6,866
Disposal	出售	<b>(389,316)</b>	(55,000)
Net increase in fair value recognised in profit and loss	在損益確認的公允價值增加淨額	<b>51,316</b>	25,894
Balance at 31 December	於十二月三十一日的結餘	<b>1,390,000</b>	1,728,000
		<b>7,246,000</b>	5,722,000

The following table presents the fair value of the Group's investment properties measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

At 31 December 2015 and 2014, the Group's investment properties are measured at level 3 category of fair value measurement and during the year ended 31 December 2015, there were no transfers into or out of Level 3.

下表呈列本集團於報告期末按經常性基準計量的投資物業公允價值，有關公允價值於國際財務報告準則第13號公允價值計量所界定之公允價值三層架構中進行分類。公允價值所歸類的層次乃經參考以下估值技術所用的輸入數據的可觀察性及重要性而釐定：

於二零一五年及二零一四年十二月三十一日，本集團的投資物業按公允價值計量類別的第三層次計量，截至二零一五年十二月三十一日止年度，第三層次並無轉入或轉出。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 24. INVESTMENT PROPERTIES (Continued)

All the Group's investment properties are stated at fair value at 31 December 2015 and 2014. The fair values of investment properties were arrived at based on valuations carried out by Debenham Tie Leung Limited ("DTZ").

The fair values of investment properties are determined using direct comparison approach, which are amount to RMB5,895,000,000, which assumes sale of each of the properties in its existing state by making reference to comparable sales transactions as available in the relevant market. The investment properties which are amount to RMB1,351,000,000, are valued by income capitalisation approach by capitalising the net rental income derived from the existing tenancies with due allowance for the reversionary income potential of the respective properties.

## 24. 投資物業(續)

本集團所有投資物業於二零一五年及二零一四年十二月三十一日均以公允價值列賬。投資物業的公允價值乃根據戴德梁行有限公司(「戴德梁行」)進行的估值而釐定。

為數人民幣5,895,000,000元的投資物業公允價值採用直接比較法釐定，乃假設各項物業按其現有狀況出售，並參考相關市場中可得的可比較銷售交易。為數人民幣1,351,000,000元的投資物業按收入資本化法進行估值，乃透過資本化源自現有租約的租金收入淨額(並就相關物業的復歸收入潛力計提適當撥備)釐定。

	Valuation Techniques 估值技術	Unobservable input 不可觀察輸入數據	Range 範圍	Notes 附註
Investment properties 投資物業				
Mainland China 中國內地	Income capitalisation approach 收入資本化法	Capitalisation rate 資本化率	5%-9%	(i)
		Average unit market rent per month 每月平均單位市場租金	RMB37 – RMB278 per sq.m per month 每月每平方米人民幣37元至人民幣278元	(ii)
	Direct comparison approach 直接比較法	Average market unit rate 平均單位市場租金	RMB10,000 – RMB75,000 per sq.m 每平方米人民幣10,000元至人民幣75,000元	(ii)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 24. INVESTMENT PROPERTIES (Continued)

Notes: Descriptions of the sensitivity in unobservable inputs and interrelationship:

- (i) The fair value measurement is negatively correlated to the unobservable input that a lower factor will result in a higher fair value.
- (ii) The fair value measurement is positively correlated to the unobservable input that a higher factor will result in a higher fair value.

As at 31 December 2015, the Group has not obtained the State-owned Land Use Rights Certificate for the investment properties, which are amounted to RMB108,000,000 (2014: RMB3,236,000,000).

As at 31 December 2015, investment properties with a total carrying value of RMB207,707,000 (2014: RMB1,421,051,000) were pledged as collateral for the Group's borrowings.

## 24. 投資物業(續)

附註：不可觀察輸入數據敏感度及相互關係的描述：

- (i) 公允價值計量與不可觀察輸入數據呈負相關，即系數越低，公允價值越高。
- (ii) 公允價值計量與不可觀察輸入數據呈正相關，即系數越高，公允價值越高。

於二零一五年十二月三十一日，本集團並未取得國有土地使用權證的投資物業為數人民幣108,000,000元(二零一四年：人民幣3,236,000,000元)。

於二零一五年十二月三十一日，本集團已將賬面總值人民幣207,707,000元(二零一四年：人民幣1,421,051,000元)的投資物業抵押作為本集團借貸的抵押品。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 25. PROPERTIES UNDER DEVELOPMENT

## 25. 發展中物業

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Cost	成本		
Balance at 1 January	於一月一日的結餘	22,089,640	9,096,908
Cost capitalised	成本資本化	7,047,678	14,394,477
Acquisition of subsidiaries	收購子公司	2,152,327	-
Transfer to property, plant and equipment (note 20)	轉撥至物業、廠房及設備(附註20)	-	(717,537)
Transfer to land use right (note 22)	轉撥至土地使用權(附註22)	-	(3,868)
Transfer to completed properties held for sale (note 26)	轉撥至已建成待售物業(附註26)	(6,985,260)	(680,340)
Balance at 31 December	於十二月三十一日的結餘	24,304,385	22,089,640
Write-down of properties under development:	撇減發展中物業：		
Balance at 1 January	於一月一日的結餘	-	(59,055)
Transfer to completed properties held for sale (note 26)	轉撥至已建成待售物業(附註26)	-	59,055
Balance at 31 December	於十二月三十一日的結餘	-	-
		24,304,385	22,089,640
Properties under development expected to be completed:	預期將於以下期間建成的發展中物業：		
- within twelve months	- 十二個月內	8,716,805	4,489,993
- beyond twelve months	- 十二個月後	15,587,580	17,599,647
Interest capitalisation included in the above:	已計入上述項目的被資本化利息：		
Balance at 1 January	於一月一日的結餘	685,120	392,485
Cost capitalised (note 14)	成本資本化(附註14)	799,321	453,726
Acquisition of subsidiaries	收購子公司	56,884	-
Transfer to completed properties held for sale	轉撥至已建成待售物業	(58,760)	(161,091)
Balance at 31 December	於十二月三十一日的結餘	1,482,565	685,120

All properties under development are located in the PRC.

所有發展中物業均位於中國。

The weighted average capitalisation rate of borrowings and bonds is 4.92% (2014: 5.27%).

借貸及債券的加權平均資本化率為4.92%(二零一四年：5.27%)。

As at 31 December 2015, properties under development of approximately RMB5,916,393,000 (2014: RMB8,412,350,000) were pledged as collateral for the Group's borrowings.

於二零一五年十二月三十一日，本集團已抵押價值約人民幣5,916,393,000元(二零一四年：人民幣8,412,350,000元)的發展中物業作為本集團借貸的抵押品。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

**26. COMPLETED PROPERTIES HELD FOR SALE**      **26. 已建成待售物業**

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Cost	成本		
Balance at 1 January	於一月一日的結餘	<b>1,786,382</b>	2,753,312
Transfer from properties under development (note 25)	轉撥自發展中物業 (附註25)	<b>6,985,260</b>	680,340
Transfer from properties, plants and Equipments (note 20)	轉撥自物業、廠房及設備 (附註20)	<b>2,632</b>	-
Transfer to cost of sales	轉撥至銷售成本	<b>(3,676,408)</b>	(1,647,270)
Balance at 31 December	於十二月三十一日的結餘	<b>5,097,866</b>	1,786,382
Write-down of completed properties held for sale:	撇減已建成待售物業：		
Balance at 1 January	於一月一日的結餘	<b>(58,959)</b>	(101,784)
(Addition) Reversal	(添置)撥回	<b>(158,031)</b>	16,298
Transfer from properties under development (note 25)	轉撥自發展中物業(附註25)	-	(59,055)
Transfer to cost of sales	轉撥至銷售成本	<b>4,727</b>	85,582
Balance at 31 December	於十二月三十一日的結餘	<b>(212,263)</b>	(58,959)
		<b>4,885,603</b>	1,727,423

All completed properties held for sale are located in the PRC.

所有已建成待售物業均位於中國。

As at 31 December 2015, completed properties held for sale of approximately RMB150,469,000 (2014: RMB280,311,000) were pledged as collateral for the Group's borrowings.

於二零一五年十二月三十一日，本集團已抵押價值約人民幣150,469,000元(二零一四年：人民幣280,311,000元)的已建成待售物業作為本集團借貸的抵押品。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 27. INTERESTS IN ASSOCIATES

## 27. 聯營公司權益

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Shanghai Zhaozhi Shiye Co., Ltd. ("Shanghai Zhaozhi") (i)	上海朝智實業有限公司 (「上海朝智」)(i)	-	3,603
Shanghai Yingkun Investment Limited Partnership Corporation ("Shanghai Yingkun") (ii)	上海穎堃投資合夥企業(有限合夥) (「上海穎堃」)(ii)	-	-
		-	3,603

(i) During the year, the Group disposed 36.33% of its entire interest on Shanghai Zhaozhi and the gain on disposal amounted to approximately RMB546,000.

(i) 於年內，本集團出售其於上海朝智所持有全部股權的36.33%，出售收益約為人民幣546,000元。

(ii) Shanghai Yingkun

(ii) 上海穎堃

		2015 二零一五年 RMB'000 人民幣千元
Cost of investment	投資成本	100
Share of post-acquisition losses	分佔收購後虧損	(100)
		-

Name of associate	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest and voting rights held by the Group 本集團的擁有權權益及所持表決權比例
聯營公司名稱	主營業務	註冊成立及主要經營地點	
Shanghai Yingkun 上海穎堃	Investing and consulting 投資及諮詢	Shanghai, the PRC 中國上海	23%

Shanghai Yingkun is a limited partnership corporation. Shanghai Daokun Investment Management Co., Ltd, the subsidiary of the Group, is the general partner of Shanghai Yingkun. However, resolution about any partnership-related events is made in a one seat one vote approach, and must be approved by more than half of all partners. The representatives of the limited partners have veto power in a committee which makes decisions for the operation of Shanghai Yingkun. Profits and losses of Shanghai Yingkun are distributed in accordance with the subscription capital shares of the partners.

上海穎堃為一間有限合夥企業。本集團的子公司上海道堃資產管理有限公司為上海穎堃的普通合夥人。然而，任何合夥相關事件的決議案均以一人一票的方式作出，並須獲得過半數合夥人批准。在負責上海穎堃營運決策的委員會中，有限合夥人代表擁有否決權。上海穎堃的損益按合夥人的認繳資本股份分配。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 27. INTERESTS IN ASSOCIATES (Continued)

### (ii) Shanghai Yingkun (Continued)

Summary of financial information of Shanghai Yingkun, adjusted for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

		31/12/2015 二零一五年 十二月三十一日 RMB'000 人民幣千元
<b>Gross amounts:</b>	<b>總金額：</b>	
Current assets	流動資產	<b>3,189,527</b>
Current liabilities	流動負債	<b>3,192,744</b>

		Year ended 31/12/2015 截至二零一五年 十二月三十一日 止年度 RMB'000 人民幣千元
Revenue	收益	-
Loss for the year	年度虧損	<b>(3,317)</b>
Total comprehensive expenses for the year	年內全面開支總額	<b>(3,317)</b>

Reconciliation of the above summarised financial information to the carrying amount of the interest in Shanghai Yingxuan recognised in the consolidated financial statements.

以上財務資料概要與於綜合財務報表確認的上海穎堃權益賬面值的對賬。

		Year ended 31/12/2015 截至二零一五年 十二月三十一日 止年度 RMB'000 人民幣千元
Net assets of the associate	聯營公司淨資產	<b>(3,217)</b>
Group's effective interest	本集團的實際權益	<b>23%</b>
Carrying amount in the Group's consolidated financial statements	於本集團綜合財務報表的賬面值	-



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 28. INTERESTS IN JOINT VENTURES

## 28. 合營企業權益

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Hainan Tianyuan Lifeng Group (note 47)	海南天源利豐集團(附註47)	-	655,611
Forever Rich Enterprise Limited ("Forever Rich") (i)	Forever Rich Enterprise Limited (「Forever Rich」)(i)	<b>296,187</b>	282,411
		<b>296,187</b>	938,022

## (i) Forever Rich

## (i) Forever Rich

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Cost of investment	投資成本	<b>306,092</b>	286,367
Share of post-acquisition losses	分佔收購後虧損	<b>(9,905)</b>	(3,956)
		<b>296,187</b>	282,411

Name of joint venture	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest and voting rights held by the Group at 2015 and 2014 二零一五年及二零一四年本集團的擁有權益及所持表決權比例
合營企業名稱	主營業務	註冊成立及主要經營地點	
Forever Rich	Property development	Suzhou, Jiangsu Province, the PRC	50%
Forever Rich	物業發展服務	中國江蘇省蘇州市	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

**28. INTERESTS IN JOINT VENTURES  
(Continued)**

**(i) Forever Rich (Continued)**

Summary of financial information of Forever Rich, adjusted for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
<b>Gross amounts:</b>	<b>總金額：</b>		
Current assets	流動資產	<b>1,655,185</b>	388,933
Non-current assets	非流動資產	<b>11,920</b>	583,972
Current liabilities	流動負債	<b>1,074,730</b>	408,083
The above amounts of assets and liabilities include the following:	以上資產及負債金額包括以下各項：		
Cash and cash equivalents	現金及現金等價物	<b>98,466</b>	193,591
Revenue	收益	-	-
Loss for the period	期間虧損	<b>(11,897)</b>	(7,913)
Total comprehensive expenses	全面開支總額	<b>(11,897)</b>	(7,913)
The above profit (loss) for the year includes the following:	以上年度溢利(虧損)包括以下各項：		
Depreciation and amortisation	折舊及攤銷	<b>(231)</b>	(40)
Finance income	融資收入	<b>3,713</b>	2,862
Finance expenses	融資成本	-	(902)
Income tax expense	所得稅開支	<b>3,924</b>	2,476

Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements:

以上財務資料概要與於綜合財務報表確認的合營企業權益賬面值的對賬：

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Net assets of the joint venture	合營企業淨資產	<b>592,375</b>	564,822
Proportion of the Group's ownership interest in the joint venture	本集團於合營企業的擁有權權益比例	<b>50%</b>	50%
Carrying amount of the Group's interest in the joint venture	本集團的合營企業權益的賬面值	<b>296,187</b>	282,411

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**29. TRADE, OTHER RECEIVABLES AND  
ADVANCE DEPOSITS****29. 應收賬款、其他應收款項及預  
付按金**

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
Receivables due from related parties (note 46(c))	應收關連人士款項(附註46(c))	<b>1,735,544</b>	1,144,770
Trade receivables due from third parties	應收第三方的應收賬款	<b>299,613</b>	86,149
Advance payments to contractors	預付承包商款項	<b>570,786</b>	64,617
Advance deposits for acquisition of land use rights	收購土地使用權的預付按金	<b>311,693</b>	480,010
Non-trade receivables	其他應收款項	<b>1,574,806</b>	535,740
Other tax prepayments	其他預繳稅款	<b>481,151</b>	273,039
Allowance for doubtful debts	呆賬撥備	<b>(56,235)</b>	(15)
Total	合計	<b>4,917,358</b>	2,584,310

The receivables due from related parties are non-trade, unsecured, non-interest bearing and repayable on demand. Non-trade receivable balances, deposits and advances to third parties are expected to be settled or recovered within one year. Other tax prepayments mainly represent prepayment of business tax, land appreciation tax and income tax during the pre-sale stage of certain properties.

In general, the Group provides no credit term to its customers.

Trade receivables disclosed above include amounts (see below for aged analysis) that are past due at the end of the reporting period for which the Group has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable. The following is an aged analysis of trade receivable that are not impaired based on the sales recognition date at the end of each reporting period.

應收關連人士款項為非貿易性質、無抵押、免息及須於要求時償還。其他應收款項結餘、按金及預付第三方的款項預期於一年內清還或收回。其他預繳稅款主要指因預售若干物業而預繳的營業稅、土地增值稅及所得稅。

本集團一般不會向客戶提供信貸期。

以上披露的應收賬款包括(賬齡分析見下文)於報告期末已超過信用期而本集團尚未確認呆賬撥備的款項，此乃由於信貸品質並無出現重大變動，而有關款項仍被視為可以收回。以下為於各報告期末根據銷售確認日期並未減值的應收賬款賬齡分析。

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
0-90 days	0-90日	<b>273,115</b>	83,523
91-180 days	91-180日	<b>276</b>	728
181-365 days	181-365日	<b>13,387</b>	1,898
		<b>286,778</b>	86,149

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

**29. TRADE, OTHER RECEIVABLES AND  
ADVANCE DEPOSITS (Continued)**  
Movement in the allowance for doubtful debts

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Balance at beginning of the year	年初結餘	<b>15</b>	577
Impairment losses recognised on receivables	應收款項確認的減值虧損	<b>56,220</b>	15
Amounts recovered during the year	年內已收回款項	-	(577)
Balance at end of the year	年末結餘	<b>56,235</b>	15

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

Included in the allowance for doubtful debts are individually impaired trade receivables amounting to RMB12,835,000 (2014: Nil) and impaired non-trade receivables amounting to RMB43,400,000 (2014: RMB15,000) which have been placed under liquidation. The impairment recognised represents the difference between the carrying amount of these trade receivables and the present value of the expected liquidation proceeds. The Group does not hold any collateral over these balances.

**Age of impaired trade, non-trade receivables**

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Trade receivable	應收賬款		
Over 365 days	超過365日	<b>12,835</b>	-
Non-trade receivables	其他應收款項		
0-90 days	0-90日	<b>43,385</b>	15
Over 365 days	超過365日	<b>15</b>	-
Total	合計	<b>56,235</b>	15

**29. 應收賬款、其他應收款項及預  
付按金(續)**  
呆賬撥備變動

本集團確定應收賬款的可收回程度時，會考慮應收賬款自首次授出信貸日期起至報告期末止的任何信貸品質變動。鑒於客戶基礎龐大而互無關連，因此信貸風險的集中度有限。

呆賬撥備中包括已個別減值的應收賬款人民幣12,835,000元(二零一四年：無)及已個別減值的其他應收款項人民幣43,400,000元(二零一四年：人民幣15,000元)，已進入清盤程序。所確認的減值為該等應收賬款的賬面值與預計清盤所得款項現值之間的差額。本集團並無就該等結餘持有任何抵押品。

**已減值的應收賬款及其他應收款項的  
賬齡**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 30. LONG-TERM RECEIVABLE

		Term 年期	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Long-term receivable (note 46(c))	長期應收款(附註46(c))	10 years 年	-	721,657
Less: Long-term receivable due within 1 year	減：一年內到期的長期應收款		-	(125,561)
Long-term receivable due after 1 year	一年後到期的長期應收款		-	596,096
The amount is repayable as follows: 於以下年期收取的款項如下：				
Within 1 year	一年內		-	125,561
Over 1 year and within 2 years	超過一年至兩年內		-	113,237
Over 2 years and within 5 years	超過兩年至五年內		-	292,214
After 5 years	超過五年以上		-	190,645
			-	721,657

Long-term receivable represents shareholders' loan provided to Tianhong Shiye and Tianhong Investment. The amount is non-interest bearing and repayable in 10 annual instalments of RMB130,000,000 each, starting from 11 June 2012.

Due to the acquisition of Tianhong Shiye and Tianhong Investment on 1 October 2015, they are accounted for as subsidiaries of the Company, the long-term receivable is eliminated upon consolidation. Interest income of RMB36,816,000 (2014: RMB52,429,000) was recognised in relation to the long-term receivable during 1 January 2015 to 30 September 2015.

## 30. 長期應收款

長期應收款指提供予天泓實業及天泓投資的股東貸款。該筆款項為免息，須自二零一二年六月十一日起分10期按年償還，每期收取金額為人民幣130,000,000元。

由於二零一五年十月一日收購了天泓實業及天泓投資，並入賬作為本公司子公司，因此於綜合賬目時抵銷長期應收款。於二零一五年一月一日至二零一五年九月三十日期間就長期應收款確認利息收入人民幣36,816,000元(二零一四年：人民幣52,429,000元)。

## 31. TAX RECOVERABLE

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Enterprise income tax	企業所得稅	233,914	109,015
Land appreciation tax	土地增值稅	63,378	67,635
Total	合計	297,292	176,650

## 31. 可收回稅項

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 32. RESTRICTED CASH

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
For property construction and development	有關建築及發展物業	269,227	45,640
Deposit for mortgage loans	按揭貸款按金	198,196	13,327
As pledge for interest-bearing loans and bank acceptance notes	作為計息貸款及銀行承兌票據的抵押	145,145	90,000
Others	其他	9,050	7,726
		<b>621,618</b>	156,693

### 32. 受限制現金

### 33. CASH AND CASH EQUIVALENTS

An analysis of the balance of cash and cash equivalents is set out below:

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Cash at bank and cash in hand	銀行存款及現金	5,828,805	5,189,456
Less: restricted cash (note 32)	減：受限制現金(附註32)	(621,618)	(156,693)
Cash and cash equivalents	現金及現金等價物	<b>5,207,187</b>	5,032,763
Cash at bank and cash in hand is denominated in	以下列貨幣結算的銀行存款及現金		
RMB	人民幣	5,747,391	2,885,374
United States Dollars ("USD")	美元(「美元」)	58,246	2,247,214
Hong Kong Dollars ("HKD")	港元(「港元」)	23,168	56,868
		<b>5,828,805</b>	5,189,456

### 33. 現金及現金等價物

現金及現金等價物的結餘分析如下：

RMB is not a freely convertible currency and the remittance of funds out of the PRC is subject to exchange restrictions imposed by the PRC government.

人民幣並非自由兌換貨幣，從中國匯出人民幣須遵守中國政府制訂的匯兌限制。

As of 31 December 2015, the carry amount of supervised advance from customer is RMB301,222,000 (2014: RMB250,215,000).

於二零一五年十二月三十一日，受監管預收客戶款項為人民幣301,222,000元(二零一四年：人民幣250,215,000元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

**34. TAX PAYABLE/DEFERRED TAX ASSETS (LIABILITIES)**

(i) Current taxation in the consolidated statements of financial position represents:

**34. 應付稅項／遞延稅項資產(負債)**

(i) 綜合財務狀況表的本期稅項指：

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
<b>PRC income tax</b>	<b>中國所得稅</b>		
Balance brought forward	承前結餘	<b>70,013</b>	117,646
Provision for PRC enterprise income tax for the year (note 15(i))	年內中國企業所得稅撥備 (附註15(i))	<b>311,717</b>	78,457
Under provision in prior years (note 15(i))	過往年度撥備不足 (附註15(i))	<b>12,186</b>	17,947
PRC income tax paid	已付中國所得稅	<b>(132,152)</b>	(144,037)
Balance carried forward	結餘結轉	<b>261,764</b>	70,013
<b>PRC land appreciation tax</b>	<b>中國土地增值稅</b>		
Balance brought forward	承前結餘	<b>690,702</b>	798,759
Provision for PRC land appreciation tax for the year (note 15(i))	年內中國土地增值稅撥備 (附註15(i))	<b>127,256</b>	181,326
PRC land appreciation tax paid	已付中國土地增值稅	<b>(248,309)</b>	(289,383)
Balance carried forward	結餘結轉	<b>569,649</b>	690,702
Total	合計	<b>831,413</b>	760,715

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

**34. TAX PAYABLE/DEFERRED TAX ASSETS (LIABILITIES) (Continued)**

**(ii) Deferred tax assets recognised:**

The components of deferred tax assets recognised in the consolidated statements of financial position and the movements during the year were as follows:

		Temporary difference on revenue recognition and related cost of sales 收益確認及有關銷售成本的暫時差異 RMB'000 人民幣千元	Deferred land appreciation tax and other accruals 遞延土地增值稅及其他應計項目 RMB'000 人民幣千元	Tax losses 稅務虧損 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At 1 January 2014	於二零一四年一月一日	27,421	167,683	84,022	279,126
Additions	增加	5,183	6,299	1,668	13,150
Realisation	變現	(20,939)	(27,773)	(19,826)	(68,538)
At 31 December 2014	於二零一四年十二月三十一日	11,665	146,209	65,864	223,738
Acquisitions through business combination	透過業務合併收購	28,280	4,004	-	32,284
Additions	增加	118,351	(7,797)	-	110,554
Realisation	變現	(26,370)	(1,167)	-	(27,537)
At 31 December 2015	於二零一五年十二月三十一日	131,926	141,249	65,864	339,039

As at 31 December 2015, the Group had unused tax losses of RMB2,266,312,000 (2014: RMB1,629,314,000) available to offset against future profits. Deferred tax assets have been recognised in respect of the tax losses of RMB263,456,000 (2014: RMB263,456,000) at the applicable income tax rates of the respective subsidiaries as at 31 December 2015. No deferred tax assets have been recognised in respect of the remaining tax losses of RMB2,002,856,000 (2014: RMB1,365,858,000) because management is of the view that it is not probable that the individual subsidiaries concerned can generate profits to utilise the tax losses before the tax losses become expired. The unrecognised tax losses for the year ended 31 December 2015 will expire in the following years ending 31 December.

**34. 應付稅項／遞延稅項資產(負債)(續)**

**(ii) 已確認遞延稅項資產：**

已在綜合財務狀況表確認的遞延稅項資產部分及年內變動如下：

		遞延土地增值稅及其他應計項目 RMB'000 人民幣千元	稅務虧損 RMB'000 人民幣千元	合計 RMB'000 人民幣千元
於二零一四年一月一日		167,683	84,022	279,126
增加		6,299	1,668	13,150
變現		(27,773)	(19,826)	(68,538)
於二零一四年十二月三十一日		146,209	65,864	223,738
透過業務合併收購		4,004	-	32,284
增加		(7,797)	-	110,554
變現		(1,167)	-	(27,537)
於二零一五年十二月三十一日		141,249	65,864	339,039

於二零一五年十二月三十一日，本集團可用來抵銷未來溢利的未動用稅務虧損為人民幣2,266,312,000元(二零一四年：人民幣1,629,314,000元)。於二零一五年十二月三十一日，就稅務虧損按個別子公司適用之所得稅率確認的遞延稅項資產為人民幣263,456,000元(二零一四年：人民幣263,456,000元)。由於管理層認為有關個別子公司不大可能產生溢利以於稅務虧損到期前動用稅務虧損，因此並未就其餘稅務虧損人民幣2,002,856,000元(二零一四年：人民幣1,365,858,000元)確認遞延稅項資產。於截至二零一五年十二月三十一日止年度的未確認稅務虧損將於其後截至十二月三十一日止年度屆滿。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

**34. TAX PAYABLE/DEFERRED TAX ASSETS  
(LIABILITIES) (Continued)**

(ii) Deferred tax assets recognised: (Continued)

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
2015	二零一五年	-	49,000
2016	二零一六年	131,900	131,900
2017	二零一七年	311,683	311,683
2018	二零一八年	391,210	391,210
2019	二零一九年	454,492	482,065
2020	二零二零年	713,571	-
		<b>2,002,856</b>	1,365,858

**34. 應付稅項／遞延稅項資產(負債)(續)**

(ii) 已確認遞延稅項資產：(續)

(iii) Deferred tax liabilities recognised:

The components of deferred tax liabilities recognised in the consolidated statements of financial position and the movements during the year were as follows:

(iii) 已確認遞延稅項負債：

已在綜合財務狀況表確認的遞延稅項負債部分及年內變動如下：

		Revaluation of investment properties 投資物業 重估 RMB'000 人民幣千元	Fair value adjustments 公允價值 調整 RMB'000 人民幣千元	Deferred land appreciate tax 遞延土地 增值稅 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At 1 January 2014	於二零一四年 一月一日	268,578	157,203	-	425,781
Additions	增加	130,553	-	-	130,553
Realisation	變現	(22,055)	(4,665)	-	(26,720)
At 31 December 2014	於二零一四年 十二月三十一日	377,076	152,538	-	529,614
Acquisitions through business combination	透過業務合併收購	-	237,584	-	237,584
Additions	增加	287,819	-	10,846	298,665
Realisation	變現	(84,026)	(37,291)	-	(121,317)
At 31 December 2015	於二零一五年 十二月三十一日	580,869	352,831	10,846	944,546

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

**34. TAX PAYABLE/DEFERRED TAX ASSETS (LIABILITIES) (Continued)**

(iv) Net-off of deferred tax assets and liabilities:

**34. 應付稅項／遞延稅項資產(負債)(續)**

(iv) 抵銷遞延稅項資產及負債：

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Deferred tax assets recognised	已確認遞延稅項資產	<b>339,039</b>	223,738
Net-off with deferred tax liabilities	與遞延稅項負債抵銷	<b>(69,312)</b>	(37,823)
Deferred tax assets	遞延稅項資產	<b>269,727</b>	185,915
Deferred tax liabilities recognised	已確認遞延稅項負債	<b>944,546</b>	529,614
Net-off with deferred tax assets	與遞延稅項資產抵銷	<b>(69,312)</b>	(37,823)
Deferred tax liabilities	遞延稅項負債	<b>875,234</b>	491,791

**35. INTEREST-BEARING LOANS**

**35. 計息貸款**

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
<b>Current</b>	<b>短期</b>		
Secured bank loans (note i)	有抵押銀行貸款(附註i)	<b>409,818</b>	325,355
Unsecured loans	無抵押貸款	<b>200,000</b>	24,000
Current portion of non-current secured bank loans	有抵押銀行長期貸款的即期部分	<b>1,394,563</b>	877,750
Current portion of non-current unsecured loans	無抵押長期貸款的即期部分	<b>519,684</b>	-
Current portion of equity trust loans	股本信託貸款的即期部分	<b>741,873</b>	-
		<b>3,265,938</b>	1,227,105
<b>Non-current</b>	<b>長期</b>		
Secured bank loans (note i)	有抵押銀行貸款(附註i)	<b>2,794,313</b>	2,787,579
Equity pledge loan (note ii)	股權抵押貸款(附註ii)	<b>5,336,872</b>	1,961,328
Unsecured loans	無抵押貸款	<b>1,102,218</b>	583,771
Less: current portion of non-current secured bank loans	減：有抵押銀行長期貸款的即期部分	<b>(1,394,563)</b>	(877,750)
current portion of non-current unsecured loans	無抵押長期貸款的即期部分	<b>(519,684)</b>	-
current portion of equity trust loans	股本信託貸款的即期部分	<b>(741,873)</b>	-
		<b>6,577,283</b>	4,454,928

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**35. INTEREST-BEARING LOANS (Continued)**

As at 31 December 2015, the Group's secured loans were secured by the following:

- (i) The Group's properties with a total carrying amount of RMB7,308,259,000 (2014: RMB11,001,510,000) (notes 20, 24, 25 and 26);
- (ii) Charges over equity interests of certain subsidiaries of the Company.
- (iii) As of 31 December 2015, the Group's secured loans were also secured by pledged time deposit of RMB471,500,000 (2014: RMB618,050,000).

The Group's non-current loans were repayable as follows:

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
Within 1 year	一年內	<b>2,656,120</b>	877,750
Over 1 year but less than 2 years	超過一年至兩年內	<b>3,339,950</b>	1,138,263
Over 2 years but less than 5 years	超過兩年至五年內	<b>3,036,333</b>	3,251,894
Over 5 years	超過五年以上	<b>201,000</b>	64,771
		<b>9,233,403</b>	5,332,678

The effective interest rate of the year ended 31 December 2015 was as follows:

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
<b>Effective interest rate</b>	<b>實際利率</b>		
Fixed-rate borrowings	固定利率借貸	<b>2.50%-6.94%</b>	6.40%-8.50%
Variable-rate borrowings	可變利率借貸	<b>2.88%-8.50%</b>	2.48%-9.23%

**35. 計息貸款(續)**

於二零一五年十二月三十一日，本集團的有抵押貸款以下列各項作為抵押：

- (i) 本集團賬面總值人民幣7,308,259,000元(二零一四年：人民幣11,001,510,000元)的物業(附註20、24、25及26)；
- (ii) 本集團若干子公司的股本權益抵押。
- (iii) 於二零一五年十二月三十一日，本集團的有抵押貸款亦以已抵押定期存款人民幣471,500,000元(二零一四年：人民幣618,050,000元)作為抵押。

本集團的長期貸款須於以下期間償還：

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
Within 1 year	一年內	<b>2,656,120</b>	877,750
Over 1 year but less than 2 years	超過一年至兩年內	<b>3,339,950</b>	1,138,263
Over 2 years but less than 5 years	超過兩年至五年內	<b>3,036,333</b>	3,251,894
Over 5 years	超過五年以上	<b>201,000</b>	64,771
		<b>9,233,403</b>	5,332,678

於截至二零一五年十二月三十一日止年度的實際利率如下：

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
<b>Effective interest rate</b>	<b>實際利率</b>		
Fixed-rate borrowings	固定利率借貸	<b>2.50%-6.94%</b>	6.40%-8.50%
Variable-rate borrowings	可變利率借貸	<b>2.88%-8.50%</b>	2.48%-9.23%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

**36. TRADE, OTHER PAYABLES AND  
ADVANCE RECEIPTS**

**36. 應付賬款、其他應付款項及預  
收款項**

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
Payables due to related parties (note 46(c))	應付關連人士款項(附註46(c))		
Trade related	貿易相關		
– Other related parties	– 其他關連人士	<b>6,059</b>	68,153
Non-trade related	其他應付款項		
– Dividends payable	– 應付股息	<b>6,805</b>	6,805
– Other related parties	– 其他關連人士	<b>5,098,660</b>	6,485,163
		<b>5,111,524</b>	6,560,121
Trade payables	應付賬款	<b>4,313,172</b>	2,891,092
Advance receipts from customers	預收客戶款項	<b>9,283,538</b>	4,704,349
Other taxes payable	其他應付稅項	<b>23,929</b>	44,237
Dividends payable	應付股息	<b>230</b>	225
Unpaid land cost	未支付土地成本	<b>702,174</b>	3,784,618
Non-trade payables and accrued expenses	其他應付款項和預提費用	<b>2,036,989</b>	1,330,076
		<b>16,360,032</b>	12,754,597
Total	合計	<b>21,471,556</b>	19,314,718

The payables due to related parties are unsecured, non-interest bearing and repayable on demand.

應付關連人士款項為無抵押、免息及須於要求時償還。

The Group transferred the right of return of entrusted loan described in note 23 to individual investors. As of 31 December 2015, the amount due to individual investors is RMB86,513,000.

本集團已將附註23所述的委託貸款的回報權利轉讓予個人投資者。於二零一五年十二月三十一日，應付個人投資者款項為人民幣86,513,000元。

The following is an aged analysis of trade payables from the time when the construction services are received from suppliers.

以下為自接受供應商的建設服務時起計算的應付賬款賬齡分析。

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
0-90 days	0-90日	<b>3,669,507</b>	2,705,616
91-180 days	91-180日	<b>510,249</b>	52,681
181-365 days	181-365日	<b>33,350</b>	35,920
365 days – 3 years	365日-3年	<b>100,066</b>	96,875
		<b>4,313,172</b>	2,891,092

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 37. LONG-TERM PAYABLE

## 37. 長期應付款

		Term	Principal amounts	2015	2014
		年期	本金額	二零一五年	二零一四年
			RMB'000	RMB'000	RMB'000
			人民幣千元	人民幣千元	人民幣千元
Long-term payable	長期應付款	15 years年	58,453	<b>32,494</b>	36,437
Less: Long-term payable due within 1 year	減：一年內到期的長期應付款			<b>(6,000)</b>	(6,000)
Long-term payable due after 1 year	一年後到期的長期應付款			<b>26,494</b>	30,437

The amount is repayable as follows:

於以下年期償還的款項如下：

		2015	2014
		二零一五年	二零一四年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within 1 year	一年內	<b>6,000</b>	6,000
Over 1 year and within 2 years	超過一年至兩年內	<b>5,682</b>	5,682
Over 2 year and within 5 years	超過兩年至五年內	<b>15,296</b>	15,296
After 5 years	超過五年以上	<b>5,516</b>	9,459
		<b>32,494</b>	36,437

Long-term payable represents construction cost payable to a contractor. The amount is non-interest bearing and repayable in 15 annual instalments of RMB6,000,000 each, starting from 1 September 2008.

長期應付款指應付一名承包商的建造成本。該筆款項為免息，及自二零零八年九月一日起分15期按年償還，每期償還金額為人民幣6,000,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 38. BONDS

On 18 October 2013, the Company issued 4.75% bonds due 2016 (the "A Bond") with an aggregated nominal value of USD700,000,000 at a value equal to 99.655% of the face value. The A Bond is listed on the Hong Kong Stock Exchange. The Bonds carry interest at the rate of 4.75% per annum, payable semi-annually on 18 April and 18 October in arrears, and will mature on 18 October 2016, unless redeemed earlier. The net proceeds, after deducting the direct issuance costs, amounted to approximately USD692,424,000 (equivalent to RMB4,249,546,000).

On 23 January 2014, the Company issued 5.50% bonds due 2018 (the "B Bond") with an aggregated nominal value of RMB1,500,000,000 at a value equal to 99% of the face value. The B Bond is listed on the Hong Kong Stock Exchange. The B Bond carries interest at the rate of 5.50% per annum, payable semi-annually on 23 January and 23 July in arrears and will mature on 23 January 2018, unless redeemed earlier. The net proceeds, after deducting the direct issuance costs, amounted to approximately RMB1,490,465,000.

On 7 August 2014, the Company issued 4.375% bonds due 2017 (the "C Bond") with an aggregated nominal value of USD500,000,000 at a value equal to 99.31% of the face value. The C Bond is listed on the Hong Kong Stock Exchange. The C Bond carries interest at the rate of 4.375% per annum, payable semi-annually on 7 February and 7 August in arrears and will mature on 7 August 2017, unless redeemed earlier. The net proceeds after deducting the direct issuance costs, amounted to approximately USD492,287,000 (equivalent to RMB3,035,935,000).

The A Bond, B Bond and C Bond (the "Bonds") have the benefit of a keepwell deed from Greenland Holding Group Company Limited, the intermediate controlling shareholder of the Company.

### 38. 債券

於二零一三年十月十八日，本公司按等同面值99.655%的價值發行於二零一六年到期總面值700,000,000美元的4.75厘債券（「甲債券」）。甲債券於香港聯交所上市。債券按年利率4.75厘計息，於每年四月十八日及十月十八日每半年期末付息，並將於二零一六年十月十八日到期（除非獲提早贖回）。經扣除直接發行成本後的所得款項淨額約為692,424,000美元（相等於人民幣4,249,546,000元）。

於二零一四年一月二十三日，本公司按等同面值99%的價值發行於二零一八年到期總面值人民幣1,500,000,000元的5.50厘債券（「乙債券」）。乙債券於香港聯交所上市。乙債券按年利率5.50厘計息，於每年一月二十三日及七月二十三日每半年期末付息，並將於二零一八年一月二十三日到期（除非獲提早贖回）。經扣除直接發行成本後的所得款項淨額約為人民幣1,490,465,000元。

於二零一四年八月七日，本公司按等同面值99.31%的價值發行於二零一七年到期總面值500,000,000美元的4.375厘債券（「丙債券」）。丙債券於香港聯交所上市。丙債券按年利率4.375厘計息，於每年二月七日及八月七日每半年期末付息，並將於二零一七年八月七日到期（除非獲提早贖回）。經扣除直接發行成本後的所得款項淨額約為492,287,000美元（相等於人民幣3,035,935,000元）。

甲債券、乙債券及丙債券（「債券」）附有本公司中介控股股東綠地控股集團有限公司提供的保持良好契據的利益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 38. BONDS (Continued)

The Bonds embedded certain options as below:

**(i) The issuer's redemption option all for A Bond (redemption option No. 1)**

The Company may at any time redeem the A Bond, in whole but not in part, at a redemption price equal to the Make Whole Price as of, and accrued and unpaid interest, if any, to (but excluding), the redemption date. "Make Whole Price" means, with respect to a Bond at any redemption date, the amount calculated is the greater of (1) the present value of the principal amount of such Bond, plus all required remaining scheduled interest payments due on such Bond from the optional redemption date to the maturity date (but excluding accrued and unpaid interest to the option redemption date), computed using a discount rate, which the rate per annum equal to the semi-annual equivalent yield in maturity of the comparable treasury issue plus 0.5 per cent, and (2) the principal amount of such Bonds.

**(ii) The issuer's redemption option for taxation reason (redemption option No. 2)**

The Bonds may be redeemed at the option of the Company in whole, but not in part, at any time, at their principal amount (together with any interest accrued to the date fixed for redemption) in the event of certain changes affecting taxes of a relevant jurisdiction.

**(iii) The holder's redemption option (redemption option No. 3)**

Following the occurrence of a Put Event, the holder of any Bonds will have the right, at such holder's option, to require the Issuer to redeem all, but not some only, of such holder's Bonds on the Put Event Put Date at 101% of their principal amount, together with accrued interest to the Put Event Put Date.

A "Put Event" will be deemed to occur if:

- (1) there is a change of control, and
- (2) within a period ending six months after the date notice of the change of control first becomes public (which period shall be extended so long as the Bonds are under consideration (as publicly announced within such six month period) for a possible rating downgrade), a rating downgrade occurs.

### 38. 債券(續)

債券嵌入下述若干選擇權：

**(i) 發行人贖回權(全為甲債券)(贖回權第1號)**

本公司可隨時按相等於截至贖回日期(但不包括該日)提前贖回價加累計及未支付的利息(如有)之贖回價贖回全部(而非部分)甲債券。「提前贖回價」指債券於任何贖回日期計算的金額為以下兩者之中的較高者：(1)有關債券的本金額的現值，另加自選擇性贖回日期起至到期日為止有關債券一切所需餘下既定利息付款(但不包括至選擇性贖回日期應計及未支付的利息)(按相等於可比較國庫債券發行到期半年等額收益的年利率加0.5%的折讓率計算)；及(2)有關債券的本金額。

**(ii) 發行人就稅務理由之贖回權(贖回權第2號)**

倘發生影響相關司法權區稅務的若干變動，本公司可隨時選擇按本金額連同任何應計至指定贖回日期的利息贖回全部(而非部分)債券。

**(iii) 持有人贖回權(贖回權第3號)**

發生售回事件後，任何債券的持有人將有權按該持有人的選擇要求發行人於售回事件售回日期按其本金額之101%連同應計至售回事件售回日期之利息贖回該持有人的全部(而非僅部分)債券。

如出現以下情況，即會視為發生一宗「售回事件」：

- (1) 控制權變動，及
- (2) 在控制權變動事件通告首次對外發出當日後六個月止期間(倘若該六個月期間內已對外公佈正考慮可能調低債券評級，有關期間可予延長)出現評級下調。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 38. BONDS (Continued)

The redemption option No.1 held by the Company is separately accounted for at fair value at the initial recognition date and each reporting date as derivative financial instruments in accordance with the accounting policy set out in note 3.21 to the financial statements.

The exercise price of both redemption option No. 2 held by the Company and the redemption option No. 3 held by the bondholder is approximately equal to the amortised cost of the host contract. Hence, the redemption options No. 2 and No. 3 have risks and characteristics that are closely related to those of the host contract and are not separated from the host contract.

The movements of different components of Bonds are set out below:

### 38. 債券(續)

本公司所持有的贖回權第1號分別於首次確認日期及各報告日期根據財務報表附註3.21所載的會計政策，按公允價值入賬列為衍生金融工具。

本公司所持有的贖回權第2號及債券持有人所持有的贖回權第3號的行使價均約相等於主合約的已攤銷成本。因此，贖回權第2號及第3號之風險及特徵與主合約之風險及特徵密切相關，且不會於主合約外獨立處理。

債券不同部分的變動載列如下：

		<b>Redemption Liability option of the component Company</b>	<b>Redemption option of the Company</b>	<b>Total</b>
		<b>負債部分</b>	<b>贖回權</b>	<b>合計</b>
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
As at 1 January 2014	於二零一四年一月一日	4,269,203	-	4,269,203
Net proceeds from bonds issued in 2014	二零一四年發行債券的所得款項淨額	4,526,400	-	4,526,400
Interests and issue cost amortised during the year	年內已攤銷利息及發行成本	334,255	-	334,255
Interest paid during period	年內已付利息	(245,811)	-	(245,811)
Exchange loss	匯兌虧損	12,407	-	12,407
As at 31 December 2014	於二零一四年十二月三十一日	8,896,454	-	8,896,454
Interests and issue cost amortised during the year	年內已攤銷利息及發行成本	452,964	-	452,964
Interest paid during period	期內已付利息	(423,897)	-	(423,897)
Exchange loss	匯兌虧損	456,177	-	456,177
As at 31 December 2015	於二零一五年十二月三十一日	9,381,698	-	9,381,698
Represented by			<b>31 December 2015</b>	31 December 2014
由下列項目組成			<b>二零一五年 十二月三十一日</b>	二零一四年 十二月三十一日
			<b>RMB'000</b>	RMB'000
			<b>人民幣千元</b>	人民幣千元
- Other payables - accrued interests	- 其他應付款項 - 應計利息		<b>137,770</b>	133,053
- Bonds	- 債券		<b>9,243,928</b>	8,763,401
- Total	- 合計		<b>9,381,698</b>	8,896,454



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**38. BONDS (Continued)**

Liability component of the Bonds represents the contractually determined stream of future cash flows discounted at the rate of interest determined by the market instruments of comparable credit status taken into account the business risk and financial risk of the Company. The effective interest rate of the liability component is 4.934%-5.734% per annum for the year ended 31 December 2015.

At 31 December 2015, the liability component of the Bonds was repayable as follows:

Represented by		<b>31 December 2015</b>	31 December 2014
由下列項目組成		<b>二零一五年 十二月三十一日</b>	二零一四年 十二月三十一日
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
Bonds within one year	一年內到期債券	<b>4,529,407</b>	-
Bonds	債券		
After one year but within two years	一年後但兩年內	<b>3,218,901</b>	4,251,935
After two years but within five years	兩年後但五年內	<b>1,495,620</b>	4,511,466
Total	合計	<b>4,714,521</b>	8,763,401

**39. EMPLOYEE RETIREMENT BENEFITS**

As stipulated by the regulations of the PRC, the Group participates in various defined contribution retirement plans organised by municipal and provincial government authorities for its employees. The Group is required to make contributions to the retirement plans at rates ranging from 20% to 22% of the salaries, wages, bonuses and certain allowances of the employees. The local government authorities are responsible for the entire pension obligations payable to retired employees.

The Group has no other obligations for the payment of pension benefits associated with those schemes and other post-retirement benefits beyond the annual contributions described above.

As at 31 December 2015, contributions of RMB119,000 (2014: RMB631,000) due in respect of the year 2015 (2014) reporting period had not been paid over to the plans. The amounts were paid subsequent to the end of the reporting period.

**38. 債券(續)**

債券的負債部分為按利率折現的約定未來現金流量，利率經考慮本公司的業務風險及財務風險後，按照信貸狀況相若的市場工具釐定。截至二零一五年十二月三十一日止年度，負債部分的實際年利率為4.934%至5.734%。

於二零一五年十二月三十一日，債券的負債部分須於以下年期償還：

**39. 僱員退休福利**

根據中國法規規定，本集團為其僱員參與多個由市及省級政府部門設立的界定供款退休計劃。本集團須按僱員的薪金、工資、花紅及若干津貼的20%至22%向退休計劃供款。地方政府部門負責向已退休僱員支付全部退休金。

除上述年度供款外，本集團並無其他有關該等計劃及其他退休後福利的退休金供款責任。

於二零一五年十二月三十一日，二零一五年(二零一四年)報告期的應繳供款人民幣119,000元(二零一四年：人民幣631,000元)仍未支付予有關計劃。該等款項已於報告期末後支付。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

#### 40. SHARE-BASED PAYMENTS

##### Share award scheme

The Company adopted the Share Award Scheme on 3 December 2010. The purpose of the Share Award Scheme is to recognise and reward the contribution of the executives and employees (whether serving full-time or part-time) and directors of the Group to the growth and development of the Group through an award of the shares of the Company. Details of the Share Award Scheme were set out in the Company's 2012 annual report.

On 2 April 2013, the Board of Directors approved to grant 16,103,000 shares of the Company to the eligible participants, of which 400,000 shares were granted to a director and 2,000,000 shares were granted to four independent non-executive directors (500,000 shares each) respectively. The shares granted to the independent non-executive directors were vested immediately. The vesting date of the remaining granted shares is 31 March 2015.

During the year ended 31 December 2015, certain employees resigned from the Group and 911,000 granted shares were forfeited.

Movements in the number of shares held for the Share Award Scheme is as follows:

		<b>Shares held for the Share Award Scheme</b> 股份獎勵計劃 所持股份 (thousand) (千股)	<b>Awarded shares</b> 獎勵股份 (thousand) (千股)
Outstanding as of 1 January 2014	於二零一四年一月一日尚未行使	6,513	26,075
Purchased (note 41(b))	已購買(附註41(b))	1,809	-
Forfeited	已沒收	5,986	(5,986)
Outstanding as of 31 December 2014	於二零一四年十二月三十一日 尚未行使	14,308	20,089
Purchased (note 41(b))	已購買(附註41(b))	7,478	-
Exercised	已行使	-	(19,178)
Forfeited	已沒收	911	(911)
Outstanding as of 31 December 2015	於二零一五年十二月三十一日	22,697	-

(i) The weighted average fair value of the awarded shares was calculated based on the market prices of the Company's ordinary shares at the respective grant dates.

During the year ended 31 December 2015, an expense of RMB416,000 (2014: RMB11,574,000) in relation to share-based payments is charged to administrative expenses in profit or loss.

#### 40. 股份支付 股份獎勵計劃

本公司於二零一零年十二月三日採納股份獎勵計劃。股份獎勵計劃的目的是通過授予本公司的股份，肯定及獎賞本集團的主管人員、僱員(不論全職或兼職)及董事為本集團的增長及發展所作出的貢獻。股份獎勵計劃詳情載於本公司二零一二年年報。

於二零一三年四月二日，董事會批准向合資格參與者授出16,103,000股本公司股份，其中400,000股授予一名董事及2,000,000股分別授予四名獨立非執行董事(各500,000股)。向獨立非執行董事授出之股份已即時歸屬。餘下授出股份之歸屬日期為二零一五年三月三十一日。

截至二零一五年十二月三十一日止年度，若干僱員辭任本集團之職務，而所授出的911,000股股份已被沒收。

股份獎勵計劃所持股份的數目變動如下：

(i) 獎勵股份的加權平均公允價值乃按照本公司普通股於各授出日期的市價計算。

截至二零一五年十二月三十一日止年度，已於損益的行政費用就股份支付扣除開支人民幣416,000元(二零一四年：人民幣11,574,000元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 41. SHARE CAPITAL

## 41. 股本

		The Group and the Company 本集團及本公司			
		2015 二零一五年		2014 二零一四年	
		No. of shares 股份數目 (thousand) (千股)	Amount 金額 HKD'000 千港元	No. of shares 股份數目 (thousand) (千股)	Amount 金額 HKD'000 千港元
Authorised:	法定：				
Ordinary shares of HKD0.5 each	每股面值0.5港元的普通股	7,000,000	3,500,000	7,000,000	3,500,000
Convertible preferred shares of HKD0.5 each	每股面值0.5港元的可轉換優先股	3,000,000	1,500,000	3,000,000	1,500,000
Total	合計	10,000,000	5,000,000	10,000,000	5,000,000

		The Group and the Company 本集團及本公司			
		2015 二零一五年		2014 二零一四年	
		No. of shares 股份數目 (thousand) (千股)	Amount 金額 RMB'000 人民幣千元	No. of shares 股份數目 (thousand) (千股)	Amount 金額 RMB'000 人民幣千元
Ordinary shares, issued and fully paid:	普通股，已發行及繳足：				
At 1 January	於一月一日	1,142,291	477,299	1,142,291	477,299
Placing shares	配售股份	228,000	89,956	-	-
Transfer from Convertible preference shares	轉撥自可轉換優先股	1,485,530	590,855	-	-
Repurchase and logout shares	購回及註銷股份	(62,144)	(25,255)	-	-
At 31 December	於十二月三十一日	2,793,677	1,132,855	1,142,291	477,299
Convertible preference shares, issued and fully paid:	可轉換優先股，已發行及繳足：				
At 1 January	於一月一日	1,485,530	590,855	1,485,530	590,855
Transfer to ordinary shares	轉撥至普通股	(1,485,530)	(590,855)	-	-
At 31 December	於十二月三十一日	-	-	1,485,530	590,855
Total at 31 December	於十二月三十一日合計	2,793,677	1,132,855	2,627,821	1,068,154

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

#### 41. SHARE CAPITAL (Continued)

##### (a) Authorised and issued share capital

###### (i) Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at any general meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

###### (ii) Convertible preference shares ("CPS")

The holders of CPS will not have the right to attend and vote at a general meeting (except for the winding up of the Company or for any resolution to vary or abrogate the rights or privileges of such holder or vary the restrictions to which the CPS are subject). The conversion period is any time after issue, provided that the conversion right will be suspended to the extent that it would result in the Company failing to comply with the public float requirement. Each CPS (at the option of the holder) will be convertible at any time (and without payment of any additional consideration) to ordinary shares on a one to one basis. Each CPS will confer on the holder thereof the right to receive dividend *pari passu* with holders of ordinary shares on the basis of the number of ordinary shares into which each CPS may be converted and on an *as converted* basis. On a distribution of assets on liquidation, winding up or a dissolution of the Company, the assets and funds of the Company available for distribution: (a) will first be paid to the holders of CPS *pari passu* among themselves in respect of the aggregate nominal amounts paid up on the CPS held by them; and (b) the remaining assets will be distributed *pari passu* to the holders of any class of shares (including the CPS). The CPS will be transferable without any restriction by the holders thereof. The CPS will be non-redeemable. No application will be made for the listing of the CPS on the Stock Exchange or any other stock exchange.

#### 41. 股本(續)

##### (a) 法定及已發行股本

###### (i) 普通股

普通股持有人有權收取不時宣派的股息，並有權在本公司任何股東大會上按照每持有一股股份獲得一票的比例參與投票。所有普通股均就本公司剩餘資產享有同等權利。

###### (ii) 可轉換優先股(「可轉換優先股」)

可轉換優先股的持有人將無權出席股東大會及於會上表決(惟為本公司清盤或將更改或廢除有關持有人之權利或特權或更改可轉換優先股所受之限制之任何決議案則除外)。轉換期為發行後的任何時間，惟倘會導致本公司無法遵守任何公眾持股量規定，則轉換權將暫告中止。每股可轉換優先股(按持有人選擇權)將可隨時(且毋須支付任何額外代價)按一對一基準轉換為普通股。每股可轉換優先股將賦予其持有人享有與普通股持有人同等之收取股息權利，基準為按每股可轉換優先股可轉換而成之普通股數目計算以及猶如已予以轉換。當本公司清盤、清算或解散時分派資產，本公司可供分派的資產及資金：(a)將首先就可轉換優先股持有人所持有可轉換優先股的已繳足面值總額向可轉換優先股持有人支付，而彼等之間具同等地位；及(b)餘下資產將向任何類別股份(包括可轉換優先股)的持有人分派，而彼等之間具同等地位。可轉換優先股之持有人轉讓可轉換優先股將不受任何限制。可轉換優先股不可贖回。概不會就可轉換優先股在聯交所或任何其他證券交易所上市提出申請。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**41. SHARE CAPITAL (Continued)****(a) Authorised and issued share capital (Continued)**

(iii) During the current year, the holders of convertible preference shares converted 1,485,530,000 shares to ordinary shares. The new ordinary shares rank pari passu with the existing ordinary shares in all respect.

(iv) On 16 May 2015, the Company and a placing agent entered into a placing agreement under general mandate to place 228,000,000 shares of HK\$7.46 per placing ordinary share. The placing was completed on 26 May 2015. The new ordinary shares rank pari passu with the existing ordinary shares in all respect.

(v) During the year, the Company repurchased and logout 62,144,000 shares and the aggregated price paid for such purchases amounted to RMB200,556,000.

**(b) Shares held for Share Award Scheme**

During the year, the Share Award Scheme (note 40) acquired 7,478,000 shares (2014: 1,809,000 shares) of the Company through purchases on the open market. The total amount paid to acquire the shares during the year was RMB37,660,000. (2014: RMB4,567,000).

**41. 股本(續)****(a) 法定及已發行股本(續)**

(iii) 於本年度，可轉換優先股持有人將1,485,530,000股轉換為普通股。新普通股與現有普通股在所有方面均具同等地位。

(iv) 二零一五年五月十六日，本公司與一名配售代理根據一般授權訂立配售協議，以按每股配售普通股7.46港元配售228,000,000股股份。配售事項已於二零一五年五月二十六日完成。新普通股與現有普通股在所有方面均具同等地位。

(v) 年內，本公司購回及註銷62,144,000股股份，就上述購股已支付的價格總額為人民幣200,556,000元。

**(b) 股份獎勵計劃所持股份**

年內，股份獎勵計劃(附註40)透過在公開市場購股，收購了本公司7,478,000股股份(二零一四年：1,809,000股股份)。年內收購股份所付款項總額為人民幣37,660,000元(二零一四年：人民幣4,567,000元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 42. SHARE PREMIUM AND RESERVES

### (a) Share premium

The application of the share premium account is governed by the Companies Law of the Cayman Islands. Under the Companies Law of the Cayman Islands (2007 Revision), the funds in the share premium account of the Company are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of the business.

### (b) Merger reserves

The merger reserves represent the difference between the Company's share of the nominal value of the paid-up capital of the subsidiaries acquired over the nominal value of the ordinary shares issued by the Company.

### (c) Capital redemption reserve

Capital redemption reserve represents the nominal value of the shares repurchased which has been paid out of the Company's distributable reserves.

### (d) PRC statutory reserves

Transfers from retained earnings to PRC statutory reserves were made in accordance with the relevant PRC rules and regulations and the articles of association of the Company's subsidiaries incorporated in the PRC and were approved by the respective boards of directors. The statutory reserves consist of:

#### (i) General reserve fund

Transfers from retained earnings to the general reserve fund were made in accordance with the articles of association of the Company's subsidiaries and were approved by the respective boards of directors.

For the entity concerned, the general reserve fund can be used to cover previous years' losses, if any, and may be converted into capital in proportion to equity holders' existing equity holdings, provided that the balance after such conversion is not less than 25% of their registered capital.

## 42. 股份溢價及儲備

### (a) 股份溢價

股份溢價賬的動用受開曼群島公司法所規管。根據開曼群島公司法(二零零七年修訂本)，本公司股份溢價賬的資金可分派予本公司股東，惟緊隨建議分派股息當日後，本公司必須有能力償還日常業務中的到期債務。

### (b) 合併儲備

合併儲備指本公司應佔被收購子公司的繳足股本面值與本公司發行的普通股面值的差額。

### (c) 資本贖回儲備

資本贖回儲備指以本公司可供分派儲備支付之購回股份面值。

### (d) 中國法定儲備

由保留溢利轉撥至中國法定儲備乃根據有關中國規則及規例與本公司在中國註冊成立之子公司的章程細則進行，並獲各自董事會批准。法定儲備包括：

#### (i) 法定盈餘公積金

由保留溢利轉撥至法定盈餘公積金乃根據本公司子公司的章程細則進行，並獲各自董事會批准。

就有關的公司而言，法定盈餘公積金可用作彌補上年度虧損(如有)，亦可按股權持有人現時的持股比例兌換為股本，惟兌換後結餘不得少於註冊資本的25%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**42. SHARE PREMIUM AND RESERVES  
(Continued)****(d) PRC statutory reserves (Continued)****(ii) Enterprise expansion fund**

Transfers from retained earnings to the enterprise expansion fund were made in accordance with the articles of association of the Company's subsidiaries and were approved by the respective boards of directors.

For the entity concerned, the enterprise expansion fund can be used for business development purposes and for working capital purpose. This fund is non-distributable other than upon liquidation. Transfers to this fund must be made before distribution of dividends to the equity holders.

**(e) Revaluation reserve**

The revaluation reserve relates to property reclassified from owner-occupied to investment properties. For such reclassifications, the cumulative increase in the fair value of the property at the date of reclassification in excess of any previous impairment losses is included in the revaluation reserve.

**(f) Translation reserve**

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign entities. The reserve is dealt with in accordance with the accounting policy set out in note 3.9.

**42. 股份溢價及儲備(續)****(d) 中國法定儲備(續)****(ii) 企業發展基金**

由保留溢利轉撥至企業發展基金乃根據本公司子公司的章程細則進行，並獲各自董事會批准。

就有關的公司而言，企業發展基金可用作業務發展及營運資金。除清盤外，該基金不可分派。須將保留溢利轉撥至該基金後方可向股權持有人分派股息。

**(e) 重估儲備**

重估儲備與由自用重新分類至投資物業的物業有關。就該等重新分類而言，物業公允價值於重新分類日期的累計增幅超過過往減值虧損的數額計入重估儲備。

**(f) 匯兌儲備**

匯兌儲備包括所有因換算境外實體的財務報表而產生的外幣差額。該項儲備乃根據附註3.9所載的會計政策處理。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

### 43. FINANCIAL GUARANTEES

As at the reporting date, the Group has issued the following guarantees:

- (a) The Group has arranged mortgage loan facilities for certain purchasers of property units and provided financial guarantees to secure obligations of such purchasers for repayments. The outstanding guarantees amounted to RMB4,513,174,000 as at 31 December 2015 (2014: RMB2,969,788,000). Such guarantees terminate upon the earlier of (i) the issuance of the real estate ownership certificate which will generally be available within six months after the buyer takes possession of the relevant properties; and (ii) the satisfaction of the mortgaged loan by the buyer of the properties.

In the opinion of directors of the Company, the fair values of the financial guarantee contracts of the Group are insignificant at initial recognition and the directors consider the possibility of default by the parties involved to be remote. Accordingly, no value has been recognised in the statement of financial position as at 31 December 2015 (2014: Nil).

### 43. 財務擔保

於報告日期，本集團已發出以下擔保：

- (a) 本集團已為部分物業單位的買方提供按揭貸款，並對該等買方的還款責任提供財務擔保。於二零一五年十二月三十一日，已授出的擔保為人民幣4,513,174,000元(二零一四年：人民幣2,969,788,000元)。該等擔保於以下較早期間終止：(i)發出房地產所有權證(一般在買方擁有有關物業後六個月內發出)時；及(ii)物業買方償還按揭貸款時。

本公司董事認為，本集團財務擔保合約於首次確認時的公允價值很低，而董事認為有關訂約方違約的機會極微。因此，並無於二零一五年十二月三十一日的財務狀況表中確認任何價值(二零一四年：無)。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**44. OPERATING LEASE COMMITMENTS****(i) Leases as lessee**

Non-cancellable operating lease rentals are payable as follows:

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
Less than one year	一年內	<b>6,536</b>	6,225
Between one and five years	一年至五年	<b>14,353</b>	17,957
Total	合計	<b>20,889</b>	24,182

The leases, in respect of office rental charges, run for a period ranged from 1 year to 5 years with fixed-rental contracts.

**(ii) Leases as lessor**

The Group leases out its properties, which include investment properties and completed properties held for sale leased out on a temporary basis, under operating leases. The future minimum lease payments under non-cancellable leases are as follows:

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
Less than one year	一年內	<b>61,766</b>	60,579
Between one and five years	一年至五年	<b>200,199</b>	215,561
More than five years	超過五年	<b>211,769</b>	254,943
Total	合計	<b>473,734</b>	531,083

All of the Group's investment properties are held for rental purposes. The lease terms ranged from 1 year to 5 years with fixed-rental contracts.

For the year ended 31 December 2015, RMB60,227,000 (2014: RMB66,643,000) was recognised as rental income in respect of investment properties in profit or loss.

**44. 經營租賃承擔****(i) 作為承租人的租賃**

不可撤銷經營租賃須於以下期間支付的租金如下：

	<b>2015</b>	2014
	<b>二零一五年</b>	二零一四年
	<b>RMB'000</b>	RMB'000
	<b>人民幣千元</b>	人民幣千元

Less than one year	<b>6,536</b>	6,225
Between one and five years	<b>14,353</b>	17,957
Total	<b>20,889</b>	24,182

與辦公室租金開支有關的租賃在一年至五年內屆滿，為固定租金合約。

**(ii) 作為出租人的租賃**

本集團根據經營租賃出租物業，包括投資物業及暫時出租的已建成待售物業。根據不可撤銷租賃合約於以下期間收取的日後最低租賃款項如下：

	<b>2015</b>	2014
	<b>二零一五年</b>	二零一四年
	<b>RMB'000</b>	RMB'000
	<b>人民幣千元</b>	人民幣千元

Less than one year	<b>61,766</b>	60,579
Between one and five years	<b>200,199</b>	215,561
More than five years	<b>211,769</b>	254,943
Total	<b>473,734</b>	531,083

本集團所有投資物業均持有作出租用途。租期介乎1年至5年，為固定租金合約。

截至二零一五年十二月三十一日止年度，已就投資物業在損益確認的租金收入為人民幣60,227,000元(二零一四年：人民幣66,643,000元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

#### 45. CAPITAL COMMITMENTS

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Property development activities	物業發展活動：		
– Contracted but not provided for	– 已訂約但未撥備	<b>5,566,083</b>	2,828,778

#### 45. 資本承擔

#### 46. RELATED-PARTY TRANSACTIONS

As Greenland Holdings, the holding company of the Company, is controlled by the PRC government, the directors consider that the Company is ultimately controlled by the PRC government and the Group operates in an economic environment currently predominated by entities controlled, jointly controlled or significantly influenced by the PRC government. Apart from the transactions with Greenland Holdings and its subsidiaries, and other related parties as disclosed in Note 49, the Group also conducts business with other government related entities in the ordinary course of business. In the opinion of the directors of the Company, these transactions are considered as individually and collectively insignificant to the operation of the Group. The directors consider those government-related entities are independent third parties so far as the Group's business transactions with them are concerned.

Particulars of significant transactions between the Group and certain related parties in which a director or shareholder of the Company is in a position to exercise significant influence are as follows:

#### 46. 關連人士交易

由於本公司的控股公司綠地控股由中國政府控制，因此董事認為本公司最終由中國政府控制，而本集團經營所在的經濟環境現時由中國政府所控制、共同控制或發揮重大影響力的實體作主導。除與綠地控股及其子公司以及附註49所披露的其他關連人士進行交易外，本集團在日常業務過程中亦與其他政府相關實體有業務往來。本公司董事認為，該等交易個別及整體對本集團的營運而言並不被視為重大。董事認為，就本集團與該等政府相關實體之間的業務交易而言，該等政府相關實體為獨立第三方。

本集團與若干關連人士(本公司董事或股東可對其行使重大影響者)的重大交易詳情如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**46. RELATED-PARTY TRANSACTIONS  
(Continued)****(a) During the year, transactions with the following parties were considered as related-party transactions:****46. 關連人士交易(續)****(a) 年內與以下人士進行的交易視為關連人士交易：**

<b>Name of Party</b> 有關人士名稱	<b>Relationship</b> 關係
Greenland Holdings 綠地控股	Ultimate controlling shareholder of the Company 本公司最終控股股東
Mr. Wang Weixian 王偉賢先生	Honorary Chairman of the Company; Substantial shareholder of the Company 本公司名譽主席；本公司主要股東
Shanghai Greenland Taiyang Property Co., Limited ("Greenland Taiyang") 上海綠地泰陽置業有限公司(「綠地泰陽」)	A subsidiary controlled by Greenland Holdings 由綠地控股控制的子公司
Shanghai Greenland Construction Engineering Co., Ltd. ("Greenland Engineering") 上海綠地建築工程有限公司(「綠地工程」)	A subsidiary controlled by Greenland Holdings 由綠地控股控制的子公司
Greenland Real Estate Co., Ltd 綠地地產集團有限公司	A subsidiary controlled by Greenland Holdings 由綠地控股控制的子公司
Greenland Hong Kong Investment Group Limited 綠地香港投資集團有限公司	A subsidiary controlled by Greenland Holdings 由綠地控股控制的子公司
Greenland Global Investment Limited 綠地全球投資有限公司	A subsidiary controlled by Greenland Holdings 由綠地控股控制的子公司
Gluon Xima International Limited 格隆希瑪國際有限公司	A subsidiary controlled by Greenland Holdings 由綠地控股控制的子公司
Shanghai Greenland Construction (Group) Co., Ltd ("Greenland Construction") 上海綠地建設(集團)有限公司(「綠地建設」)	A subsidiary controlled by Greenland Holdings 由綠地控股控制的子公司

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

**46. RELATED-PARTY TRANSACTIONS  
(Continued)**

(a) During the year, transactions with the following parties were considered as related-party transactions: (Continued)

**46. 關連人士交易(續)**

(a) 年內與以下人士進行的交易視為關連人士交易：(續)

Name of Party 有關人士名稱	Relationship 關係
Shanghai Senmao Landscape Co., Ltd. ("Greenland Senmao") 上海綠地森茂園林有限公司(「綠地森茂」)	A subsidiary controlled by Greenland Holdings 由綠地控股控制的子公司
Vite White International Limited ("VWIL") 維特懷國際有限公司(「維特懷」)	A subsidiary controlled by Greenland Holdings 由綠地控股控制的子公司
Tianyuan Lifeng 天源利豐	Jointly controlled group of companies of the Group until 30 September 2015 本集團直至二零一五年九月三十日的共同控制公司集團
Super Talent Resources Limited ("Super Talent") 超智資源有限公司(「超智」)	A non-controlling equity holder of Xuzhou Mingzhi 徐州銘智的非控股股權持有人
China Resources Land Co., Ltd 華潤置地有限公司	Ultimate controlling shareholder of Super Talent 超智的最終控股股東
Great China Properties Holdings Limited 大中華地產控股有限公司	A non-controlling equity holder of Success Yield Group Limited 成耀集團有限公司的非控股股權持有人
Xu Fu Co. Limited ("Xu Fu") 旭富有限公司(「旭富」)	A non-controlling equity holder of Xu Bao BVI 旭寶BVI的非控股股權持有人

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**46. RELATED-PARTY TRANSACTIONS  
(Continued)**

(a) During the year, transactions with the following parties were considered as related-party transactions: (Continued)

Name of Party 有關人士名稱	Relationship 關係
CIFI Holdings (Group) Co. Ltd. ("CIFI") 旭輝控股(集團)有限公司(「旭輝」)	Ultimate controlling shareholder of Xu Fu 旭富的最終控股股東
Shanghai Zhaozhi 上海朝智	An associate of the Group 本集團聯營公司
Shanghai Yingkun 上海穎堃	An associate of the Group 本集團聯營公司
Tianjin Xuda Real Estate Information Consultancy Limited ("Tianjin Xuda") 天津旭達房地產信息諮詢有限公司(「天津旭達」)	A subsidiary of CIFI 旭輝的子公司

**46. 關連人士交易(續)**

(a) 年內與以下人士進行的交易視為關連人士交易：(續)

**(b) Transactions****(b) 交易**

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Sales	銷售		
The companies controlled by Mr. Wang Weixian	王偉賢先生控制的公司	-	65,032
The companies controlled by Ms. Wang Xuling	王煦菱女士控制的公司	-	42,381
		-	107,413
Receipt of construction services	收取建造服務		
Greenland Construction	綠地建設	417,825	259,768
Greenland Engineering	綠地工程	286,692	113,871
Greenland Senmao	綠地森茂	27,204	31,387
		731,721	405,026
Repayment of shareholder's loan	償還股東貸款		
Xu Fu	旭富	-	(437,614)
Entrusted loan	委託貸款		
Shanghai Yingkun	上海穎堃	100,000	-
Tianjin Xuda	天津旭達	391,000	
		491,000	
Repayment of entrusted loan	償還委託貸款		
Tianjin Xuda	天津旭達	391,000	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

**46. RELATED-PARTY TRANSACTIONS (Continued)**      **46. 關連人士交易(續)**

**(c) Balances with related-parties**

**(c) 與關連人士的結餘**

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
Receivables due from related parties (note 29)	應收關連人士款項(附註29)		
Advance payments to related parties	預付關連人士款項		
Greenland Engineering	綠地工程	<b>9,793</b>	13,500
Greenland Senmao	綠地森茂	<b>4,748</b>	-
Greenland Construction	綠地建設	<b>285,216</b>	-
Non-trade balances due from related parties	應收關連人士其他應收款項結餘		
Greenland Hong Kong Investment Group Limited	綠地香港投資集團有限公司	<b>75,400</b>	-
Tianyuan Lifeng	天源利豐	-	83,021
China Resources Land Co., Ltd	華潤置地有限公司	<b>245,000</b>	75,000
Greenland Construction Engineering	綠地工程	-	500,000
Greenland Taiyang	綠地泰陽	<b>992</b>	-
Great China Properties Holdings Limited	大中華地產控股有限公司	<b>64,886</b>	61,098
Forever Rich	Forever Rich	<b>20,331</b>	-
Greenland Construction	綠地建設	<b>6,119</b>	176,684
Shanghai Yingkun	上海穎堃	<b>75,118</b>	-
VWIL	維特懷	<b>2,326</b>	2,183
Mr. Wang Weixian and the companies controlled by Mr. Wang Weixian	王偉賢先生及王偉賢先生控制的公司	<b>1</b>	-
CIFI	旭輝	<b>945,614</b>	206,919
Shanghai Zhaozhi	上海朝智	-	26,365
		<b>1,735,544</b>	1,144,770
Long-term receivable due from related parties (note 30)	應收關連人士長期應收款(附註30)		
Tianyuan Lifeng	天源利豐	-	721,657
		<b>1,735,544</b>	1,866,427
Other financial assets	其他金融資產		
Shanghai Yingkun	上海穎堃	<b>100,000</b>	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**46. RELATED-PARTY TRANSACTIONS (Continued)****46. 關連人士交易(續)****(c) Balances with related-parties (Continued)****(c) 與關連人士的結餘(續)**

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Payables due to related parties (note 36)	應付關連人士款項(附註36)		
Trade balances due to related parties	應付關連人士應付賬款結餘		
Greenland Senmao	綠地森茂	<b>6,059</b>	8,515
Greenland Construction	綠地建設	-	59,638
Non-trade balances due to related parties	應付關連人士其他應付款項結餘		
Mr. Wang Weixian and the companies controlled by Mr. Wang Weixian	王偉賢先生及王偉賢先生控制的公司		
- dividends payable	- 應付股息	<b>6,805</b>	6,805
- other payables	- 其他應付款項	<b>5,332</b>	5,332
Tianyuan Lifeng	天源利豐	-	1,672,990
Greenland Real Estate Co., Ltd	綠地地產集團有限公司	-	438,196
Greenland Hong Kong Investment Group Limited	綠地香港投資集團有限公司	<b>7,933</b>	635,663
Super Talent Resources Limited	超智資源有限公司	<b>592,310</b>	557,731
Greenland Senmao	綠地森茂	<b>1,000</b>	-
Shanghai Yingkun	上海穎堃	<b>2,268,900</b>	-
Greenland Global Investment Limited	綠地全球投資有限公司	-	1,083,063
Gluon Xima International Limited	格隆希瑪國際有限公司	-	244,760
Great China Properties Holdings Limited	大中華地產控股有限公司	<b>64,930</b>	61,139
Greenland Construction	綠地建設	<b>200</b>	-
Xu Fu	旭富	<b>915,998</b>	863,156
CIFI	旭輝	<b>55,325</b>	-
Greenland Holdings	綠地控股	<b>1,186,732</b>	923,133
		<b>5,111,524</b>	6,560,121

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

#### 46. RELATED-PARTY TRANSACTIONS (Continued)

##### (c) Balances with related-parties (Continued)

Remuneration for key management personnel, including amounts paid to the Company's directors as disclosed in note 16 and five of the highest payment to employees as disclosed in note 17, was as follows:

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Salaries and other emoluments	工資及其他薪酬	12,854	22,139

#### 47. ACQUISITION OF SUBSIDIARIES

The Group and other two shareholders jointly controlled Hainan Tianhongjiye Shiye Co.,Ltd ("Tianhong Shiye"), Hainan Tianhongjiye Investment Co.,Ltd ("Tianhong Investment") and Tianhong Real Estate (collectively called "Hainan Tianyuan Lifeng Group") since 2010. According to the agreement with other shareholders, the Group controlled Tianhong Shiye and Tianhong Investment and lost significant influence on Tianhong Real Estate since 1 October 2015. The interest of Tianhong Real Estate is classified as available for sale investment.

##### (1) Subsidiaries acquired

	Principal activity 主營業務	Date of acquisition 收購日期	Proportion of voting equity interests acquired 所收購股權比例或表決權 %	Fair value of previous interest 已轉撥代價 RMB'000 人民幣千元
Tianhong Shiye 天泓實業	Property development 物業發展服務	1 October 2015 二零一五年十月一日	50.1	214,007
Tianhong Investment 天泓投資	Property development 物業發展服務	1 October 2015 二零一五年十月一日	50.1	364,515
				578,522

#### 46. 關連人士交易(續)

##### (c) 與關連人士的結餘(續)

關鍵管理人員薪酬包括在附註16中披露支付予本公司董事的薪酬和在附註17中披露支付予五位最高薪酬僱員的薪酬，詳情如下：

#### 47. 收購子公司

自二零一零年起，本集團與另外兩名股東共同控制海南天泓基業實業有限公司(「天泓實業」)、海南天泓基業投資有限公司(「天泓投資」)及天泓房地產有限公司(統稱「海南天源利豐集團」)。根據與其他股東訂立的協議，本集團自二零一五年十月一日起控制天泓實業及天泓投資，並對天泓房地產失去重大影響力。天泓房地產的權益歸類為可供出售投資。

##### (1) 已收購子公司



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**47. ACQUISITION OF SUBSIDIARIES  
(Continued)****(2) Assets acquired and liabilities recognised at the date of acquisition**

		<b>Tianhong shiye 天泓實業 RMB'000 人民幣千元</b>	<b>Tianhong Investment 天泓投資 RMB'000 人民幣千元</b>	<b>Total 合計 RMB'000 人民幣千元</b>
<b>Current assets</b>	<b>流動資產</b>			
Cash and cash equivalents	現金及現金等價物	12,251	97,827	110,078
Trade, other receivables and advance deposits	應收賬款、其他應收款項及預付按金	885,114	627,935	1,513,049
Properties hold for sale	待售物業	607,062	1,784,057	2,391,119
<b>Non-current assets</b>	<b>非流動資產</b>			
Properties, plants and equipment	物業、廠房及設備	506	128	634
Deferred tax assets	遞延稅項資產	32,284	-	32,284
<b>Current liabilities</b>	<b>流動負債</b>			
Trade, other trade payables and advance receipts	應付賬款、其他應付款項及預收款項	(1,066,126)	(1,128,723)	(2,194,849)
Interest-bearing loans	計息貸款	-	(460,000)	(460,000)
Deferred tax liabilities	遞延稅項負債	(43,932)	(193,648)	(237,580)
		427,159	727,576	1,154,735

**(3) Non-controlling interests**

The non-controlling interest (49.9% ownership interest) recognised at the acquisition date was measured by reference to the proportionate share of the recognised amounts of the acquiree's identifiable net assets and amounted to RMB576,213,000.

**47. 收購子公司(續)****(2) 於收購日期的已收購資產及已確認負債**

	<b>Tianhong shiye 天泓實業 RMB'000 人民幣千元</b>	<b>Tianhong Investment 天泓投資 RMB'000 人民幣千元</b>	<b>Total 合計 RMB'000 人民幣千元</b>
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<b>Current assets</b>	<b>流動資產</b>			
Cash and cash equivalents	現金及現金等價物	12,251	97,827	110,078
Trade, other receivables and advance deposits	應收賬款、其他應收款項及預付按金	885,114	627,935	1,513,049
Properties hold for sale	待售物業	607,062	1,784,057	2,391,119
<b>Non-current assets</b>	<b>非流動資產</b>			
Properties, plants and equipment	物業、廠房及設備	506	128	634
Deferred tax assets	遞延稅項資產	32,284	-	32,284
<b>Current liabilities</b>	<b>流動負債</b>			
Trade, other trade payables and advance receipts	應付賬款、其他應付款項及預收款項	(1,066,126)	(1,128,723)	(2,194,849)
Interest-bearing loans	計息貸款	-	(460,000)	(460,000)
Deferred tax liabilities	遞延稅項負債	(43,932)	(193,648)	(237,580)
		427,159	727,576	1,154,735

**(3) 非控股權益**

於收購日期確認的非控股權益(49.9%擁有權權益)，乃參考被收購公司可識別淨資產已確認金額的比例份額計量，為數人民幣576,213,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

**47. ACQUISITION OF SUBSIDIARIES  
(Continued)**

**(4) Goodwill arising on acquisition**

		<b>Tianhong Shiye</b>	<b>Tianhong Investment</b>	<b>Total</b>
		天泓實業	天泓投資	合計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
Fair value of previous interest	先前權益的公允價值	214,007	364,515	578,522
Plus: non-controlling interests (49.9%)	加：非控股權益(49.9%)	213,152	363,061	576,213
Less: fair value of identifiable net assets acquired	減：所收購可識別淨資產的 公允價值	(427,159)	(727,576)	(1,154,735)
Goodwill arising on acquisition	收購產生的商譽	-	-	-

**47. 收購子公司(續)**

**(4) 收購產生的商譽**

**(5) Gain on re-measurement of joint ventures to  
acquisition date fair value in business combination**

		<b>Tianhong Shiye</b>	<b>Tianhong Investment</b>	<b>Total</b>
		天泓實業	天泓投資	合計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
Gain on re-measurement of joint ventures to acquisition date fair value in business combination	在業務合併中將合營企業 重新計量為收購日期 公允價值之收益	22,780	66,946	89,726

**(5) 在業務合併中將合營企業重新計  
量為收購日期公允價值之收益**

**(6) Net cash inflows on acquisition of subsidiaries**

		<b>Year ended 31/12/2015 截至二零一五年 十二月三十一日 止年度 RMB'000 人民幣千元</b>
Cash and cash equivalent balances acquired	已收購現金及現金等價物	<b>110,078</b>

**(6) 收購子公司的現金流入淨額**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**47. ACQUISITION OF SUBSIDIARIES (Continued)****(7) Impact of acquisitions on the results of the Group**

Included in the profit for the year RMB10,141,000 is attributable to the additional business generated by the two subsidiaries. Revenue for the year includes RMB617,029,000 in respect of the two subsidiaries.

Had these business combinations been effected at 1 January 2015, the revenue of the Group would have been RMB6,209,184,000, and the profit for the year would have been RMB31,645,000. The directors consider these 'pro-forma' numbers to represent an approximate measure of the performance of the combined group on an annualised basis and to provide a reference point for comparison in future periods.

In determining the 'pro-forma' revenue and profit of the Group had the two subsidiaries been acquired at the beginning of the current year, the directors have:

- calculated depreciation of plant and equipment acquired on the basis of the fair values arising in the initial accounting for the business combination rather than the carrying amounts recognised in the pre-acquisition financial statements;
- calculated borrowing costs on the funding levels, credit ratings and debt/equity position of the Group after the business combination; and
- excluded takeover defence costs of the acquiree as a one-off pre-acquisition transaction.

**48. SUBSEQUENT EVENT**

On 4 March 2016, the shareholders of the Company approved the connected transaction in which Shanghai Cambridge (Group) Co., Ltd., a subsidiary of the Company, sold to Shanghai Xinhua Publishing Group Company Limited 67.14% of the equity interest in, and the shareholder's loan in the amount of RMB28 million (approximately HK\$33 million) to, Shanghai Sipo Education Development Co., Limited, for a total consideration of approximately RMB349 million (approximately HK\$416 million).

**47. 收購子公司(續)****(7) 收購對本集團業績的影響**

計入年度溢利的人民幣10,141,000元，乃歸屬於兩家子公司產生的額外業務。年度收益包括有關兩家子公司的人民幣617,029,000元。

假設該等業務合併於二零一五年一月一日生效，本集團收益將為人民幣6,209,184,000元，年度溢利將為人民幣31,645,000元。董事認為，該等「備考」數字為合併組別按年率化基準計算的概約表現計量，並可為未來期間提供比較的參考點。

釐定本集團的「備考」收益及溢利時，假設兩家子公司於本年度開始時已獲收購，董事已：

- 按照業務合併首次入賬所產生的公允價值(而非於收購前財務報表確認的賬面值)，計算所收購廠房及設備的折舊；
- 按照本集團業務合併後的資金水平、信貸評級及債務／股權狀況，計算借貸成本；及
- 將被收購公司的反收購成本作為一次性收購前交易剔除。

**48. 結算日後事件**

二零一六年三月四日，本公司股東批准本公司子公司上海康橋半島(集團)有限公司向上海新華發行集團有限公司出售上海思博教育發展有限公司67.14%股權及股東貸款為數人民幣28,000,000元(約33,000,000港元)的關連交易，總代價約為人民幣349,000,000元(約416,000,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

#### 49. SUBSIDIARIES

The Company's major operating subsidiaries are as follows:

#### 49. 子公司投資

本公司的主要營運子公司如下：

**Percentage of equity attributable to the Company as of 31, December 2015 and 2014 (note iv)**  
**於二零一五年及二零一四年十二月三十一日本公司應佔權益百分比(附註iv)**

Name of company	Place and date of incorporation	Proportion of ownership and voting power	Registered capital	Principal activities
公司名稱	註冊成立地點及日期	持有擁有權及表決權比例	註冊資本	主要業務
SPG Investment Ltd.	British Virgin Islands, 2 March 2004 英屬處女群島， 二零零四年三月二日	–	USD1 1美元	Investment holding 投資控股
Shanghai Cambridge (Group) Co., Ltd. 上海康橋半島(集團)有限公司	the PRC, 25 August 1998 中國， 一九九八年 八月二十五日	98.24%	USD67,670,000 67,670,000美元	Property development, sales and lease 房地產開發、 銷售及租賃
Shanghai SPG Property Service Co., Ltd. 上海盛高物業服務有限公司	the PRC, 17 January 2001 中國， 二零零一年一月十七日	98.42%	RMB5,000,000 人民幣5,000,000元	Property management services 物業管理服務
Shanghai SPG Hotel Development Co., Ltd. 上海盛高酒店發展有限公司	the PRC, 1 December 2006 中國， 二零零六年十二月一日	98.24%	RMB405,500,000 人民幣405,500,000元	Hotel operation, property development, sales and lease 酒店營運、房地產開發、 銷售及租賃
Shanghai Sipo Education Development Co., Ltd. ("Sipo Education") 上海思博教育發展有限公司(「思博教育」)	the PRC, 9 October 2001 中國， 二零零一年十月九日	65.96%	RMB70,000,000 人民幣70,000,000元	Investment holding 投資控股
Shanghai Sipo Polytechnic. 上海思博技術學院	the PRC, 15 April 2003 中國， 二零零三年四月十五日	65.96%	RMB5,000,000 人民幣5,000,000元	College education 專科教育
Shanghai Sipo Vocational Technical Training Centre 上海思博職業技術培訓中心	the PRC, 14 October 2003 中國， 二零零三年十月十四日	65.96%	RMB500,000 人民幣500,000元	Technical training and technology consultancy 技術培訓及科技諮詢

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 49. SUBSIDIARIES (Continued)

The Company's major operating subsidiaries are as follows:

## 49. 子公司投資(續)

本公司的主要營運子公司如下:

## Percentage of equity attributable to the Company as of 31, December 2015 and 2014 (note iv)

於二零一五年及二零一四年十二月三十一日本公司應佔權益百分比(附註iv)

Name of company	Place and date of incorporation	Proportion of ownership and voting power	Registered capital	Principal activities
公司名稱	註冊成立地點及日期	持有擁有權及表決權比例	註冊資本	主要業務
Shanghai Oriental Cambridge Property Development Co., Ltd. 上海東方康橋房地產發展有限公司	the PRC, 26 September 2002 中國, 二零零二年九月二十六日	100%	RMB650,000,000 人民幣650,000,000元	Property development, sales and lease 房地產開發、銷售及租賃
Shanghai Lishui Greenery Ecology Engineering Co., Ltd. 上海麗水生態綠化工程有限公司	the PRC, 7 November 2003 中國, 二零零三年十一月七日	100%	RMB10,000,000 人民幣10,000,000元	Landscape construction project 園藝項目
Shanghai Zhujia Cambridge Property Development Co., Ltd. 上海珠佳康橋半島房地產開發有限公司	the PRC, 24 September 2003 中國, 二零零三年九月二十四日	100%	RMB280,000,000 人民幣280,000,000元	Property development and sales 房地產開發及銷售
Huangshan SPG Property Development Co., Ltd. 黃山盛高半島房地產發展有限公司	the PRC, 7 January 2004 中國, 二零零四年一月七日	100%	RMB270,000,000 人民幣270,000,000元	Hotel development and operation 酒店開發及經營
Huangshan Hiddentigger Club Management Co., Ltd. 黃山臥虎會所管理有限公司	the PRC, 7 July 2009 中國, 二零零九年七月七日	100%	RMB1,000,000 人民幣1,000,000元	Property management services 物業管理服務
Kunming SPG Land Development Co., Ltd. 昆明盛高置地發展有限公司	the PRC, 9 November 2006 中國, 二零零六年十一月九日	100%	RMB142,500,000 人民幣142,500,000元	Property development, sales and lease 房地產開發、銷售及租賃

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

#### 49. SUBSIDIARIES (Continued)

The Company's major operating subsidiaries are as follows:

#### 49. 子公司投資(續)

本公司的主要營運子公司如下：

##### Percentage of equity attributable to the Company as of 31, December 2015 and 2014 (note iv)

於二零一五年及二零一四年十二月三十一日本公司應佔權益百分比(附註iv)

Name of company	Place and date of incorporation	Proportion of ownership and voting power	Registered capital	Principal activities
公司名稱	註冊成立地點及日期	持有擁有權及表決權比例	註冊資本	主要業務
Kunming SPG Grand City Development Co., Ltd. 昆明盛高大城房地產發展有限公司	the PRC, 15 June 2007 中國， 二零零七年六月十五日	100%	USD40,000,000 40,000,000美元	Property development, sales and lease 房地產開發、 銷售及租賃
Suzhou Runjian Property Co., Ltd. 蘇州潤建置業有限公司	the PRC, 28 September 2007 中國， 二零零七年 九月二十八日	100%	RMB550,000,000 人民幣550,000,000元	Property development, sales and lease 房地產開發、 銷售及租賃
Suzhou SPG Property Management Co., Ltd. 蘇州盛高物業服務有限公司	the PRC, 5 March 2009 中國， 二零零九年三月五日	100%	RMB500,000 人民幣500,000元	Hotel operations, Property management services 酒店營運、物業管理服務
Wuxi Guosheng Property Development Co., Ltd. 無錫國盛房產開發有限公司	the PRC, 2 November 2007 中國， 二零零七年十一月二日	100%	HKD1,196,530,000 1,196,530,000港元	Property development, sales and lease 房地產開發、 銷售及租賃
Wuxi Shenglian Property Development Co., Ltd. 無錫盛聯房產開發有限公司	the PRC, 2 November 2007 中國， 二零零七年十一月二日	100%	HKD1,105,000,000 1,105,000,000港元	Property development, sales and lease 房地產開發、 銷售及租賃
Hainan Jianqiao Property Co. Ltd. 海南建橋置業有限公司	the PRC, 4 January 2008 中國， 二零零八年一月四日	100%	RMB115,000,000 人民幣115,000,000元	Property development, sales and lease 房地產開發、 銷售及租賃
Hubei Huazhong Constructing Co., Ltd. 湖北華中建築裝飾有限責任公司	the PRC, 21 May 2009 中國， 二零零九年 五月二十一日	100%	RMB100,000,000 人民幣100,000,000元	Construction and decoration services 建築及裝修服務

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 49. SUBSIDIARIES (Continued)

The Company's major operating subsidiaries are as follows:

## 49. 子公司投資(續)

本公司的主要營運子公司如下：

## Percentage of equity attributable to the Company as of 31, December 2015 and 2014 (note iv)

於二零一五年及二零一四年十二月三十一日本公司應佔權益百分比(附註iv)

Name of company	Place and date of incorporation	Proportion of ownership and voting power	Registered capital	Principal activities
公司名稱	註冊成立地點及日期	持有擁有權及表決權比例	註冊資本	主要業務
Changshu SPG Land Development Co., Ltd. 常熟盛高房產開發有限公司	the PRC, 12 July 2007 中國， 二零零七年七月十二日	100%	RMB200,000,000 人民幣200,000,000元	Property development, sales and lease 房地產開發、 銷售及租賃
Changshu SPG Real Estate Development Co., Ltd. 常熟盛地置業有限公司	the PRC, 24 October 2007 中國， 二零零七年 十月二十四日	100%	RMB550,000,000 人民幣550,000,000元	Property development, sales and lease 房地產開發、 銷售及租賃
Shanxi SPG Land Development Co., Ltd. 山西盛高置地發展有限公司	the PRC, 27 August 2009 中國， 二零零九年 八月二十七日	100%	USD20,000,000 20,000,000美元	Property development, sales and lease 房地產開發、 銷售及租賃
Ningbo SPG Cicheng Property Development Co., Ltd. 寧波盛高慈城房地產發展有限公司	the PRC, 21 March 2011 中國， 二零一一年 三月二十一日	100%	RMB600,000,000 人民幣600,000,000元	Property development, sales and lease 房地產開發、 銷售及租賃
Hangzhou Tuojiang Zhiye Co., Ltd. 杭州拓江置業有限公司	the PRC, 22 July 2013 中國， 二零一三年 七月二十二日	50% (Note i) (附註)	USD582,000,000 582,000,000美元	Property development, sales and lease 房地產開發、 銷售及租賃
Haikou Hongxiang Property Co., Ltd. 海口綠地鴻翔置業有限公司	the PRC, 27, November 2013 中國， 二零一三年 十一月二十七日	100%	RMB600,000,000 人民幣600,000,000元	Property development, sales and lease 房地產開發、 銷售及租賃

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

#### 49. SUBSIDIARIES (Continued)

The Company's major operating subsidiaries are as follows:

#### 49. 子公司投資(續)

本公司的主要營運子公司如下：

**Percentage of equity attributable to the Company as of 31, December 2015 and 2014 (note iv)**  
於二零一五年及二零一四年十二月三十一日本公司應佔權益百分比(附註iv)

Name of company	Place and date of incorporation	Proportion of ownership and voting power	Registered capital	Principal activities
公司名稱	註冊成立地點及日期	持有擁有權及表決權比例	註冊資本	主要業務
Shanghai Daakun Investment Management Co., Ltd 上海道堃資產管理有限公司	the PRC, 9 June 2015 中國， 二零一五年六月九日	100%	RMB10,000,000 人民幣10,000,000元	Investing and consulting 投資及諮詢
Shanghai He Mao Property Co., Ltd 上海合茂房地產發展有限公司	the PRC, 11 December 2013 中國， 二零一三年 十二月十一日	50% (Note i) (附註)	RMB630,000,000 人民幣630,000,000元	Property development, sales and lease 房地產開發、 銷售及租賃
Shanghai Xinqi Investment Management Co., Ltd 上海新琪投資管理有限公司	the PRC, 22, October 2013 中國， 二零一三年 十月二十二日	50% (Note i) (附註)	RMB30,000,000 人民幣30,000,000元	Property development, sales and lease 房地產開發、 銷售及租賃
Nanning Greenland Yingkai Investment Co., Ltd 南寧綠地穎愷投資有限公司	the PRC 1, November 2013 中國， 二零一三年十一月一日	100%	RMB558,500,000 人民幣558,500,000元	Property development, sales and lease 房地產開發、 銷售及租賃
Success Yield Group Limited 成耀集團有限公司	the BVI, 6 May, 2011 英屬處女群島， 二零一一年五月六日	50% (Note i) (附註)	USD200 200美元	Investment of subsidiaries 投資子公司
Xubao Co., Ltd ("Xu Bao BVI") 旭寶有限公司(「旭寶BVI」)	the BVI, 6 September, 2012 英屬處女群島， 二零一二年九月六日	50% (Note i) (附註)	HKD2 2港元	Investment of subsidiaries 投資子公司
Xuzhou Nanbu Property Co., Ltd 徐州南部房地產開發有限公司	the PRC, 23 January 2014 中國， 二零一四年 一月二十三日	100%	USD50,000,000 50,000,000美元	Property development, sales and lease 房地產開發、 銷售及租賃



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 49. SUBSIDIARIES (Continued)

The Company's major operating subsidiaries are as follows:

## 49. 子公司投資(續)

本公司的主要營運子公司如下:

Percentage of equity attributable to the Company as of 31, December 2015 and 2014 (note iv)  
於二零一五年及二零一四年十二月三十一日本公司應佔權益百分比(附註iv)

Name of company	Place and date of incorporation	Proportion of ownership and voting power	Registered capital	Principal activities
公司名稱	註冊成立地點及日期	持有擁有權及表決權比例	註冊資本	主要業務
Xuzhou Mingzhi Property Co., Ltd 徐州銘智房地產開發有限公司	the PRC, 3 March 2014 中國, 二零一四年三月三日	50% (Note i) (附註)	HKD1,414,000,000 1,414,000,000港元	Property development, sales and lease 房地產開發、 銷售及租賃
Shanghai Xiangxuan Zhiye Co., Ltd 上海翔軒置業有限公司	the PRC, 17 January 2014 中國, 二零一四年一月十七日	100%	RMB20,000,000 人民幣20,000,000元	Property development, sales and lease 房地產開發、 銷售及租賃
Greenland (Kunming) Property Co., Ltd 綠地集團(昆明)置業有限公司	the PRC, 17 December 2012 中國, 二零一二年 十二月十七日	55%	RMB517,272,222 人民幣517,272,222元	Property development, sales and lease 房地產開發、 銷售及租賃
Greenland (Kunming Wuhua) Development Co., Ltd 綠地集團(昆明五華)房地產開發有限公司	the PRC, 19 December 2012 中國, 二零一二年 十二月十九日	55%	RMB528,000,000 人民幣528,000,000元	Property development, sales and lease 房地產開發、 銷售及租賃
Shanghai Wuli Property Co., Ltd 上海五里置業有限公司	the PRC, 21 February 2014 中國, 二零一四年 二月二十一日	100%	RMB6,000,000,000 人民幣6,000,000,000元	Property development, sales and lease 房地產開發、 銷售及租賃
Nanning Greenland Hongkai Property Co., Ltd 南寧綠地鴻愷置業有限公司	the PRC, 20 May 2014 中國, 二零一四年五月二十日	100%	HKD700,000,000 700,000,000港元	Property development, sales and lease 房地產開發、 銷售及租賃

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

#### 49. SUBSIDIARIES (Continued)

The Company's major operating subsidiaries are as follows:

#### 49. 子公司投資(續)

本公司的主要營運子公司如下：

##### Percentage of equity attributable to the Company as of 31, December 2015 and 2014 (note iv)

於二零一五年及二零一四年十二月三十一日本公司應佔權益百分比(附註iv)

Name of company	Place and date of incorporation	Proportion of ownership and voting power	Registered capital	Principal activities
公司名稱	註冊成立地點及日期	持有擁有權及表決權比例	註冊資本	主要業務
Haikou Wuyuan Property Co., Ltd 海口綠地五源置業有限公司	the PRC, 26 January 2014 中國， 二零一四年 一月二十六日	100%	RMB200,000,000 人民幣200,000,000元	Property development, sales and lease 房地產開發、 銷售及租賃
Hainan Tianhongjiye Shiye Co., Ltd 海南天泓基業實業有限公司	the PRC, 21 December 2009 (note iii) 中國， 二零零九年 十二月二十一日 (附註iii)	50.1% (Note i) (附註i)	RMB100,000,000 人民幣100,000,000元	Property development, sales and lease 物業開發、銷售及租賃
Hainan Tianhongjiye Investment Co., Ltd 海南天泓基業投資有限公司	the PRC, 12 January 2010 (note iii) 中國， 二零一零年一月十二日 (附註iii)	50.1% (Note i) (附註i)	RMB180,000,000 人民幣180,000,000元	Property development, sales and lease 物業開發、銷售及租賃
Shengya (Shanghai) Management Co., Ltd 盛亞(上海)管理有限公司	the PRC, 3 May 2011 中國， 二零一一年五月三日	100%	USD2,000,000 2,000,000美元	Investing and consulting 投資及諮詢
Nanning Greenland Xinyuan Property Co., Ltd 南寧綠地信源物業有限公司	the PRC, 27 November 2014 中國， 二零一四年 十一月二十七日	100%	RMB104,677,634 人民幣104,677,634元	Property development, sales and lease 物業開發、銷售及租賃
Suzhou Lvjie Property Co., Ltd 蘇州綠杰物業有限公司	the PRC, 22 October 2015 (note ii) 中國， 二零一五年 十月二十二日 (附註ii)	100%	USD770,000,000 770,000,000美元	Property development, sales and lease 物業開發、銷售及租賃

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 49. SUBSIDIARIES (Continued)

The Company's major operating subsidiaries are as follows:

## 49. 子公司投資(續)

本公司的主要營運子公司如下：

## Percentage of equity attributable to the Company as of 31, December 2015 and 2014 (note iv)

於二零一五年及二零一四年十二月三十一日本公司應佔權益百分比(附註iv)

Name of company	Place and date of incorporation	Proportion of ownership and voting power	Registered capital	Principal activities
公司名稱	註冊成立地點及日期	持有擁有權及表決權比例	註冊資本	主要業務
Shanghai Greenland Financial Information Services Co., Ltd 上海綠地金融信息服務有限公司	The PRC, 23 January 2015 (note ii) 中國， 二零一五年 一月二十三日 (附註ii)	100%	RMB10,000 人民幣10,000元	Financing 融資

Note i: The Group has the right to appoint a majority of directors to the board of directors. Hence the Group has the power over these entities and has the ability to use its power to affect its returns. Therefore, these entities are accounted for as subsidiaries of the Group.

附註i：本集團有權委任董事會的過半數董事。因此，本集團對該等實體擁有權力，並有能力運用其權力影響其回報。有鑑於此，該等實體入賬作為本集團的子公司。

Note ii: The subsidiary is newly established in 2015.

附註ii：該子公司於二零一五年新成立。

Note iii: The subsidiary is acquired in 2015.

附註iii：該子公司於二零一五年獲收購。

Note iv: Except for SPG Investment Ltd, all the subsidiaries are indirectly held.

附註iv：除SPG Investment Ltd外，所有子公司均為間接持有。

Note v: None of the subsidiaries had issued any debt securities at the end of the year.

附註v：子公司於年末概無發行任何債務證券。

As the Trust which hold the ordinary shares purchased under the Share Award Scheme (as described in note 3.14) is set up solely for the purpose of purchasing, administrating and holding the shares of the Company for the Share Award Scheme, the Group has the power over the Trust, has rights to variable returns from its involvement with the Trust and has the ability to use its power over the Trust to affect the returns. Hence, the Group can control the Trust. The assets and liabilities of the Trust are included in the Group's consolidated balance and the shares of the Company held by the Trust are presented as a deduction in equity as Shares held for Share Award Scheme (note 40).

該信託持有根據股份獎勵計劃(詳見附註3.14)購入之普通股。由於成立該信託的目的純粹是為股份獎勵計劃而購買、管理及持有本公司股份，因此本集團擁有對該信託的權力，擁有參與該信託的運作所得的可變回報，以及有能力行使其對該信託的權力以影響回報。因此，本集團可控制該信託。該信託的資產及負債計入本集團的綜合結餘，由該信託持有的本公司股份呈列為權益扣減，作為股份獎勵計劃所持股份(附註40)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

## 50. NON-CONTROLLING INTERESTS

The following table lists out the information relating to Greenland (Kunming) Property Co., Ltd, Tianhong Shiye and Tianhong Investment, the subsidiaries of the Company which has the material non-controlling interests ("NCI"). The summarised financial information presented below represents the amounts before any intercompany elimination.

## 50. 非控股權益

下表列出本集團於其中擁有重大非控股權益(「非控股權益」)的子公司綠地集團(昆明)置業有限公司、天泓實業及天泓投資有關的資料。以下呈列的財務資料概要指計及任何公司間對銷前的金額。

		<b>2015</b>	<b>From October (combination date) to December 2015</b>	
		二零一五年	自二零一五年	
		<b>Greenland (Kunming) Property Co., Ltd 綠地集團 (昆明)置業 有限公司 RMB'000 人民幣千元</b>	<b>Tianhong Shiye</b>	<b>Tianhong Investment</b>
			天泓實業 RMB'000 人民幣千元	天泓投資 RMB'000 人民幣千元
NCI percentage	非控股權益百分比	<b>45%</b>	<b>49.9%</b>	<b>49.9%</b>
Current assets	流動資產	<b>6,258,869</b>	<b>528,100</b>	<b>2,368,675</b>
Non-current assets	非流動資產	<b>3,589</b>	<b>17,269</b>	<b>17,127</b>
Current liabilities	流動負債	<b>(5,206,614)</b>	<b>(122,211)</b>	<b>(1,196,849)</b>
Non-current liabilities	非流動負債	<b>(400,000)</b>	<b>(15,851)</b>	<b>(431,385)</b>
Equity attributable to owners of the Company	本公司擁有人應佔權益	<b>360,715</b>	<b>204,061</b>	<b>379,541</b>
Carrying amount of NCI	非控股權益賬面值	<b>295,129</b>	<b>203,246</b>	<b>378,027</b>
Revenue	收益	<b>355,078</b>	<b>436,746</b>	<b>180,284</b>
Expenses	開支	<b>52,884</b>	<b>4,117</b>	<b>9,549</b>
(Loss) profit and total comprehensive (expense) income	(虧損)溢利及全面(開支)收入 總額	<b>(46,309)</b>	<b>(19,851)</b>	<b>29,992</b>
Allocated to owners of the Company	分配至本公司擁有人	<b>(25,470)</b>	<b>(9,945)</b>	<b>15,026</b>
Allocated to NCI	分配至非控股權益	<b>(20,839)</b>	<b>(9,906)</b>	<b>14,966</b>
Cash flows from operating activities	來自經營活動的現金流量	<b>(384,856)</b>	<b>35,373</b>	<b>32,978</b>
Cash flows from investing activities	來自投資活動的現金流量	<b>(117)</b>	-	-
Cash flows from financing activities	來自融資活動的現金流量	<b>668,424</b>	-	<b>(60,000)</b>
Net cash inflow	現金流入淨額	<b>283,451</b>	<b>35,373</b>	<b>(27,022)</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)**51. STATEMENT OF FINANCIAL POSITION OF THE COMPANY**      **51. 公司財務狀況表**

		<b>2015</b>	2014
		<b>二零一五年</b>	二零一四年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
<b>ASSETS</b>	<b>資產</b>		
Investment in subsidiaries	子公司投資	<b>13,362,412</b>	12,414,713
Total non-current assets	非流動資產總額	<b>13,362,412</b>	12,414,713
Trade, other receivables and advance deposits	應收賬款、其他應收款項及預付按金	<b>520,477</b>	75,268
Cash and cash equivalents	現金及現金等價物	<b>175</b>	182
Total current assets	流動資產總額	<b>520,652</b>	75,450
Total assets	資產總額	<b>13,883,064</b>	12,490,163
<b>LIABILITIES</b>	<b>負債</b>		
Bonds	債券	<b>4,714,521</b>	8,763,401
Total non-current liabilities	非流動負債總額	<b>4,714,521</b>	8,763,401
Interest-bearing loans	計息貸款	-	275,355
Trade and other payables	應付賬款及其他應付款項	<b>297,953</b>	280,640
Bonds within one year	一年內到期的債券	<b>4,529,407</b>	-
Total current liabilities	流動負債總額	<b>4,827,360</b>	555,995
Total liabilities	負債總額	<b>9,541,881</b>	9,319,396
<b>ASSETS LESS LIABILITIES</b>	<b>資產減負債</b>	<b>4,341,183</b>	3,170,767
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>		
Share capital	股本	<b>1,132,855</b>	1,068,154
Share premium	股份溢價	<b>3,416,546</b>	2,362,986
Reserves	儲備	<b>309,670</b>	341,759
Accumulated losses	累計虧損	<b>(517,888)</b>	(602,132)
Total equity attributable to equity holders of the Company	本公司股權持有人應佔權益總額	<b>4,341,183</b>	3,170,767

The financial statements of the Company on page 220 to 221 were approved and authorised for issue by the board of directors on 21 March 2016 and are signed on its behalf by:

第220頁至第221頁之本公司財務報表已於二零一六年三月二十一日獲董事會批准及授權刊發，並由下列董事代表簽署：

**Chen Jun****陳軍**

Chairman of the Board of Directors and Chief Executive Officer  
董事會主席兼行政總裁

**Hou Guangjun****侯光軍**

Chief Operation Officer  
首席營運官

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
綜合財務報表附註(續)

**51. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)**      **51. 公司財務狀況表(續)**

		Reserves 儲備					
		Share premium	Capital redemption reserve	Contributed surplus	Employee share-based compensation	Accumulated losses	Total
		股份溢價	資本贖回 儲備	實繳盈餘	僱員股份 報酬	累計虧損	合計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元 (note (i)) (附註(i))	RMB'000 人民幣千元 (note (ii)) (附註(ii))	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>At 1 January 2014</b>	<b>於二零一四年一月一日</b>	2,362,986	1,231	308,439	20,515	(446,686)	2,246,485
Shares allotted for Share Award Scheme	就股份獎勵計劃配發的股份	-	-	-	11,574	-	11,574
Payment of dividend	支付股息	-	-	-	-	(104,247)	(104,247)
Loss for the year	年度虧損	-	-	-	-	(51,199)	(51,199)
<b>At 31 December 2014</b>	<b>於二零一四年十二月三十一日</b>	2,362,986	1,231	308,439	32,089	(602,132)	2,102,613
Transfer of fully vested shares for Share Award Scheme	轉撥股份獎勵計劃的 全面歸屬股份	(9,237)	-	-	(32,505)	-	(41,742)
Placing shares issued	已發行配售股份	1,238,098	-	-	-	-	1,238,098
Repurchase and logout shares	購回及註銷股份	(175,301)	-	-	-	-	(175,301)
Equity settled share-based transactions	股權結算的股份支付交易	-	-	-	416	-	416
Profit for the year	年度溢利	-	-	-	-	84,244	84,244
<b>At 31 December 2015</b>	<b>於二零一五年十二月三十一日</b>	<b>3,416,546</b>	<b>1,231</b>	<b>308,439</b>	<b>-</b>	<b>(517,888)</b>	<b>3,208,328</b>

Note (i): The excess of the consolidated net assets represented by the shares of the subsidiaries acquired over nominal value of the shares issued by the Company in exchange under the Reorganisation was transferred to the contributed surplus account in the company's financial statements.

附註(i)：所收購子公司股份之綜合淨資產超過本公司於重組時發行以交換該等股份面值之差額轉撥至本公司財務報表的實繳盈餘賬。

# SUMMARY OF CONSOLIDATED FINANCIAL INFORMATION

## 綜合財務資料概要

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

#### 綜合損益及其他全面利潤表

Year ended 31 December 截至十二月三十一日止年度		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
<b>Revenue</b>	<b>收益</b>	<b>5,801,958</b>	2,840,025	5,447,768	1,766,535	5,677,523
Cost of sales	銷售成本	<b>(4,658,127)</b>	(2,060,909)	(4,001,353)	(1,361,577)	(3,738,880)
<b>Gross profit</b>	<b>毛利</b>	<b>1,143,831</b>	779,116	1,446,415	404,958	1,938,643
Other gain	其他收益	<b>177,505</b>	11,808	63,515	17,691	169,310
Selling and marketing costs	銷售及市場推廣成本	<b>(318,911)</b>	(265,450)	(87,532)	(94,615)	(105,203)
Administrative expenses	行政費用	<b>(509,743)</b>	(427,585)	(329,707)	(316,483)	(368,856)
Other operating expenses	其他經營開支	<b>(245,287)</b>	(12,697)	(344,454)	(571,114)	(109,372)
Net gain (loss) on disposal of equity interest in subsidiaries	出售子公司股權 之收益(虧損)淨額	<b>590</b>	(500)	214,354	134,499	-
<b>Results from operating activities</b>	<b>來自經營活動的溢利</b>	<b>247,985</b>	84,692	962,591	(425,064)	1,524,522
Finance income	融資收入	<b>59,086</b>	82,980	99,057	99,003	38,937
Finance expenses	融資成本	<b>(844,182)</b>	(186,180)	(415,331)	(277,226)	(67,483)
Fair value changes on financial derivatives	衍生金融工具的公允價值變動	-	-	112,812	852	(25,209)
<b>Net finance expenses</b>	<b>融資成本淨額</b>	<b>(785,096)</b>	(103,200)	(203,462)	(177,371)	(53,755)
Share of (loss) profit of associates	應佔聯營公司(虧損)溢利	<b>(1,007)</b>	94	(114,096)	(102,252)	(68,639)
Share of profit (loss) of joint ventures	應佔合營企業溢利(虧損)	<b>4</b>	(2,726)	(48,175)	(32,579)	(3,333)
<b>(Loss) profit before revaluation gains on investment properties and income tax</b>	<b>未計投資物業重估收益及 所得稅前(虧損)溢利</b>	<b>(538,114)</b>	(21,140)	596,858	(737,266)	1,398,795
Revaluation gain (loss) on investment properties	投資物業重估收益(虧損)	<b>1,115,249</b>	522,212	(80,539)	(65,490)	(28,844)
<b>Profit (Loss) before income tax</b>	<b>除所得稅前溢利(虧損)</b>	<b>577,135</b>	501,072	516,319	(802,756)	1,369,951
Income tax expense	所得稅開支	<b>(545,490)</b>	(436,951)	(483,169)	(185,604)	(486,631)
<b>Total comprehensive income (expense) for the year</b>	<b>年度全面收入(開支)總額</b>	<b>31,645</b>	64,121	33,150	(988,360)	883,320
<b>Total comprehensive income (expense) attributable to:</b>	<b>以下人士應佔全面收入(開支) 總額:</b>					
Equity holders of the Company	本公司股權持有人	<b>220,240</b>	107,690	34,513	(938,248)	898,320
Minority interests	少數股東權益	<b>(188,595)</b>	(43,569)	(1,363)	(50,112)	(15,000)
<b>Total comprehensive income (expense) for the year</b>	<b>年度全面收入(開支)總額</b>	<b>31,645</b>	64,121	33,150	(988,360)	883,320
<b>Earnings (Loss) per share</b>	<b>每股盈利(虧損)</b>					
Ordinary share (basic and diluted) (RMB)	普通股(基本及攤薄)(人民幣元)	<b>0.08</b>	0.04	0.02	(0.92)	0.86
Convertible preference share (basic and diluted) (RMB)	可轉換優先股(基本及攤薄) (人民幣元)	<b>0.08</b>	0.04	0.02	(0.92)	0.86

SUMMARY OF CONSOLIDATED FINANCIAL INFORMATION (Continued)  
綜合財務資料概要(續)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**綜合財務狀況表**

<b>Year ended 31 December</b>		<b>2015</b>	2014	2013	2012	2011
<b>截至十二月三十一日止年度</b>		<b>二零一五年</b>	二零一四年	二零一三年	二零一二年	二零一一年
		<b>RMB'000</b>	RMB'000	RMB'000	RMB'000	RMB'000
		<b>人民幣千元</b>	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Assets</b>	<b>資產</b>					
Property, plant and equipment	物業、廠房及設備	<b>1,546,906</b>	1,619,850	922,979	959,388	1,004,473
Intangible assets	無形資產	<b>1,386</b>	1,431	1,476	1,521	1,566
Land use rights	土地使用權	<b>74,738</b>	76,924	74,953	76,826	78,699
Other financial assets	其他金融資產	<b>174,567</b>	2,800	2,800	35,432	14,032
Investment properties	投資物業	<b>7,246,000</b>	5,722,000	1,719,000	1,758,000	1,651,000
Properties under development	發展中物業	<b>15,587,580</b>	17,599,647	6,832,762	4,062,629	6,618,792
Investments in associates	聯營公司投資	-	3,603	3,509	980,325	1,194,608
Interests in joint ventures	合營企業權益	<b>296,187</b>	938,022	677,111	702,556	735,135
Long-term receivable	長期應收款	-	596,096	673,627	746,590	814,186
Deferred tax assets	遞延稅項資產	<b>269,727</b>	185,915	212,882	240,571	211,067
<b>Total non-current assets</b>	<b>非流動資產總額</b>	<b>25,197,091</b>	26,746,288	11,121,099	9,563,838	12,323,558
Properties under development	發展中物業	<b>8,716,805</b>	4,489,993	2,205,091	2,380,515	4,452,903
Completed properties held for sale	已建成待售物業	<b>4,885,603</b>	1,727,423	2,651,528	2,694,340	1,533,109
Other investments	其他投資	-	-	-	165,436	10,824
Trade, other receivables and advance deposits	應收賬款、其他應收款項及 預付按金	<b>5,214,650</b>	2,760,960	3,964,698	2,230,835	2,439,436
Long-term receivable with one year	一年內到期的長期應收款	-	125,561	125,561	175,007	125,486
Other financial assets	其他金融資產	<b>143,000</b>	-	-	-	-
Restricted cash	受限制現金	<b>621,618</b>	156,693	749,693	832,697	1,307,467
Cash and cash equivalents	現金及現金等價物	<b>5,207,187</b>	5,032,763	922,037	816,836	1,645,026
Assets classified as held for sale	歸類為持作待售的資產	-	-	-	4,193,626	-
<b>Total current assets</b>	<b>流動資產總額</b>	<b>24,788,863</b>	14,293,393	10,618,608	13,489,292	11,514,251
<b>Total assets</b>	<b>資產總額</b>	<b>49,985,954</b>	41,039,681	21,739,707	23,053,130	23,837,809
<b>Equity</b>	<b>權益</b>					
Share capital	股本	<b>1,132,855</b>	1,068,154	1,068,154	106,591	106,591
Share premium	股份溢價	<b>3,416,546</b>	2,362,986	2,362,986	2,069,086	2,069,086
Reserves	儲備	<b>829,466</b>	834,203	833,173	790,566	790,993
Retained earnings	保留溢利	<b>1,550,565</b>	1,353,595	1,355,871	1,312,056	2,258,044
<b>Total equity attributable to equity holders of the Company</b>	<b>本公司股權持有人應佔 權益總額</b>	<b>6,929,432</b>	5,618,938	5,620,184	4,278,299	5,224,714
<b>Minority interests</b>	<b>少數股東權益</b>	<b>758,676</b>	371,648	86,889	31,273	81,385
<b>Total equity</b>	<b>權益總額</b>	<b>7,688,108</b>	5,990,586	5,707,073	4,309,572	5,306,099



SUMMARY OF CONSOLIDATED FINANCIAL INFORMATION (Continued)  
綜合財務資料概要(續)**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)**  
綜合財務狀況表(續)

Year ended 31 December 截至十二月三十一日止年度		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
<b>Liabilities</b>	<b>負債</b>					
Interest bearing loans	計息貸款	6,577,283	4,454,928	1,441,839	1,730,822	4,174,690
Long-term payable	長期應付款	26,494	30,437	33,935	37,067	39,997
Financial derivatives	衍生金融工具	-	-	-	890	1,742
Bonds	債券	4,714,521	8,763,401	4,224,594	1,233,600	1,231,418
Deferred tax liabilities	遞延稅項負債	875,234	491,791	359,537	278,935	278,584
<b>Total non-current liabilities</b>	<b>非流動負債總額</b>	<b>12,193,532</b>	13,740,557	6,059,905	3,281,314	5,726,431
Interest bearing loans	計息貸款	3,265,938	1,227,105	1,725,007	3,873,190	2,077,615
Trade, other payables and advance receipts	應付賬款、其他應付款項及 預收款項	21,471,556	19,314,718	7,325,317	7,207,334	9,512,430
Tax payable	應付稅項	831,413	760,715	916,405	1,187,142	1,209,234
Bonds within one year	一年內到期的債券	4,529,407	-	-	-	-
Long-term payable within one year	一年內到期的長期應付款	6,000	6,000	6,000	6,000	6,000
Total liabilities associated with assets classified as held for sale	與歸類為持作待售的資產 有關的負債總額	-	-	-	3,188,578	-
<b>Total current liabilities</b>	<b>流動負債總額</b>	<b>30,104,314</b>	21,308,538	9,972,729	15,462,244	12,805,279
<b>Total liabilities</b>	<b>負債總額</b>	<b>42,297,846</b>	35,049,095	16,032,634	18,743,558	18,531,710
<b>Total equity and liabilities</b>	<b>權益及負債總額</b>	<b>49,985,954</b>	41,039,681	21,739,707	23,053,130	23,837,809
<b>Net current (liabilities) assets</b>	<b>流動(負債)資產淨額</b>	<b>(5,315,451)</b>	(7,015,145)	645,879	(1,972,952)	(1,291,028)
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>	<b>19,881,640</b>	19,731,143	11,766,978	7,590,886	11,032,530

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