

Hydoo 毅德控股

HYDOO INTERNATIONAL HOLDING LIMITED

毅德國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 1396

Annual Report
2017 年報



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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Wang Jianli (*Chairman*)

Mr. Wang Dewen

Mr. Huang Dehong

Non-executive Director

Mr. Yuan Bing

Independent Non-executive Directors

Mr. Zhao Lihua

Mr. Wang Lianzhou

Mr. Lam Chi Yuen Nelson

AUDIT COMMITTEE

Mr. Lam Chi Yuen Nelson (*chairman of the Audit Committee*)

Mr. Yuan Bing

Mr. Zhao Lihua

NOMINATION COMMITTEE

Mr. Zhao Lihua (*chairman of the Nomination Committee*)

Mr. Wang Jianli

Mr. Wang Lianzhou

REMUNERATION COMMITTEE

Mr. Wang Lianzhou (*chairman of the Remuneration Committee*)

Mr. Wang Jianli

Mr. Lam Chi Yuen Nelson

CHIEF EXECUTIVE OFFICER

Mr. Wang Dewen

CHIEF OPERATING OFFICER

Mr. Wang Dekai

VICE PRESIDENT, FINANCIAL MANAGEMENT

Mr. Jia Xinjiang

董事會

執行董事

王健利先生(主席)

王德文先生

黃德宏先生

非執行董事

袁兵先生

獨立非執行董事

趙立華先生

王連洲先生

林智遠先生

審核委員會

林智遠先生(審核委員會主席)

袁兵先生

趙立華先生

提名委員會

趙立華先生(提名委員會主席)

王健利先生

王連洲先生

薪酬委員會

王連洲先生(薪酬委員會主席)

王健利先生

林智遠先生

行政總裁

王德文先生

首席運營官

王德開先生

財務副總裁

賈信江先生

CHIEF FINANCIAL OFFICER

Mr. Chan Sze Hon

首席財務官

陳思翰先生

COMPANY SECRETARY

Mr. Chan Sze Hon

公司秘書

陳思翰先生

AUDITORS

KPMG

Certified Public Accountants

核數師

畢馬威會計師事務所

執業會計師

LEGAL ADVISORS AS TO HONG KONG LAW

Kirkland & Ellis

香港法律顧問

凱易律師事務所

LEGAL ADVISORS AS TO CAYMAN ISLANDS LAW

Maples and Calder (Hong Kong) LLP

開曼群島法律顧問

邁普達律師事務所(香港)有限責任合夥

LEGAL ADVISORS AS TO PRC LAW

Global Law Office

中國法律顧問

環球律師事務所

PRINCIPAL BANKERS

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Industrial and Commercial Bank of China

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CORPORATE INFORMATION

公司資料

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
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Hong Kong

PRINCIPAL SHARE REGISTRAR

Maples Fund Services (Cayman) Limited
P.O. Box 1093, Boundary Hall
Cricket Square
Grand Cayman, KY1-1102
Cayman Islands

LISTING INFORMATION

Share Listing

The Stock Exchange of Hong Kong Limited
Stock code: 1396

Senior Notes Listing

The Company's 13.75%, 3 years senior notes
due 2018
Singapore Exchange Securities Trading Limited

COMPANY'S WEBSITE

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股份過戶登記總處

Maples Fund Services (Cayman) Limited
P.O. Box 1093, Boundary Hall
Cricket Square
Grand Cayman, KY1-1102
Cayman Islands

上市資料

股份上市

香港聯合交易所有限公司
股份代號：1396

優先票據上市

本公司13.75%於二零一八年到期
之3年期優先票據
新加坡證券交易所有限公司

公司網站

www.hydoo.com.cn

投資者關係

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CHAIRMAN'S STATEMENT 主席報告

Dear shareholders,

On behalf of the board of directors (the “**Board**”) of Hydoo International Holding Limited (“**Hydoo**”, the “**Company**”, “**we**”, or “**our**”), together with its subsidiaries (the “**Group**”), I hereby present the annual report of the Group for the financial year ended 31 December 2017 (“**FY2017**” or the “**Year**”).

FINANCIAL RESULTS

During the Year, the Group's revenue and gross profit were approximately RMB1,792.4 million and RMB715.8 million, respectively (the revenue and gross profit for the financial year ended 31 December 2016 (“**FY2016**”): RMB2,335.8 million and RMB1,285.9 million, respectively). Basic earnings per share for FY2017 were RMB6.1 cents (FY2016: RMB8.7 cents).

MARKET AND OPERATION REVIEW

In 2017, China's economy continued to grow steadily and attained a Gross Domestic Product (“**GDP**”) of RMB82,712.2 billion, representing an increase of 6.9% compared to last year, with 0.2% increase in growth rate. The tertiary sector experienced an increase of 8.0% over the previous year and a 0.3% increase in growth rate, outperforming the primary and secondary sectors. The tertiary sector's contribution to the economy continued to increase. The final consumption expenditure contributed to 58.8% of the overall economic growth, and consumption demand remained the major driving force of China's economic growth. Strategic emerging industries, high-tech industries and other emerging industries sustained relatively high growth. New momentum has become crucial for maintaining steady economic growth, the quality of which has continuously improved. In 2017, the total investment in property development was RMB10,979.9 billion, representing an increase of 7% compared to 2016, at a growth rate similar to the previous year. Due to large inventory and low sales, the respective growth rate of investments in office building and commercial property development was as low as 3.5% and -1.2%, far below the 9.4% growth rate of investment in residential property development.

致各位股東：

本人謹代表毅德國際控股有限公司(「**毅德**」、**「本公司**」、**「我們**」或**「我們的**」)連同其附屬公司(「**本集團**」)董事會(「**董事會**」)謹此提呈本集團截至2017年12月31日止財政年度(「**2017財政年度**」或**「本年度**」)的年度報告。

業績

本年度，本集團的收益及毛利分別約為人民幣1,792.4百萬元及人民幣715.8百萬元(截至2016年12月31日止財政年度(「**2016財政年度**」)收益及毛利：分別為人民幣2,335.8百萬元及人民幣1,285.9百萬元)。2017財政年度每股基本盈利為人民幣6.1分(2016財政年度：人民幣8.7分)。

市場及運營回顧

2017年，中國經濟延續了穩中有進的發展態勢，國內生產總值(「**GDP**」)為人民幣82,712億元，比上年增長6.9%，增速提高了0.2個百分點。其中，第三產業比上年增長8.0%，增速提高0.3個百分點，發展快於第一產業和第二產業。服務業對經濟增長的貢獻不斷提高。最終消費支出對經濟增長的貢獻率為58.8%，消費需求仍是拉動經濟增長的主要拉動力。戰略性新興產業、高技術產業等新興行業保持較高增長，新動能成為保持經濟平穩增長的重要動力，經濟增長質量不斷提高。2017年房地產開發投資總額為人民幣109,799億元，比上年增長7%，增速與上年基本持平。受存貨量大、銷售緩慢的影響，辦公樓和商業營業用房開發投資增速僅為3.5%和-1.2%，遠低於住宅開發投資9.4%的增速。

CHAIRMAN'S STATEMENT 主席報告

For China's property market, regulatory control policies were launched at unprecedented frequency in 2017. Under the policy of "providing guidance by categories, imposing policies by cities", the Group captured opportunities engendered by the property market destocking movement in tier-three and tier-four cities. In 2017, following the principal of steady progression, despite property buyers' wait-and-see attitude, we attained contracted sales of RMB2,718.9 million, representing an increase of 7.6% compared to 2016. In 2017, our Liuzhou Trade Center Project, the Group's new available-for-sale project, achieved outstanding performance in recording contracted sales of approximately RMB1,048.8 million. The success was inseparable from the Group's strategic positioning of the project, close attention to important issues in project development and construction, and formulation of innovative marketing strategies.

In 2017, the Group made important breakthroughs in its cooperation with major merchants. Following its signing of the strategic cooperation agreement with the Group, the Red Star Macalline Group officially entered into the Group's Ganzhou Trade Center which celebrated its grand opening in September 2017. Our Ganzhou Trade Center has an operating area of nearly 70,000 sq.m, home to more than 400 medium to high-end furniture and home furnishing brands, attracting large customer traffic, and has become a basecamp for Ganzhou's home furniture and appliance industry. Meanwhile, following the signing of the strategic cooperation agreement with the Easyhome Investment Group, we commenced cooperation with the Easyhome Investment Group at our Yulin Trade Center and Liuzhou Trade Center in February, bringing new vibe and vitality to our trade centers.

The Groups' regular business has seen a stable growth this year. In 2017, our property management revenue amounted to approximately RMB49.7 million, representing an increase of 18.1% over the previous year. The significant increase in revenue was due to the constant expansion of our property management business and the increase in the number and size of properties under our management.

對於中國房地產市場而言，2017年調控政策出台的密集程度史無前例，在「分類調控、因城施策」的調控政策作用下，本集團緊抓三四線城市房地產市場去庫存的契機，以穩中取進為原則，在購房者觀望情緒持續的情況下，於2017年度錄得合約銷售金額約人民幣2,718.9百萬元，較上一年增長7.6%。其中，柳州商貿物流中心項目作為本集團的新增可售項目，2017年錄得合約銷售金額約人民幣1,048.8百萬元，為本集團創造了佳績。這與本集團對項目的戰略性定位，開發建設重要節點的把控，營銷方案的定制創新密不可分。

2017年，本集團在與主力商家合作方面取得新的進展。繼本集團與紅星美凱龍集團簽訂戰略合作協議，紅星美凱龍集團正式進駐本集團贛州商貿物流中心，經營面積近7萬平方米，內含400余家中高端建材家具品牌，於2017年9月盛大開業，吸引了大量顧客光顧，成為了贛州市家居行業新的風向標。同時，繼本集團與居然之家集團簽訂戰略合作協議，本集團玉林商貿物流中心及柳州毅德商貿物流中心與居然之家集團的合作於2017年2月正式簽約落地，為項目的興旺發展注入了新的活力和生機。

本集團經常性業務於本年度獲得持續穩定的增長。2017年，本集團來自物業管理服務的收入約為人民幣49.7百萬元，較上一年增長了18.1%。此類收入的顯著增長，得益於我們物業管理服務業務的持續擴展以及所管理物業的數量和面積的增加。

Moreover, the Group's internally-developed and self-operated shop management software "Yi Zhang Gui (毅掌櫃)" and aggregated payment system, "Yi Qi Fu (毅起付)" were officially launched in 2017 at, amongst others, our Mianyang, Ganzhou, Jining, Yantai, Lanzhou Trade Centers, signaling the formation of Hydoo's Internet platform matrix. Our shop management software "Yi Zhang Gui (毅掌櫃)", integrates the functions of, amongst others, shop management, payment, sales record management, integrated logistics, supplier integration, financial management and membership marketing, and gathers the best sourcing channels in China to provide easy access for merchants to source quality goods at the best price. Moreover, "Yi Qi Fu (毅起付)" cooperates with several banking institutions, bringing financing, wealth management, insurance and other financial services to its platform, meeting merchants' needs such as fund activation and assets value maintenance and appreciation. "Yi Qi Fu (毅起付)" has helped traditional businesses solve many obstacles, playing an important role in expanding their business while cutting cost. We launched the "Yi Qi Fu (毅起付)" payment system, which is positioned as a channel for aggregated payment, supporting multi-channel access. When a trade order is generated, our payment system enables next-day fund transfer through banks directly to the merchant's business account, ensuring fund safety and lower customer charge rate. Merchants can also access and view their transaction records on mobile devices such as mobile phones anytime and anywhere, with monthly bank reconciliation. Furthermore, in addition to our trade order settlement service, "Yi Qi Fu (毅起付)" also provides smart management service to its users, enabling merchants to access customer and sales data with better accuracy, thereby improving customer stickiness.

PROSPECTS

China's economy has shifted from a phase of rapid growth to a phase of high-quality development. It is envisaged that the macroeconomic policies in 2018 will be based on the new normal of economic development, guided by the new era and new development, and focusing on supply-side structural reform. The policies will aim to enhance the attractiveness and competitiveness of the real economy, improve the allocation of existing resources, enhance innovation-drive, help bring out the fundamental role of consumption, and promote rational growth of effective investments especially in the private sector. The strategic decisions made by the China Central Economic Works Conference send the message that macroeconomic policies will no longer aim for rapid economic growth but to prevent major risk and foster new momentum for economic development instead.

此外，本集團自主研發運營的店鋪管理軟件——「毅掌櫃」以及聚合支付系統——「毅起付」於2017年在綿陽、贛州、濟寧、煙台、蘭州等商貿物流中心項目正式啟用，毅德的互聯網矩陣平台已初步成型。我們推出的「毅掌櫃」店鋪管理軟件，集合「商鋪管理，費用繳納、進銷存錄入和管控、集成極速物流、供應商整合、融資理財、會員營銷等功能於一體，最大可能地聚集全國優質貨源渠道，方便商鋪經營者甄選理想的貨品和優惠的進貨價。同時，「毅掌櫃」還與多家銀行機構合作，將融資、理財、保險等「金融服務」納入平台，滿足了商鋪經營者盤活資金、讓資產保值升值等需求。「毅掌櫃」解決了傳統商戶面臨的諸多痛點，是商戶拓展業務、降低成本的利器。我們推出的「毅起付」支付系統，定位於新型「聚合支付」智能移動客戶端，支持多渠道收費。交易訂單產生時，資金可於第二个工作日直接通過銀行到達商家賬戶，保障資金安全，且顧客消費費率更低。商家亦可隨時隨地通過手機等移動設備查閱交易數據，帳目清晰，月末僅需一次對賬。此外，在滿足收單結算的同時，「毅起付」還支持會員智能管理的功能，商家獲客營銷更精準，令消費者黏性更強。

前景

中國經濟已由高速增長階段轉向高質量發展階段。2018年宏觀經濟政策將立足於經濟發展的新常態，以新時代、新發展為指導，以供給側結構性改革為主線，強化實體經濟吸引力和競爭力，優化存量資源配置，強化創新驅動，發揮消費的基礎性作用，促進有效投資特別是民間投資的合理增長。從中央經濟工作會議作出的決策部署可以看出，宏觀經濟政策不再盯住高速經濟增長，而是著眼於防範化解重大風險和培育經濟發展新動能。

CHAIRMAN'S STATEMENT 主席報告

“Regulation and Control” will still be the keynote of China's property market in 2018. With increasingly strict credit policies and control over the funds available in the property industry, financing cost and difficulty in obtaining financing have increased. The Central Economic Works Conference emphasised the necessity to move faster to put in place a housing system that ensures supply through multiple sources, provides housing support through multiple channels, and encourages both housing purchase and renting. It was also made clear that the government aims to improve the long-term mechanism for steady and healthy development of the property market, to maintain the continuity and stability of the regulatory policies over the property market, and to implement differential control. We believe that as a result of stricter property credit policies, the mergers and acquisitions of property companies will accelerate, and the competition in the market will inevitably intensify. In order to seek stable development, the Group will deepen its transformation and risk avoidance efforts, concentrating its resources on developing core businesses whilst fostering emerging businesses in 2nd- and 3rd-tier cities with dense population and suitable conditions.

For the development of core businesses, we will take the following key measures. Firstly, we aim to speed up the project development process, funds recovery and cost reduction. We will fully appraise policy factors, reasonably arrange construction time, capture development pace and further improve our adaptability to market changes. Secondly, in relation to customer solicitation, we will implement strategic alliance strategies and cooperate with reputable enterprises to bring out their respective advantages and achieve a win-win situation. Thirdly, we will study advantageous businesses and businesses with high potentials, along with China's policy directions in relation to the property market, to enhance our market insight, enter into new profitable businesses and upgrade our existing core businesses.

2018年，「調控」依然是中國房地產市場的主基調。隨著信貸政策對房地產行業資金管理更趨嚴格，房地產行業融資成本及難度均有增加。中央經濟工作會議指出，要加快建立多主體供應、多渠道保障、租購並舉的住房制度。完善促進房地產市場平穩健康發展的長效機制，保持房地產市場調控政策的連續性和穩定性，實行差別化調控。我們判斷，伴隨房地產信貸的收緊，企業併購重組將加速，市場競爭勢必加劇，為謀求穩定發展，本集團將深化轉型、規避風險，集中我們的優勢資源於人口密集、條件恰當的二、三線城市發展核心業務，培育新興業務。

在發展核心業務方面，本集團將採取以下重點舉措：一是提高項目開發運營速度，加快運作，儘快回收資金，降低成本。充分評估政策性因素，合理安排工期，把握好開發節奏，進一步提高對市場變化的應變能力；二是在招商方面，實施戰略聯盟策略，與優秀的企業合作，發揮各自優勢，實現共贏。三是梳理優勢業態和潛力業態，結合中國房地產行業政策調控方向，加強市場洞察能力，創新新業態，推進核心業務的升級。

CHAIRMAN'S STATEMENT 主席報告

For fostering emerging businesses, the Group achieved major breakthroughs in Internet platform construction in the beginning of 2018. In February 2018, we entered into a strategic cooperation agreement with JD.com Inc. ("JD") to jointly build the "Boundless Trade Cities" project. Our cooperation includes logistics services, financial services, e-commerce services, technical cooperation and the overall export of our business model. The cooperation aims to promote the digital transformation of traditional commerce and trade cities, commencing both online and offline cooperation, in aim to serve as a model for industrial reform. It will facilitate and push the Group towards the direction of "organic integration of online and offline operation" with the strategic alignment and the restructuring of "national network + regional business hub + industrial cluster", optimising the operating business conditions of offline merchants, supporting local governments in enhancing the local business ecology and ultimately increasing the profit-making capacity of offline merchants through restructuring the cost, efficiency and customer experience of offline merchants, in order to achieve the Group's sustainable development and co-existence with offline merchants.

APPRECIATION

Lastly, on behalf of the Board, I would like to take this opportunity to express my sincere gratitude to our valued shareholders, customers and business partners for their trust and support, I would also like to thank all our staff for their professionalism and wholehearted commitment.

Wang Jianli

Chairman

Hong Kong, 29 March 2018

在培育新興業務方面，本集團於2018年開年在互聯網平台建設板塊取得進一步突破。我們於2018年2月與JD.com Inc.（「京東」）訂立了戰略合作協議，共同打造「無界商貿城」項目。合作的領域包括物流服務、金融服務、電子商務服務、技術合作以及商業模式的整體輸出。本次合作，以推動傳統商貿城數字轉型先行先試、線上線下開放合作、產業改革全新典範為目標，將有利於本集團向具有戰略高度的「線上線下有機融合」、重構「全國網絡+區域商業樞紐+產業集群」的方向迅速推進，優化實體商戶生存業態、支持地方政府提升地方商業生態，並最終通過重構實體商貿的成本、效率與客戶體驗，提升實體商貿的利潤獲取能力，實現本集團的可持續發展，與實體商戶的共存、共榮。

致謝

最後，本人借此機會謹代表董事會衷心感謝所有股東、客戶及業務夥伴對本集團一直以來的信任及支持，同時亦感謝全體員工的敬業精神及所做出的重大貢獻。

王健利

主席

香港，2018年3月29日

MANAGEMENT DISCUSSION AND ANALYSIS

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BUSINESS REVIEW

Review of FY2017 Performance

Contracted Sales Performance

In FY2017, the Group recorded contracted sales of approximately RMB2,718.9 million and contracted sales area of 466,115 sq.m., representing an increase of 7.6% and a decrease of 7.5%, respectively (FY2016: approximately RMB2,527.2 million and 503,870 sq.m.). Contracted sales recorded during the Year were primarily in relation to the pre-sale of properties for projects in Liuzhou, Lanzhou, Bengbu, Heze and Jinan.

業務回顧

2017財政年度表現回顧

合約銷售表現

於2017財政年度，本集團錄得合約銷售金額約人民幣2,718.9百萬元及合約銷售面積466,115平方米，分別增加7.6%及減少7.5%(2016財政年度：約人民幣2,527.2百萬元及503,870平方米)。年內的合約銷售主要來自柳州、蘭州、蚌埠、荷澤及濟寧項目的預售。

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Details of contracted sales recorded in FY2017 are shown in the table below:

2017 財政年度合約銷售的詳情載於下表：

		For the year ended 31 December 截至 12 月 31 日止年度					
		2017			2016		
		Average			Average		
		contracted sales	Contracted sales		contracted sales	Contracted sales	
		price (before	amount (before		price (before	amount (before	
		deduction of	deduction of value		deduction of	deduction of	
		business tax,	business tax, value		business tax,	business tax, value	
		value added tax	added tax and		value added tax	added tax and	
		and surcharges)	surcharges)		and surcharges)	surcharges)	
		Contracted	Contracted		Contracted	Contracted	
		sales area	sales area		sales area	sales area	
		合約銷售	合約銷售		合約銷售	合約銷售	
		平均售價	平均售價		平均售價	平均售價	
		(除增值稅及	(除增值稅及		(除營業稅，	(除營業稅，	
		附加費前)	附加費前)		增值稅及	增值稅及	
		合約銷售面積	合約銷售面積		合約銷售面積	合約銷售面積	
		附加費前)	附加費前)		附加費前)	附加費前)	
(contracted sales area in sq.m., average contracted sales price in RMB per sq.m. and contracted sales amount in thousands of RMB)							
(合約銷售面積以平方米計，合約銷售平均售價以每平方米人民幣元計及合約銷售金額以人民幣千元計)							
Liuzhou Trade Center	柳州商貿物流中心						
Wholesale trading market units	獨立交易展示區單元	121,102	8,660	1,048,778	—	—	—
Lanzhou Trade Center	蘭州商貿物流中心						
Wholesale trading market units	獨立交易展示區單元	74,986	5,807	435,408	80,626	6,995	563,959
Bengbu Commercial and Residential Project	蚌埠商業及住宅項目						
Residence	住宅	69,189	4,526	313,140	83,406	3,038	253,370
Heze Trade Center	菏澤商貿物流中心						
Wholesale trading market units	獨立交易展示區單元	57,656	4,178	240,869	24,765	4,731	117,170
Jining Trade Center	濟寧商貿物流中心						
Residence	住宅	28,174	4,801	135,273	33,931	4,432	150,380
Wholesale trading market units	獨立交易展示區單元	15,885	4,134	65,662	7,977	4,633	36,960
Wuzhou Trade Center	梧州商貿物流中心						
Wholesale trading market units	獨立交易展示區單元	33,629	4,620	155,372	63,805	5,326	339,800
Xingning Trade Center	興寧商貿物流中心						
Wholesale trading market units	獨立交易展示區單元	19,600	5,908	115,790	47,907	6,034	289,050
Ningxiang Trade Center	寧鄉商貿物流中心						
Serviced apartments	酒店式公寓	13,928	4,237	59,011	700	3,400	2,380

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For the year ended 31 December
截至 12 月 31 日止年度

		2017			2016		
		Average		Contracted sales		Average	
		contracted sales	Contracted sales	price (before	amount (before	contracted sales	Contracted sales
		price (before	amount (before	deduction of	deduction of	price (before	amount (before
		deduction of	deduction of value	business tax,	business tax, value	deduction of	deduction of
		value added tax	added tax and	value added tax	added tax and	business tax,	business tax, value
		and surcharges)	surcharges)	and surcharges)	and surcharges)	value added tax	added tax and
		Contracted	Contracted	Contracted	Contracted	value added tax	added tax and
		sales area	sales area	sales area	sales area	and surcharges)	surcharges)
		合約銷售	合約銷售	合約銷售	合約銷售	合約銷售	合約銷售
		平均售價	平均售價	平均售價	平均售價	平均售價	平均售價
		(除增值稅及	(除增值稅及	(除增值稅及	(除增值稅及	(除增值稅及	(除增值稅及
		附加費前)	附加費前)	附加費前)	附加費前)	附加費前)	附加費前)
		合約銷售面積	合約銷售面積	合約銷售面積	合約銷售面積	合約銷售面積	合約銷售面積
(contracted sales area in sq.m., average contracted sales price in RMB per sq.m. and contracted sales amount in thousands of RMB)							
(合約銷售面積以平方米計、合約銷售平均售價以每平方米人民幣元計及合約銷售金額以人民幣千元計)							
Ganzhou Trade Center	贛州商貿物流中心						
Wholesale trading market units	獨立交易展示區單元	4,319	7,516	32,463	3,235	7,737	25,030
Residence	住宅	5,610	4,442	24,920	74,219	4,130	306,498
Shopping mall	綜合交易展示區	—	—	—	110	10,000	1,100
Yulin Trade Center	玉林商貿物流中心						
Wholesale trading market units	獨立交易展示區單元	8,511	4,994	42,503	72,977	5,166	377,010
Shopping mall	綜合交易展示區	—	—	—	134	11,791	1,580
Mianyang Trade Center	綿陽商貿物流中心						
Wholesale trading market units	獨立交易展示區單元	3,508	5,344	18,746	6,519	5,930	38,660
Others	其他	7,120	1,685	12,000	—	—	—
Yantai Trade Center	煙台商貿物流中心						
Wholesale trading market units	獨立交易展示區單元	2,898	6,546	18,970	3,559	6,805	24,220
Total	總計	466,115	5,833	2,718,905	503,870	5,016	2,527,167

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Land Acquisition and Land Bank

In FY2017, we acquired land-use rights with an aggregate total site area of approximately 313,934 sq.m., which is expected to have an aggregate estimated gross floor area (the "GFA") of approximately 561,037 sq.m.. As of 31 December 2017, we had a total land bank of approximately 9.5 million sq.m., and we were simultaneously developing 12 projects in 7 provinces and autonomous regions in China.

Details of land bank for each project are shown in the table below:

土地收購及土地儲備

於2017財政年度，我們收購總佔地面積合共約313,934平方米的土地使用權，該土地上規劃物業的估計總建築面積（「總建築面積」）約為561,037平方米。截至2017年12月31日，我們有土地儲備合共約9.5百萬平方米，並正於中國的七個省份及自治區同時開發十二個項目。

各項目土地儲備詳情載於下表：

		Completed Properties		Undelivered		Properties under Development	Properties Planned for Future Development	Land bank
		Actual GFA of completed properties	Saleable GFA of completed properties	Total GFA of properties delivered as of 31/12/2017	GFA of completed properties as of 31/12/2017	Estimated GFA of properties under development	Estimated GFA of properties planned for future development	
		已完工物業實際總建築面積	已完工物業可銷售總建築面積	截至2017年12月31日已交付總建築面積	截至2017年12月31日未交付總建築面積	在建物業估計總建築面積	規劃作未來發展物業估計總建築面積	土地儲備
		sq.m. (平方米)	sq.m. (平方米)	sq.m. (平方米)	sq.m. (平方米)	sq.m. (平方米)	sq.m. (平方米)	sq.m. (平方米)
Lanzhou Trade Center	蘭州商貿物流中心	535,158	509,742	197,198	312,544	—	2,454,169	2,766,713
Ganzhou Trade Center	贛州商貿物流中心	693,777	667,472	557,928	109,544	276,939	2,373,423	2,759,906
Jining Trade Center	濟寧商貿物流中心	678,905	650,995	522,664	128,331	372,622	316,929	817,882
Wuzhou Trade Center	梧州商貿物流中心	452,759	405,168	250,848	154,320	—	662,061	816,381
Heze Trade Center	菏澤商貿物流中心	247,166	229,424	169,618	59,806	54,680	427,787	542,273
Jiamusi Trade Center	佳木斯商貿物流中心	6,344	6,344	—	6,344	—	483,089	489,433
Yulin Trade Center	玉林商貿物流中心	418,961	364,677	235,325	129,352	16,084	311,412	456,848
Yantai Trade Center	煙台商貿物流中心	141,040	114,147	33,303	80,844	13,172	191,228	285,244
Liuzhou Trade Center	柳州商貿物流中心	154,517	154,517	59,011	95,506	34,216	111,228	240,950
Ningxiang Trade Center	寧鄉商貿物流中心	382,842	370,175	282,123	88,052	61,518	—	149,570
Mianyang Trade Center	綿陽商貿物流中心	511,435	434,236	389,401	44,835	—	80,321	125,156
HaoDe Yinzuo	豪德銀座	48,650	48,650	38,780	9,870	—	—	9,870
Total	總計	4,271,554	3,955,547	2,736,199	1,219,348	829,231	7,411,647	9,460,226

MANAGEMENT DISCUSSION AND ANALYSIS

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OUR PROJECTS

Lanzhou Trade Center

Lanzhou Trade Center is located in Yuzhong County, Lanzhou, which is next to the community of Lanzhou College. It is located in the south of Qinling Highway and 312 National Road and the north of 309 National Road, and is approximately 15 kilometers from downtown Lanzhou City, 20 kilometers and 80 kilometers from the railway station and airport of Lanzhou City, respectively.

Lanzhou Trade Center is planned to cover a site area of approximately 4.0 million sq.m. and has an aggregate estimated GFA of approximately 6.0 million sq.m, which is expected to be developed at least in two phases. As of 31 December 2017, we had acquired the land-use rights encompassing a total site area of 1,622,080 sq.m., with a total GFA of 2,989,327 sq.m. upon completion.

As of 31 December 2017, for this trade center project, we had completed the construction of wholesale trading markets and a commercial pedestrian street. As part of our future development plan, we are planning to construct shopping malls, residential areas and additional wholesale trading markets.

Ganzhou Trade Center

Ganzhou Trade Center is strategically located in southwestern Jiangxi province near the intersection of Jiangxi, Hunan and Guangdong provinces. Ganzhou lies along a major transportation route connecting the inland areas of China with China's southeastern coast. There are two major railways intersecting in Ganzhou, namely the Jing-Jiu Railway and the Gan-Long Railway.

Ganzhou Trade Center covers a net land area of approximately 1,475,298 sq.m., which is estimated to consist of at least two phases, and is estimated to have a total GFA of approximately 3.3 million sq.m. upon full completion. As of 31 December 2017, we had acquired all the land-use rights for this trade center project.

我們的項目

蘭州商貿物流中心

蘭州商貿物流中心位於蘭州市榆中縣，毗連蘭州大學城。蘭州商貿物流中心位於秦嶺高速公路及312國道以南以及309國道以北，距離蘭州市市中心、蘭州市火車站及機場分別約15公里、20公里及80公里。

蘭州商貿物流中心計劃涵蓋的佔地面積及估計總建築面積分別約4.0百萬平方米及約6.0百萬平方米，預期至少分兩期開發。截至2017年12月31日，我們已取得總佔地面積1,622,080平方米的土地使用權。竣工後，預期總建築面積約為2,989,327平方米。

截至2017年12月31日，我們已建成該商貿物流中心的獨立交易展示區及商業步行街。根據我們的未來發展規劃，我們計劃興建綜合交易展示區、住宅及更多的獨立交易展示區。

贛州商貿物流中心

贛州商貿物流中心戰略上坐落於江西省西南部，臨近江西、湖南及廣東三省的交界處。贛州是連接中國內陸與中國東南沿海的重要通道。贛州坐落於兩條重要鐵路（京九鐵路及贛龍鐵路）的交匯處。

贛州商貿物流中心涵蓋的淨佔地面積約1,475,298平方米，預期至少分兩期開發，全面竣工後，預計總建築面積約3.3百萬平方米。截至2017年12月31日，我們已取得該商貿物流中心所有的土地使用權。

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As of 31 December 2017, we had completed the construction of wholesale trading markets, shopping malls and certain supporting buildings and facilities. We are constructing a food street, a logistics distribution center, warehouses and a residential area. As part of our future development plan, we are planning to construct a commercial and exhibition center, additional shopping malls, residential areas, warehouses, office buildings and hotels.

Jining Trade Center

Jining Trade Center is located approximately six kilometers west of Jining, a prefecture-level city in southwestern Shandong province, and is one of the three major industrial bases in Shandong province. It is easily accessible by a number of connecting bus lines, and lies within ten kilometers of the Jining train station and 30 kilometers of the Jining Qufu airport.

Jining Trade Center is planned to cover a site area of approximately 2.0 million sq.m. and has an aggregate estimated GFA of approximately 3.0 million sq.m., which is expected to be developed in three phases. As of 31 December 2017, we had acquired land-use rights for all of Phase I and Phase II, encompassing a total site area of 975,863 sq.m., and expect a total GFA of 1,368,456 sq.m. upon full completion of Phase I and Phase II.

As of 31 December 2017, for this trade center project, we had completed the construction of wholesale trading markets, a shopping mall and a residential area, and were constructing a shopping mall, a commercial center, a hotel, an office building, a residential area and a commercial and exhibition center. As part of our future development plan, we are planning to construct warehouses, serviced apartments, a residential area and office buildings.

截至2017年12月31日，我們已建成獨立交易展示區、綜合交易展示區及若干配套建築和設施，正在興建美食街、物流配送中心、倉庫及住宅。根據我們的未來發展規劃，我們計劃興建會展中心、更多的綜合交易展示區、住宅、倉庫、寫字樓及酒店。

濟寧商貿物流中心

濟寧商貿物流中心坐落於山東省西南部地級市濟寧市以西約6公里處，是山東省三大工業基地之一，有多條公交線路途經此處，交通甚為便利。其距離濟寧火車站不到10公里，距離濟寧曲阜機場不到30公里。

濟寧商貿物流中心計劃涵蓋的佔地面積及估計總建築面積分別約2.0百萬平方米及約3.0百萬平方米，預期將分三期開發。截至2017年12月31日，我們已取得第一期及第二期總佔地面積975,863平方米的所有土地使用權。第一期及第二期全面竣工後，預計總建築面積約為1,368,456平方米。

截至2017年12月31日，我們已建成該商貿物流中心的獨立交易展示區、綜合交易展示區及住宅，正在興建綜合交易展示區、一個商業中心、一間酒店、一棟寫字樓、住宅及會展中心。根據我們的未來發展規劃，我們計劃興建倉庫、酒店式公寓、住宅及寫字樓。

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Wuzhou Trade Center

Wuzhou Trade Center is strategically located in Wuzhou, a city in eastern Guangxi near the border of Guangxi and Guangdong provinces. It is approximately 370 kilometers east of Nanning, the capital of Guangxi, and approximately 270 kilometers west of Guangzhou, the capital of Guangdong.

Wuzhou Trade Center is planned to cover a site area of approximately 1.3 million sq.m. and has an aggregate estimated GFA of approximately 2.0 million sq.m., which is expected to be developed in two phases. As of 31 December 2017, we had acquired land-use rights for all of Phase I, encompassing a total site area of 599,642 sq.m. with a total GFA of 1,114,820 sq.m. upon full completion of Phase I development.

As of 31 December 2017, for this trade center project, we had completed the construction of wholesale trading markets, shopping malls, a commercial and exhibition center, and certain supporting buildings and facilities. As part of our future development plan, we are planning to construct a residential area, office buildings, serviced apartments, a hotel and additional shopping malls.

Heze Trade Center

Heze Trade Center is located in the city's central Mudan District, along National Highway 220, and is approximately two kilometers from Heze's city center.

Heze Trade Center is planned to cover a site area of approximately 8.0 million sq.m. and has an aggregate estimated GFA of approximately 12.0 million sq.m., which is expected to be developed in three phases. As of 31 December 2017, we had acquired land-use rights for all of Phase I and a portion of Phase II, encompassing a total site area of 587,239 sq.m. with a total planned GFA of approximately 729,633 sq.m. upon completion of the Phase I and Phase II development.

As of 31 December 2017, for this trade center project, we had completed the construction of wholesale trading markets and a commercial center, and were constructing a shopping mall. As part of our future development plan, we are planning to construct office buildings, serviced apartments, additional shopping malls and wholesale trading markets.

梧州商貿物流中心

梧州商貿物流中心戰略上坐落於梧州市。梧州市位於廣西壯族自治區東部，臨近廣西與廣東省的交界處，位於廣西壯族自治區首府南寧市以東約370公里及廣東省省會廣州市以西約270公里。

梧州商貿物流中心計劃涵蓋佔地面積及估計總建築面積分別約1.3百萬平方米及約2.0百萬平方米，預期將分兩期開發。截至2017年12月31日，我們已取得第一期總佔地面積599,642平方米的所有土地使用權。第一期全面竣工後，建築面積為1,114,820平方米。

截至2017年12月31日，我們已建成該商貿物流中心的獨立交易展示區、綜合交易展示區、會展中心及若干配套建築和設施。根據我們的未來發展規劃，我們計劃興建住宅、寫字樓、酒店式公寓、一間酒店及更多綜合交易展示區。

荷澤商貿物流中心

荷澤商貿物流中心位於市中心的牡丹區，220國道的沿線，距離荷澤市中心約2公里。

荷澤商貿物流中心計劃涵蓋的佔地面積及估計總建築面積分別約8.0百萬平方米及約12.0百萬平方米，預期分三期開發。截至2017年12月31日，我們已取得總佔地面積587,239平方米的第一期所有及第二期部分土地使用權，第一期及第二期全面竣工後，預計總建築面積約729,633平方米。

截至2017年12月31日，我們已建成該商貿物流中心項目的獨立交易展示區及商業中心，正興建綜合交易展示區。根據我們的未來發展規劃，我們計劃興建寫字樓、酒店式公寓、更多綜合交易展示區及獨立交易展示區。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Jiamusi Trade Center

Jiamusi Trade Center is located in Jiamusi City, the core city and transportation hub in eastern Heilongjiang. It is located approximately ten kilometers west of Jiamusi's city hall, in the north of Youyi Road (the urban main road), and one kilometer from Ha-Tong Freeway.

Jiamusi Trade Center is estimated to cover a site area of approximately 2.0 million sq.m. and has an aggregate estimated GFA of approximately 3.0 million sq.m., which is expected to be developed in several phases. As of 31 December 2017, we had acquired land use rights for Phase I development, encompassing a total site area of 484,708 sq.m., with a total planned GFA of 489,433 sq.m..

As of 31 December 2017, for this trade center project, we had completed a commercial center. As part of our future development plan, we are planning to construct wholesale trading markets, shopping malls, a hotel and certain supporting buildings and facilities.

Yulin Trade Center

Yulin Trade Center is located approximately two kilometers from Yulin, the fourth largest city in Guangxi, located along the border with Guangdong province. The trade center's northern edge is bounded by Yulin Second Ring Road. It is three kilometers from Guang-Kun Freeway and is within ten kilometers of Yulin train station.

Yulin Trade Center is planned to cover a site area of approximately 1.2 million sq.m. and has an aggregate estimated GFA of approximately 2.0 million sq.m., which is expected to be developed in several phases. As of 31 December 2017, we had acquired land-use rights for all of Phase I, Phase II and a portion of Phase III, encompassing a total site area of 569,706 sq.m. with a total planned GFA of approximately 746,457 sq.m. upon full completion of Phase I, Phase II and Phase III development.

As of 31 December 2017, for this trade center project, we had completed the construction of wholesale trading markets, shopping malls and a commercial and exhibition center, and were constructing additional wholesale trading markets. As part of our future development plan, we are planning to construct a hotel, serviced apartments, residential areas and additional wholesale trading markets.

佳木斯商貿物流中心

佳木斯商貿物流中心位於黑龍江省東部城市群核心及交通樞紐佳木斯市。商貿物流中心距離佳木斯市政府以西約10公里，城市主幹道友誼路北側，距離哈同高速公路1公里。

佳木斯商貿物流中心計劃涵蓋的佔地面積及總建築面積分別約2.0百萬平方米及約3.0百萬平方米，預期分幾期開發。截至2017年12月31日，我們已取得第一期總佔地面積約為484,708平方米的土地使用權，計劃總建築面積約為489,433平方米。

截至2017年12月31日，我們已建成該商貿物流中心項目的商業中心。根據我們的未來發展規劃，我們計劃興建獨立交易展示區、綜合交易展示區、一間酒店及若干配套建築和設施。

玉林商貿物流中心

玉林商貿物流中心距離廣西壯族自治區的第四大城市玉林市約2公里，位於與廣東省的交界處。商貿物流中心北靠玉林市二環路，距廣昆高速公路3公里，距玉林火車站不到10公里。

玉林商貿物流中心計劃涵蓋佔地面積及估計總建築面積分別為約1.2百萬平方米及約2.0百萬平方米，預期會分多期開發。截至2017年12月31日，我們已取得總佔地面積569,706平方米的第一期及第二期所有及第三期部分土地使用權，於第一期、第二期及第三期開發全面竣工後，預計總建築面積約為746,457平方米。

截至2017年12月31日，我們已建成該商貿物流中心項目的獨立交易展示區、綜合交易展示區及會展中心，正興建更多獨立交易展示區。根據我們的未來發展規劃，我們計劃興建一間酒店、酒店式公寓、住宅及更多的獨立交易展示區。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Yantai Trade Center

Yantai Trade Center is located in southern Zhifu District of Yantai City, west of Shenhai Highway, nine kilometers north of Yantai railway station, east of the Yantai wharf and 9.5 kilometers south of the Laishan International Airport and Rongwu Highway. The location of Yantai Trade Center has exceptional geographical and transportation advantages.

Yantai Trade Center is planned to cover a site area of approximately 1.3 million sq.m. and has an aggregate estimated GFA of approximately 2.4 million sq.m., which is expected to be developed in several phases. As of 31 December 2017, we had acquired land-use rights for all of Phase I, encompassing a total site area of 160,056 sq.m. with a total planned GFA of 345,440 sq.m. upon completion.

As of 31 December 2017, for this trade center project we had completed the construction of wholesale trading markets, we were constructing a commercial center and certain supporting buildings and facilities. As part of our future development plan, we are planning to construct wholesale trading markets, shopping malls, an office building and serviced apartments.

Liuzhou Trade Center

Liuzhou Trade Center is located in Liujiang Town, Liuzhou City, Guangxi Zhuang Autonomous Region. It is located in the east of Xianggui railway and in the south of Liujiang Road.

Liuzhou Trade Center is estimated to cover a site area of approximately 1.2 million sq.m. and has an aggregate estimated GFA of approximately 1.5 million sq.m., which is expected to be developed in several phases. As of 31 December 2017, we had acquired the land-use rights for all of Phase I, encompassing a total site area of 259,577 sq.m., with a total planned GFA of 299,961 sq.m..

As of 31 December 2017, for this trade center project, we had completed the construction of wholesale trading markets, and were constructing additional wholesale trading markets. As part of our future development plan, we are planning to construct wholesale trading markets, shopping malls, office buildings, a commercial center and certain supporting buildings and facilities.

煙台商貿物流中心

煙台商貿物流中心位於煙台市芝罘區以南、瀋海高速公路以西、煙台火車站以北9公里、煙台碼頭以東以及萊山國際機場及榮烏高速公路以南9.5公里。煙台商貿物流中心地理位置優越且具備交通優勢。

煙台商貿物流中心計劃涵蓋的佔地面積及估計總建築面積分別約1.3百萬平方米及約2.4百萬平方米，預期分幾期開發。截至2017年12月31日，我們已取得第一期總佔地面積160,056平方米的所有土地使用權，竣工後的總建築面積約為345,440平方米。

截至2017年12月31日，我們已建成該商貿物流中心項目的獨立交易展示區，正興建商業中心及若干配套建築和設施。根據我們的未來發展規劃，我們計劃興建獨立交易展示區、綜合交易展示區、一棟寫字樓及酒店式公寓。

柳州商貿物流中心

柳州商貿物流中心位於廣西壯族自治區柳州市柳江縣，坐落於湘桂鐵路以東及柳江路以南。

柳州商貿物流中心計劃涵蓋的土地面積及估計總建築面積分別約為1.2百萬平方米及約為1.5百萬平方米，預期分幾期開發。截至2017年12月31日，我們已取得第一期總佔地面積259,577平方米及規劃總建築面積299,961平方米的全部土地使用權。

截至2017年12月31日，我們已建成該商貿物流中心項目的獨立交易展示區，正興建更多的獨立交易展示區。根據我們的未來發展規劃，我們計劃興建獨立交易展示區、綜合交易展示區、寫字樓、商業中心及若干配套建築和設施。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Ningxiang Trade Center

Ningxiang Trade Center is located approximately three kilometers west of the city center of Ningxiang, a county in Changsha, which is the capital of Hunan province. Highway 319 runs along the eastern edge of the Ningxiang Trade Center and provides Ningxiang with convenient access to other key cities in Hunan, such as Changsha, Zhuzhou and Xiangtan.

Ningxiang Trade Center is planned to cover a site area of 1.3 million sq.m. and has an aggregate estimated GFA of approximately 1.2 million sq.m., which is expected to be developed in several phases. As of 31 December 2017, we had acquired land-use rights for all of Phase I, encompassing a total site area of 301,387 sq.m. with a total planned GFA of 444,360 sq.m. upon full completion of Phase I.

As of 31 December 2017, for this trade center project, we had completed the construction of wholesale trading markets, a freight-forwarding market, a commercial and exhibition center, warehouses, a bus terminal and information center, serviced apartments, and were constructing a hotel.

Mianyang Trade Center

Mianyang Trade Center is strategically located in Mianyang, the second largest city in Sichuan Province, approximately 120 kilometers northeast of Chengdu, the capital of Sichuan province, along the key highway and railway that connects Sichuan province and western and northern China.

Mianyang Trade Center covers a net land area of approximately 605,084 sq.m. which is expected to be developed in several phases, and is estimated to have a total GFA of approximately 591,756 sq.m. upon full completion. As of 31 December 2017, we had acquired all the land-use rights for this trade center project.

As of 31 December 2017, for this trade center project, we had completed the construction of wholesale trading markets and certain supporting buildings and facilities. As part of our future development plan, we are planning to construct additional wholesale trading markets and a hotel.

寧鄉商貿物流中心

寧鄉商貿物流中心位於湖南省省會長沙市寧鄉縣市中心以西約3公里處。319國道沿寧鄉商貿物流中心東邊延伸，為寧鄉通往長沙、株洲及湘潭等湖南其他主要城市帶來便利。

寧鄉商貿物流中心計劃涵蓋的佔地面積及估計總建築面積分別為1.3百萬平方米及約1.2百萬平方米，預期將分幾期開發。截至2017年12月31日，我們已取得第一期總佔地面積301,387平方米的所有土地使用權。第一期全面竣工後，預計總建築面積為444,360平方米。

截至2017年12月31日，我們已建成該商貿物流中心項目的獨立交易展示區、貨代市場、會展中心、倉庫、汽車總站及資訊中心以及酒店式公寓，正興建一間酒店。

綿陽商貿物流中心

綿陽商貿物流中心戰略上坐落於綿陽，綿陽是四川省第二大城市，位於四川省省會成都東北約120公里處，地處連接四川省與中國西部和北部地區的主要公路和鐵路上。

綿陽商貿物流中心佔地面積約605,084平方米，預期分幾期開發，全面竣工後，估計總建築面積約為591,756平方米。截至2017年12月31日，我們已取得該商貿物流中心項目的全部土地使用權。

截至2017年12月31日，我們已建成該商貿物流中心的獨立交易展示區及若干配套建築和設施。根據我們的未來發展規劃，我們計劃興建更多的獨立交易展示區及一間酒店。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

Revenue

Revenue decreased by RMB543.4 million, or 23.3%, from approximately RMB2,335.8 million for FY2016 to RMB1,792.4 million for FY2017. This decrease was primarily caused by a decrease in revenue from the sales of properties. The following table sets forth our revenue from the sales of properties, property management services, rental income and others during the stated periods:

		For the year ended 31 December 截至12月31日止年度			
		2017		2016	
		(RMB'000)	%	(RMB'000)	%
		(人民幣千元)	%	(人民幣千元)	%
Sales of properties	物業銷售	1,697,273	94.7%	2,226,617	95.3%
Property management services	物業管理服務	49,664	2.8%	42,092	1.8%
Rental income	租金收入	23,901	1.3%	45,130	1.9%
Others	其他	21,583	1.2%	21,938	1.0%
Total	合計	1,792,421	100.0%	2,335,777	100.0%

Sales of Properties

Revenue from the sales of properties decreased by RMB529.3 million, or 23.8%, from approximately RMB2,226.6 million for FY2016 to RMB1,697.3 million for FY2017. The decrease of the sales of properties was in line with the decrease in the GFA of properties sold, which decreased by 71,741 sq.m., or 18.1%, from 395,823 sq.m. for FY2016 to 324,082 sq.m. for FY2017. Our revenue from the sales of properties for FY2017 was primarily derived from the sales of wholesale trading market units at our Liuzhou Trade Center, Lanzhou Trade Center, Heze Trade Center and Wuzhou Trade Center.

財務回顧

收益

收益由2016財政年度的人民幣2,335.8百萬元減少人民幣543.4百萬元(即23.3%)至2017財政年度的人民幣1,792.4百萬元。收益減少的主要原因是物業銷售所得的減少。下表載列我們於所示期間來自物業銷售、物業管理服務、租金收入及其他的收益：

For the year ended 31 December 截至12月31日止年度

		2017		2016	
		(RMB'000)	%	(RMB'000)	%
		(人民幣千元)	%	(人民幣千元)	%
Sales of properties	物業銷售	1,697,273	94.7%	2,226,617	95.3%
Property management services	物業管理服務	49,664	2.8%	42,092	1.8%
Rental income	租金收入	23,901	1.3%	45,130	1.9%
Others	其他	21,583	1.2%	21,938	1.0%
Total	合計	1,792,421	100.0%	2,335,777	100.0%

物業銷售

物業銷售收益由2016財政年度的約人民幣2,226.6百萬元減少人民幣529.3百萬元(即23.8%)至2017財政年度的約人民幣1,697.3百萬元。物業銷售收益的減少符合已售物業的建築面積的減少，由2016財政年度的395,823平方米減少71,741平方米(即18.1%)至2017財政年度的324,082平方米。我們於2017財政年度的物業銷售收益主要來自柳州、蘭州、菏澤及梧州商貿物流中心的獨立交易展示區單元的銷售。

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The following table sets forth the GFA, average sales price and revenue from the properties delivered during the periods indicated:

下表載列於所示期間已交付物業的建築面積、平均售價及收益：

		For the year ended 31 December 截至12月31日止年度					
		2017			2016		
		GFA	Average sales price	Revenue	GFA	Average sales price	Revenue
		建築面積	平均售價	收益	建築面積	平均售價	收益
(GFA in sq.m., average sales price in RMB per sq.m. and revenue in thousands of RMB) (建築面積以平方米計、平均售價以每平方米人民幣元計及收益以人民幣千元計)							
Liuzhou Trade Center	柳州商貿物流中心						
Wholesale trading market units	獨立交易展示區單元	59,010	7,815	461,158	—	—	—
Subtotal	小計	59,010	7,815	461,158	—	—	—
Lanzhou Trade Center	蘭州商貿物流中心						
Wholesale trading market units	獨立交易展示區單元	59,539	5,913	352,064	89,342	7,447	665,306
Subtotal	小計	59,539	5,913	352,064	89,342	7,447	665,306
Heze Trade Center	荷澤商貿物流中心						
Wholesale trading market units	獨立交易展示區單元	57,108	3,951	225,662	23,422	4,617	108,133
Subtotal	小計	57,108	3,951	225,662	23,422	4,617	108,133
Jining Trade Center	濟寧商貿物流中心						
Residence	住宅	31,163	4,453	138,769	55,276	4,198	232,065
Wholesale trading market units	獨立交易展示區單元	14,764	4,394	64,868	7,938	4,372	34,701
Subtotal	小計	45,927	4,434	203,637	63,214	4,220	266,766

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		For the year ended 31 December 截至12月31日止年度					
		2017			2016		
		GFA	Average	Revenue	GFA	Average	Revenue
		建築面積	sales price 平均售價	收益	建築面積	sales price 平均售價	收益
		(GFA in sq.m., average sales price in RMB per sq.m. and revenue in thousands of RMB) (建築面積以平方米計、平均售價以每平方米人民幣元計及收益以人民幣千元計)					
Wuzhou Trade Center	梧州商貿物流中心						
Wholesale trading market units	獨立交易展示區單元	29,928	4,493	134,469	75,633	5,089	384,881
Subtotal	小計	29,928	4,493	134,469	75,633	5,089	384,881
Xingning Trade Center	興寧商貿物流中心						
Wholesale trading market units	獨立交易展示區單元	21,147	5,268	111,400	54,000	5,619	303,452
Subtotal	小計	21,147	5,268	111,400	54,000	5,619	303,452
Bengbu Commercial and Residential Project	蚌埠商業及住宅項目						
Residence	住宅	21,124	3,903	82,444	—	—	—
Subtotal	小計	21,124	3,903	82,444	—	—	—
Yulin Trade Center	玉林商貿物流中心						
Wholesale trading market units	獨立交易展示區單元	12,731	4,912	62,536	46,352	4,823	223,553
Shopping mall	綜合交易展示區	—	—	—	172	11,076	1,905
Subtotal	小計	12,731	4,912	62,536	46,524	4,846	225,458
Mianyang Trade Center	綿陽商貿物流中心						
Wholesale trading market units	獨立交易展示區單元	3,650	5,173	18,883	13,719	5,909	81,059
Others	其他	7,132	1,602	11,429	—	—	—
Subtotal	小計	10,782	2,811	30,312	13,719	5,909	81,059
Yantai Trade Center	煙台商貿物流中心						
Wholesale trading market units	獨立交易展示區單元	4,301	5,868	25,239	29,002	6,532	189,428
Subtotal	小計	4,301	5,868	25,239	29,002	6,532	189,428

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管理層討論及分析

For the year ended 31 December

截至12月31日止年度

		2017			2016		
		GFA	Average sales price	Revenue	GFA	Average sales price	Revenue
		建築面積	平均售價	收益	建築面積	平均售價	收益
<i>(GFA in sq.m., average sales price in RMB per sq.m. and revenue in thousands of RMB)</i>							
<i>(建築面積以平方米計、平均售價以每平方米人民幣元計及收益以人民幣千元計)</i>							
Ganzhou Trade Center	贛州商貿物流中心						
Wholesale trading market units	獨立交易展示區單元	1,750	3,423	5,990	—	—	—
Subtotal	小計	1,750	3,423	5,990	—	—	—
Ningxiang Trade Center	寧鄉商貿物流中心						
Serviced apartments	酒店式公寓	735	3,214	2,362	967	2,207	2,134
Subtotal	小計	735	3,214	2,362	967	2,207	2,134
Total	總計	324,082	5,237	1,697,273	395,823	5,625	2,226,617

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Property Management Services

Revenue from property management services increased by RMB7.6 million, or 18.1%, from RMB42.1 million for FY2016 to RMB49.7 million for FY2017. This increase primarily reflected the continued expansion of our property management portfolio.

Rental Income

Revenue from rental income decreased by RMB21.2 million, or 47.0%, from RMB45.1 million for FY2016 to RMB23.9 million for FY2017. The decrease was primarily due to the termination of a sub-lease arrangement during the Year.

Cost of Sales

Cost of sales increased by RMB26.7 million, or 2.5%, from RMB1,049.9 million for FY2016 to RMB1,076.6 million for FY2017, primarily reflecting our government grants credited to cost of sales decreased by RMB248.2 million, or 52.9%, from RMB468.8 million for FY2016 to RMB220.6 million for FY2017.

Gross Profit and Margin

As a result of the foregoing, gross profit decreased by RMB570.1 million, or 44.3%, from RMB1,285.9 million for FY2016 to RMB715.8 million for FY2017. Our gross profit margin decreased from 55.1% for FY2016 to 39.9% for FY2017. The decrease in gross profit margin was mainly due to the decrease in our government grants credited to cost of sales.

物業管理服務

物業管理服務所得收益由2016財政年度的人民幣42.1百萬元增加人民幣7.6百萬元(即18.1%)至2017財政年度的人民幣49.7百萬元。物業管理服務所得收益的增加主要是由於我們物業管理組合的持續擴展。

租金收入

租金收入所得收益由2016財政年度的人民幣45.1百萬元減少人民幣21.2百萬元(即47.0%)至2017財政年度的人民幣23.9百萬元。2017財政年度的減少主要由於年內轉租安排的終止所致。

銷售成本

銷售成本由2016財政年度的人民幣1,049.9百萬元增加人民幣26.7百萬元(即2.5%)至2017財政年度的人民幣1,076.6百萬元，主要由於抵減銷售成本的政府補助由2016財政年度的人民幣468.8百萬元減少人民幣248.2百萬元(即52.9%)至2017財政年度的人民幣220.6百萬元。

毛利及毛利率

基於上述原因，毛利由2016財政年度的人民幣1,285.9百萬元減少人民幣570.1百萬元(即44.3%)至2017財政年度的人民幣715.8百萬元。毛利率由2016財政年度的55.1%減少至2017財政年度的39.9%。毛利率減少主要由於抵減銷售成本的政府補助減少所致。

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Other Income

Other income increased by RMB469.8 million, or 2,135.5%, from RMB22.0 million for FY2016 to RMB491.8 million for FY2017. The increase was mainly due to that the net gain on disposal of subsidiaries of RMB198.2 million (FY2016: Nil), income from return of prepaid investment cost of RMB178.6 million (FY2016: Nil), net gain on disposal of other non-current financial assets of RMB123.4 million (FY2016: RMB2.0 million) and fair value loss on derivative financial instrument of RMB22.4 million (FY2016: gain of RMB9.1 million).

Selling and Distribution Expenses

Selling and distribution expenses decreased by RMB2.5 million, or 1.7%, from RMB149.8 million for FY2016 to RMB147.3 million for FY2017. The decrease primarily reflected our continued efforts in enhancing the operating efficiency in managing our sales and marketing activities.

Administrative and Other Operating Expenses

Administrative and other operating expenses decreased by RMB90.5 million, or 16.4%, from RMB552.2 million for FY2016 to RMB461.7 million for FY2017. The decrease primarily reflected a reversal of over accrued estimated compensation of RMB36.0 million in relation to a sub-lease arrangement during the Year (FY2016: expenses of RMB43.1 million).

Fair Value Gain on Investment Properties

In FY2017, the Group transferred certain completed properties held for sale and properties under development for sale to investment properties, since there was a change in use from sale to earning rental income. The Group's investment properties carried at fair value as of 31 December 2017 were valued using the income capitalisation method by Savills Valuation and Professional Services Limited, an independent firm of surveyors. For FY2017, the Group recorded a fair value gain of RMB387.9 million (FY2016: RMB326.5 million).

其他收入

其他收入由2016財政年度的人民幣22.0百萬元增加人民幣469.8百萬元(即2,135.5%)至2017財政年度的人民幣491.8百萬元。該增加主要來自出售子公司的收益淨額人民幣198.2百萬元(2016財政年度：人民幣零元)，預付投資成本回報的收入人民幣178.6百萬元(2016財政年度：人民幣零元)，出售其他非流動金融資產的收益淨額人民幣123.4百萬元(2016財政年度：人民幣2.0百萬元)及衍生金融工具的公允值虧損人民幣22.4百萬元(2016財政年度：收益人民幣9.1百萬元)。

銷售開支

銷售開支由2016財政年度的人民幣149.8百萬元減少人民幣2.5百萬元(即1.7%)至2017財政年度的人民幣147.3百萬元。銷售開支的減少主要反映了我們不斷努力提升經營效率及管理銷售和營銷活動的能力。

行政及其他經營開支

行政及其他經營開支由2016財政年度的人民幣552.2百萬元減少人民幣90.5百萬元(即16.4%)至2017財政年度的人民幣461.7百萬元，該減少主要反映年內撥回轉租安排多計提的預計賠償人民幣36.0百萬元(2016財政年度：費用人民幣43.1百萬元)。

投資物業公允值收益

於2017財政年度，本集團曾將若干持作出售竣工物業和待售在建物業的用途由出售更改為賺取租金收入，因此本集團將此部分竣工物業轉撥至投資物業。截至2017年12月31日，獨立測量師公司第一太平戴維斯估值及專業顧問有限公司對本集團投資物業公允價值採納收入資本化法進行評估。於2017財政年度，本集團錄得公允值收益人民幣387.9百萬元(2016財政年度：人民幣326.5百萬元)。

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Finance Income

Our finance income decreased by RMB2.6 million, from RMB8.3 million for FY2016 to RMB5.7 million for FY2017. The decrease reflected a decrease in interest income from our bank deposit in FY2017.

Finance Costs

Our finance costs increased by RMB34.6 million, or 14.4%, from RMB240.4 million for FY2016 to RMB275.0 million for FY2017. The increase was primarily due to the decreased interest expenses capitalised into properties under development during the Year.

Income Tax

Our income tax expense increased by RMB101.4 million, or 28.4%, from RMB357.3 million for FY2016 to RMB458.7 million for FY2017. The increase was primarily due to the increase in provision for PRC land appreciation tax during the Year.

Profit for the Year and Profit Attributable to Equity Shareholders of the Company

As a result of the foregoing, our profit decreased by RMB99.8 million, or 28.1%, from RMB355.1 million for FY2016 to RMB255.3 million for FY2017. Our profit attributable to equity shareholders of the Company decreased by RMB104.7 million, or 29.9%, from RMB350.3 million for FY2016 to RMB245.6 million for FY2017.

財務收入

我們的財務收入由2016財政年度的人民幣8.3百萬元減少人民幣2.6百萬元至2017財政年度的人民幣5.7百萬元，是由於2017財政年度銀行存款的利息收入減少所致。

融資成本

我們的融資成本由2016財政年度的人民幣240.4百萬元增加人民幣34.6百萬元(即14.4%)至2017財政年度的人民幣275.0百萬元，主要由於年內減少的資本化撥入在建物業的利息開支所致。

所得稅

所得稅開支由2016財政年度的人民幣357.3百萬元增加人民幣101.4百萬元(即28.4%)至2017財政年度的人民幣458.7百萬元，主要由於年內中國土地增值稅撥備增加所致。

年內利潤及本公司權益股東應佔利潤

基於上述原因，我們的利潤由2016財政年度的人民幣355.1百萬元減少人民幣99.8百萬元(即28.1%)至2017財政年度的人民幣255.3百萬元。我們的本公司權益股東應佔利潤由2016財政年度的人民幣350.3百萬元減少人民幣104.7百萬元(即29.9%)至2017財政年度的人民幣245.6百萬元。

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Pledged and Restricted Cash

Pledged and restricted cash amounted to RMB857.7 million as of 31 December 2017, compared to RMB1,045.8 million as of 31 December 2016. As of 31 December 2017, the pledged and restricted cash was pledged to banks for certain mortgage facilities granted to purchasers of the Group's properties and pledged for bank loans granted to the Group etc.

Liquidity and Capital Resources

Our primary uses of cash are to pay for the construction costs and land acquisition costs, fund working capital, service our indebtedness, purchase property, plant and equipment for our own use, and other regular business operation needs. To date, we have primarily financed our operational expenditures through internally generated cash flows including proceeds from the pre-sale and sales of properties, equity investments made by our pre-IPO investors, borrowings from commercial banks and other lenders and proceeds from the issuance of overseas notes.

已抵押及受限制現金

截至2017年12月31日的已抵押及受限制現金為人民幣857.7百萬元，而截至2016年12月31日則為人民幣1,045.8百萬元。截至2017年12月31日，受已抵押及限制現金已就授予本集團物業買方的若干按揭融資抵押予銀行及作為本集團獲授銀行貸款的抵押等。

資金流動性及財務資源

我們現金的主要用途是支付建築成本及土地收購成本、撥付營運資金、償還債務、購買自用物業、廠房及設備以及滿足其他一般經常性經營需求。迄今為止，我們主要以內部產生的現金流量，包括物業預售及銷售所得款項、我們的首次公開發售前投資者作出的股本投資、來自商業銀行及其他金融機構的借貸及境外發行的票據所得款項為經營開支提供資金。

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Bank Loans and Other Borrowings

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

銀行貸款及其他借貸

下表載列截至所示日期我們的未償還借貸。

		As of 31 December 截至12月31日 (RMB'000) (人民幣千元)	
		2017	2016
Current	流動		
Secured	有抵押		
– short-term bank loans and other borrowings	– 短期銀行貸款及其他借貸	14,843	303,773
– current portion of non-current bank loans and other borrowings	– 非流動銀行貸款及其他借貸的流動部分	1,158,216	1,004,280
Unsecured	無抵押		
– short-term bank loans and other borrowings	– 短期銀行貸款及其他借貸	28,800	—
Subtotal	小計	1,201,859	1,308,053
Non-current	非流動		
Secured	有抵押		
– repayable after 1 year but within 2 years	– 一年後但兩年內還款	364,770	1,196,660
– repayable after 2 years but within 5 years	– 兩年後但五年內還款	421,000	280,850
– repayable after 5 years	– 五年後償還	75,000	—
Unsecured	無抵押		
– repayable after 2 years but within 5 years	– 兩年後但五年內償還	1,000	—
Subtotal	小計	861,770	1,477,510
Total	合計	2,063,629	2,785,563

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Bank loans and other borrowings bear interest rates ranging from 2.12% to 9.03% per annum for FY2017 (FY2016: 2.12% to 9.0% per annum) and are secured by the following assets:

於2017財政年度，銀行貸款及其他借貸按介乎2.12%至9.03%的年利率(2016財政年度：年利率2.12%至9.0%)計息並以下列資產作抵押：

		As of 31 December	
		截至12月31日	
		(RMB'000)	
		(人民幣千元)	
		2017	2016
Completed properties held for sale	待售已完工物業	1,476,581	1,035,441
Properties under development for sale	待售在建物業	1,119,998	1,370,392
Investment properties	投資物業	720,200	41,900
Properties held for future development for sale	待售未來待開發物業	619,821	651,499
Property, plant and equipment	物業、廠房及設備	367,070	377,111
Pledged cash	已抵押現金	325,421	574,680
Total	合計	4,629,091	4,051,023

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Contingent Liabilities

We make arrangements with PRC commercial banks so that such banks may provide mortgage facilities to our customers to purchase our properties. In accordance with market practice, we are required to provide guarantees to these banks in respect of mortgages provided to such customers. Guarantees for such mortgages are generally discharged at the earlier of: (i) the due registration of the mortgage interest held by the commercial bank upon the subject property, or (ii) the settlement of mortgage loans between the mortgagee banks and the purchasers. In addition, we are required by the banks to place a security deposit to secure our guarantee obligations. If a purchaser defaults on the mortgage loan, we are typically required to purchase the underlying property by paying off the mortgage loan with any accrued and unpaid interest and penalty based on the loan agreement. If we fail to do so, the mortgagee banks will auction the underlying property and recover the balance from us if the outstanding loan amount exceeds the net foreclosure sale proceeds. Such amount may also be settled through withholding the security deposit we place with the banks. In line with industry practice, we do not conduct independent credit checks on our customers but rely on the credit checks conducted by the mortgagee banks. As of 31 December 2017, our maximum amount of guarantees provided to banks for mortgage facilities granted to our customers amounted to RMB2,512.0 million (FY2016: RMB2,881.8 million).

或然負債

我們向中國商業銀行作出安排，以便該等銀行可向購買我們物業的客戶提供按揭融資。按照市場慣例，我們需向為有關客戶提供按揭的銀行提供擔保。有關按揭的擔保一般於以下情況（以較早發生者為準）解除：(i) 商業銀行正式登記所持有關物業的按揭權益，或(ii) 按揭銀行與買家之間結清按揭貸款。此外，銀行要求我們存放一筆保證金，以就我們的擔保債務作抵押。倘買家拖欠按揭貸款，我們一般需按照貸款協議付清相關物業的按揭貸款連同任何應計及未付利息及罰款以購買相關物業。倘我們未能付清有關款項，按揭銀行將拍賣有關物業，而若未償還貸款款項超過止贖權銷售所得款項淨額，則由我們支付餘額。有關款項亦可能通過預扣我們存放於銀行的保證金支付。按照行業慣例，我們不會對客戶進行獨立信用核證，而會依賴按揭銀行所進行的信用審查。截至2017年12月31日，我們向授予客戶按揭融資的銀行所作出的最高擔保額為人民幣2,512.0百萬元（2016財政年度：人民幣2,881.8百萬元）。

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Commitments

承擔

- (a) Capital commitments outstanding as at 31 December 2017 contracted but not provided for in the financial statements were as follows:

- (a) 於2017年12月31日已訂約但於財務報表內無撥備的資本承擔如下：

		As of 31 December 截至12月31日 (RMB'000) (人民幣千元)	
		2017	2016
Construction and development contracts	建設及發展合約	765,895	1,111,114
Land agreements	土地協議	25,981	240,550
Total	合計	791,876	1,351,664

- (b) As at 31 December 2017, the total future minimum lease payments under non-cancellable operating lease are payables as follows:

- (b) 於2017年12月31日，根據不可撤銷經營租賃的應付未來最低租金總值到期情況如下：

		As of 31 December 截至12月31日 (RMB'000) (人民幣千元)	
		2017	2016
Within 1 year	一年內	12,950	13,728
After 1 year but within 2 years	一年後但兩年內	8,509	10,250
After 2 years but within 5 years	兩年後但五年內	26,843	28,926
After 5 years	五年後	29,498	37,355
Total	合計	77,800	90,259

The Group leases a number of building facilities under operating leases. The leases typically run for an initial period of 1 to 10 years, with an option to renew the lease after that date at which time all terms are renegotiated. None of the leases includes contingent rentals.

本集團根據經營租賃出租多項樓宇設施。租期初步一般為一至十年，並可在該日期後續約，屆時所有條款均會重新協商。概無租賃包含或然租金。

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(c) As at 31 December 2017, the total future minimum lease payments under non-cancellable operating leases are receivables as follows:

(c) 於2017年12月31日，根據不可撤銷經營租賃的應收未來最低租金總值到期情況如下：

		As of 31 December 截至12月31日 (RMB'000) (人民幣千元)	
		2017	2016
Within 1 year	一年內	35,513	37,043
After 1 year but within 2 years	一年後但兩年內	29,043	32,956
After 2 years but within 5 years	兩年後但五年內	37,391	72,219
After 5 years	五年後	53,547	47,662
Total	合計	155,494	189,880

The Group leased out a number of properties under operating leases. The leases typically run for an initial period of 1 to 15 years. None of the leases includes contingent rentals.

本集團根據經營租賃出租多項物業。租期初步一般為期一年至十五年。概無租賃包含或然租金。

Key Financial Ratios

The following table sets out our current ratios, gearing ratios and net gearing ratios as of the dates indicated.

主要財務比率

下表載列我們截至所示日期的流動比率、資產負債比率及淨資產負債比率。

		As of 31 December 截至12月31日	
		2017	2016
Current ratio ⁽¹⁾	流動比率 ⁽¹⁾	1.46	1.76
Gearing ratio ⁽²⁾	資產負債比率 ⁽²⁾	25.4%	27.9%
Net gearing ratio ⁽³⁾	淨資產負債比率 ⁽³⁾	36.5%	45.1%

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Notes:

- (1) Our current ratio is calculated by dividing current assets by current liabilities as of the end of the respective reporting period.
- (2) Our gearing ratio is calculated by the Group's total interest bearing borrowings as of the respective reporting period (includes bank loans and other borrowings, senior notes and corporate bonds) divided by total assets as of the end of the respective reporting period and multiplying by 100%.
- (3) Our net gearing ratio is calculated by the Group's net debt (aggregated bank loans and other borrowings, senior notes and corporate bonds, net of cash and cash equivalents and restricted cash) divided by the total equity of the Group as of the end of the respective reporting period and multiplying by 100%.

Foreign Exchange Exposure

The Group primarily operates its business in the PRC. The currency in which the Group denominates and settles substantially all of its transactions is Renminbi. Other than certain overseas bank deposits, interests in joint ventures, the Notes and the notes issued in FY2016 denominated in foreign currencies, the Group does not have any material exposure directly due to foreign exchange fluctuations. The Group maintains a conservative approach on foreign exchange exposure management, and manages and reviews its exposure to foreign exchange fluctuations on a regular basis. At times of exchange rate uncertainty or volatility and when appropriate, hedging instruments including swaps and forwards will be used in the management of exposure to foreign exchange fluctuations. In May 2016, the Group entered into a US\$100 million currency option agreement and will continue to seek foreign exchange hedging instruments at a reasonable cost to manage foreign exchange risk more effectively.

附註：

- (1) 我們的流動比率是按截至有關報告期末的流動資產除以流動負債計算。
- (2) 我們的資產負債比率是按截至有關報告期末本集團計息借款（包括銀行貸款及其他借貸、優先票據及公司債券）的總額除以截至有關報告期末總資產再乘以100%計算。
- (3) 我們的淨資產負債比率是按截至有關報告期末本集團的淨負債（銀行貸款及其他借貸、優先票據及公司債券總和，減現金及現金等值物及受限制現金）除以截至有關報告期末權益總額再乘以100%計算。

外匯風險

本集團主要在中國經營業務。本集團用以計值及對大部分交易進行結算的貨幣為人民幣。除部分境外銀行存款，於合資企業的權益，票據及2016財政年度發行票據以外幣計值外，本集團並沒有因外匯波動而有任何直接重大風險。本集團對外匯風險管理貫徹穩健作風，定期管理和檢討外匯波動的風險。於匯率不明朗或波動及適當之時，對沖工具（包括掉期及遠期）將用於管理外匯波動之風險。於2016年5月，本集團已訂立100百萬美元的貨幣期權合約，並將繼續在成本合理的情況下尋找外匯對沖工具以更有效管理外匯風險。

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Material Acquisitions and Disposals of Subsidiaries, Associated Companies and Joint Ventures

On 10 August 2017, Shenzhen Hydoo International Holding Limited (深圳市毅德國際控股有限公司) (the “**Vendor**”), an indirect wholly-owned subsidiary of the Company, entered into a share transfer agreement with a third party purchaser (the “**Huaiyuan Purchaser**”), pursuant to which the Vendor agreed to sell to the Huaiyuan Purchaser, and the Huaiyuan Purchaser agreed to acquire from the Vendor, 60% equity interest in Huaiyuan Hydoo City Development Limited* (懷遠毅德城發展有限公司) (the “**Subsidiary**”), an indirect non-wholly owned subsidiary of the Company, for a consideration of RMB200,000,000 (the “**Huaiyuan Disposal**”). The Huaiyuan Disposal completed on 20 September 2017, after which the Vendor ceased to hold any equity interest in the Subsidiary, and the Subsidiary ceased to be an indirect non-wholly owned subsidiary of the Company. Please refer to the Company’s announcement dated 10 August 2017 for details on the Huaiyuan Disposal.

On 20 September 2017, the Vendor entered into a share transfer agreement with Xingning Hydoo Trade Logistics Centre Limited* (興寧毅德商貿物流城有限公司) (the “**Target**”), an indirect non-wholly owned subsidiary of the Company, and a third-party purchaser (the “**Xingning Purchaser**”), pursuant to which the Vendor agreed to sell to the Xingning Purchaser, and the Xingning Purchaser agreed to acquire from the Vendor, 84% equity interest in the Target for a consideration of RMB488,800,000 (the “**Xingning Disposal**”). The Xingning Disposal completed on 28 September 2017, after which the Vendor ceased to hold any equity interest in the Target, and the Target ceased to be an indirect non-wholly owned subsidiary of the Company. Please refer to the Company’s announcement dated 20 September 2017 for details on the Xingning Disposal.

Save as disclosed above, the Group had no acquisition and disposal of subsidiaries, associated companies and joint ventures during FY2017.

收購及出售子公司、聯營企業及合營企業

於2017年8月10日，本公司的間接全資附屬公司深圳市毅德國際控股有限公司(「**賣方**」)與第三方買方(「**懷遠買方**」)訂立股份轉讓協議，據此，賣方同意向懷遠買方出售，而懷遠買方亦同意向賣方收購本公司的間接非全資附屬公司懷遠毅德城發展有限公司(「**附屬公司**」)的60%股權，代價為人民幣200,000,000元(「**懷遠出售事項**」)。懷遠出售事項於2017年9月20日完成，其後賣方不再持有該附屬公司的任何股權，而該附屬公司亦不再為本公司的間接非全資附屬公司。有關懷遠出售事項的詳情，請參閱本公司日期為2017年8月10日的公告。

於2017年9月20日，賣方與本公司間接非全資附屬公司興寧毅德商貿物流城有限公司(「**目標公司**」)及第三方買方(「**興寧買方**」)訂立股份轉讓協議，據此，賣方同意向興寧買方出售，而興寧買方同意向賣方收購目標公司的84%股權，代價為人民幣488,800,000元(「**興寧出售事項**」)。興寧出售事項於2017年9月28日完成，其後賣方不再持有目標公司的任何股權，而目標公司不再為本公司的間接非全資附屬公司。有關興寧出售事項的詳情，請參閱本公司日期為2017年9月20日的公告。

除上文所披露者外，本集團於2017財政年度並無收購及出售附屬公司、聯營企業及合營企業。

* For identification propose only

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Restriction on Sales

As of 31 December 2017, we were simultaneously developing 12 projects in 7 provinces and autonomous regions in China. Under the terms of certain master investment agreements with local government authorities regarding the development, such as our agreements with regards to trade centers in Ningxiang, Mianyang, Ganzhou, Liuzhou and Nanchang, we are required to maintain certain portions of the trade center properties, typically 20%-30% in terms of GFA, for self-use or leasing purpose. We believe that such requirement is in line with our overall development plan for these projects. Except for the conditions mentioned above, there is no restriction on sales of the land acquired by the Group.

Human Resources

As at 31 December 2017, the Group had a workforce of 1,254 people (FY2016: approximately 1,786 people). The number of staff had decreased by 29.8% since 31 December 2016. During FY2017, the total employee benefit expenses amounted to RMB253.2 million, decreased by 12.4% (FY2016: RMB288.9 million). We actively recruit skilled and qualified personnel in the Chinese local markets, including students graduated from universities as well as personnel with relevant work experience. For the senior management team and selected management positions, we also seek to recruit personnel with international experience. The remuneration package of our employees includes salary, bonuses and other cash subsidies. In general, we determine employee salaries based on each employee's qualifications, experience, position and seniority. We have designed an annual review system to assess the performance of our employees, which forms the basis of our determinations on salary raises, bonuses and promotion. As at 31 December 2017, the number of outstanding share options granted by the Company to its directors (the "Directors") and employees is 56,055,000 shares.

銷售限制

截至2017年12月31日，我們於中國的七個省及自治區同時開發十二個項目。根據與地方政府訂立的有關開發項目的若干投資框架協議（例如我們就寧鄉、綿陽、贛州、柳州及南昌商貿物流中心訂立的協議）的條款，我們需保留商貿物流中心物業的若干部分（以建築面積計通常是20%至30%）用作自用或租賃。我們相信，該要求符合該等項目的整體開發計劃。除以上所述情況外，本集團收購的土地並無銷售限制。

人力資源

截至2017年12月31日，本集團有僱員約1,254人（2016財政年度：1,786人）。員工數目較2016年12月31日減少29.8%。2017財政年度，僱員福利開支總額達人民幣253.2百萬元，減少12.4%（2016財政年度：人民幣288.9百萬元）。我們積極在中國地方市場招聘有技能和資歷的人員，包括畢業大學生及具備相關工作經驗的人員。至於高級管理團隊及特定的管理職位，我們亦會尋求招募具備國際經驗的人員。我們僱員的薪酬待遇包括薪金、花紅及其他現金補貼。一般情況下，我們根據各個僱員的資格、經驗、職務及資歷釐定僱員的薪金。我們已制定一套年度審核系統以評估僱員的表現，審核結果為我們釐定薪金漲幅、花紅及升職的依據。截至2017年12月31日，本公司授予董事（「董事」）及僱員的尚未行使購股權所涉股份數目為56,055,000股。

FINANCIAL SUMMARY

財務概要

		For the financial year ended 31 December 截至12月31日止財政年度				
		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元	2014 RMB'000 人民幣千元	2013 RMB'000 人民幣千元
Results	業績					
Revenue	收益	1,792,421	2,335,777	3,166,351	3,360,189	4,756,464
Gross Profit	毛利	715,812	1,285,916	1,633,916	1,399,026	2,932,355
Profit before taxation	稅前利潤	713,981	712,463	1,224,002	837,426	2,324,859
Income tax	所得稅	(458,726)	(357,315)	(626,272)	(330,961)	(1,148,896)
Profit for the year	年內利潤	255,255	355,148	597,730	506,465	1,175,963
Profit for the year attributable to:	以下各方應佔年度溢利：					
Equity shareholders of the Company	本公司權益股東	245,573	350,280	556,875	512,053	1,177,782
Non-controlling interests	非控股權益	9,682	4,868	40,855	(5,588)	(1,819)
Profit for the year	年內利潤	255,255	355,148	597,730	506,465	1,175,963

FINANCIAL SUMMARY

財務概要

		At 31 December 於12月31日				
		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元	2014 RMB'000 人民幣千元	2013 RMB'000 人民幣千元
Financial position	財務狀況					
Non-current assets	非流動資產	3,142,039	2,603,592	1,851,234	787,259	302,143
Current assets	流動資產	11,660,856	12,848,552	13,252,613	11,065,760	10,701,554
Current liabilities	流動負債	7,990,579	7,319,706	8,155,558	6,281,413	5,901,028
Net current assets	流動資產淨值	3,670,277	5,528,846	5,097,055	4,784,347	4,800,526
Total assets less current liabilities	總資產減流動負債	6,812,316	8,132,438	6,948,289	5,571,606	5,102,669
Non-current liabilities	非流動負債	1,593,055	3,025,154	2,109,709	1,198,443	670,881
Net assets	資產淨值	5,219,261	5,107,284	4,838,580	4,373,163	4,431,788
Share capital	股本	31,825	31,825	31,825	31,825	31,945
Reserves	儲備	5,159,765	4,852,252	4,604,866	4,260,304	4,389,126
Total equity attributable to equity shareholders of the Company	本公司權益股東應佔權益總額	5,191,590	4,884,077	4,636,691	4,292,129	4,421,071
Non-controlling interests	非控股權益	27,671	223,207	201,889	81,034	10,717
Total Equity	權益總額	5,219,261	5,107,284	4,838,590	4,373,163	4,431,788

DIRECTORS' REPORT

董事會報告

The Board hereby present this annual report and the audited consolidated financial statements of the Group for the year ended 31 December 2017.

PRINCIPAL ACTIVITIES

The principal activities of the Group are developing and operating large-scale trade centers in China.

The Group seeks to develop each trade center project into the largest integrated commercial complex in the local region for the wholesale and retail sale of a wide range of products, including hardware, electric tools, building materials, furniture and home furnishings, home electronics, apparel and small goods. The Group designs its trade centers to seamlessly integrate the wholesale trading market properties with other on-site facilities such as shopping malls, commercial and exhibition centers, hotels, residential and office space, warehouses and other logistics facilities.

Details of the principal activities of the principal subsidiaries of the Company are set out in note 18 to the financial statements.

BUSINESS REVIEW

A business review of the Group is set out on pages 10 to 19 of this annual report.

ENVIRONMENTAL POLICIES

The Group is committed to complying with PRC environmental protection laws and regulations, actively participating in the environmental assessment process and fully cooperating with accredited environmental assessment organisations. The Group has taken several measures to reduce pollution, including implementing energy-saving policies that reduce its electricity consumption, setting up a rain and sewage diversion system in certain trade centers, smoke filtering systems in the kitchens of its cafeterias and restaurants, installing sound insulation in its backup generators and cooling machines, and using solar-powered heaters. Details of the Group's environmental policies are set out in the Environmental, Social and Governance Report on pages 57 to 97 of this annual report.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

There was no incident of non-compliance with relevant laws and regulations that had or would have a significant impact on the Company during FY2017.

董事會謹此呈報本集團截至2017年12月31日止年度的年報及經審核合併財務報表。

主要業務

本集團的主要業務為在中國開發及運營大型商貿物流中心。

本集團力求將各商貿物流中心項目發展成為當地最大的一體化商業綜合體，批發及零售包括五金機電、建材、傢俱及家飾、家電、服裝及小商品在內的各種產品。商貿物流中心的設計旨在無縫整合獨立交易展示區物業與其他現場設施，如綜合交易展示區、會展中心、酒店、住宅及辦公場所、倉儲及其他物流設施。

有關本公司主要子公司主要業務的詳情，載於財務報表附註18。

業務回顧

本集團的業務回顧載於本年報第10至19頁。

環保政策

本集團致力遵循中國環保法律及法規並積極參與環境評估的過程及全力與公認的環評組織合作。本集團已採取若干措施以減低污染，包括實施節能政策以減低耗電，在若干商貿物流中心設立雨水污水分流系統，在食堂及餐廳的廚房加設煙霧過濾系統、於後備發電機及製冷機安裝隔音裝置，以及使用太陽能熱水器。本集團環保政策之詳情載於本年報第57至97頁環境、社會及管治報告。

遵守相關法律及法規

2017財政年度內並無任何不遵守相關法律及規例的事項對本公司有或可能有重大影響。

RESULTS

The Group's results for FY2017 are set out in the consolidated statement of profit or loss on pages 137 to 138 of this annual report.

DIVIDEND

The Board does not recommend the payment of a final dividend for FY2017.

SHARE CAPITAL

Details of the movements in the share capital of the Company during FY2017 are set out in note 32 to the financial statements.

RESERVES

Details of movements in the reserves of the Group and the Company during FY2017 are set out in the consolidated statement of changes in equity and note 32 to the financial statements, respectively.

DISTRIBUTABLE RESERVES

As at 31 December 2017 and 2016, details of the Company's reserves available for distribution, calculated in accordance with the provisions of Cayman Companies Law are set out in note 32 to the financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Group during FY2017 are set out in note 10 to the financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate sales to the Group's single largest customer and five largest customers accounted for less than 30% of the Group's turnover respectively in FY2017.

The aggregate purchases from the Group's single largest supplier and five largest suppliers accounted for approximately 16.2% and 36.2% respectively, of the Group's total purchases for FY2017.

None of the Directors or any of their associates, or any Shareholders who, to the knowledge of the Directors, own more than 5% of the Company's issued share capital has any interests in the Group's five largest suppliers or customers.

業績

本集團於2017財政年度的業績載於本年報第137至138頁的合併損益表。

股息

董事會不建議於2017財政年度派付末期股息。

股本

有關本公司於2017財政年度的股本變動詳情載於財務報表附註32。

儲備

有關本集團及本公司於2017財政年度的儲備變動詳情分別載於合併權益變動表及財務報表附註32。

可供分派儲備

於2017及2016年12月31日，有關本公司根據開曼群島公司法條文計算的可供分派儲備詳情載於財務報表附註32。

物業、廠房及設備

有關本集團於2017財政年度的物業、廠房及設備變動詳情載於財務報表附註10。

主要客戶及供應商

向本集團單一最大客戶及五大客戶作出的總銷售分別佔本集團於2017財政年度的營業額30%以下。

向本集團單一最大供應商及五大供應商採購的總額分別佔本集團於2017財政年度的採購總額約16.2%及36.2%。

概無董事、彼等的任何聯繫人或任何股東(就董事所知擁有本公司已發行股本5%以上)於本集團任何五大供應商或客戶當中擁有任何權益。

DIRECTORS' REPORT

董事會報告

DONATIONS

During FY2017, the charitable contributions and other donations totaled approximately RMB8.3 million (FY2016: RMB9.4 million).

SUBSIDIARIES

Details of the Company's principal subsidiaries as at 31 December 2017 are set out in note 18 to the financial statements.

PRE-IPO SHARE OPTION SCHEME

The Company ratified and approved the pre-IPO share option scheme (the "Pre-IPO Share Option Scheme") on 20 March 2013.

The purpose of the Pre-IPO Share Option Scheme is to recognise the contribution of the employees of the members of the Group and any persons who have contributed to the Group at the time of granting Options (the "Qualified Participants") to the business development of the Group by granting share options (the "Options") to them as incentive and/or reward.

- (i) the exercise price per share under each Option is HK\$1.014;
- (ii) as at 31 December 2017, the total number of outstanding shares involved in the Pre-IPO Share Option Scheme was 56,055,000 shares, representing approximately 1.40% of the shares in issue of the Company;
- (iii) the grantees are entitled to exercise in full or in part any vested Options from six months after the listing date (31 October 2013, the "Listing Date") to 31 December 2018; and
- (iv) no further Options will be granted after the Listing Date.

捐款

於2017財政年度，慈善捐款及其他捐款共約人民幣8.3百萬元(2016財政年度：人民幣9.4百萬元)。

子公司

有關本公司主要子公司於2017年12月31日的詳情，載於財務報表附註18。

首次公開售股前購股權計劃

本公司於2013年3月20日追認及批准首次公開售股前購股權計劃(「首次公開售股前購股權計劃」)。

首次公開售股前購股權計劃旨在通過授出購股權(「購股權」)鼓勵及／或獎勵對本集團業務發展作出貢獻的本集團成員公司僱員及於本集團授出購股權時對本集團有貢獻的任何人士(「合資格參與者」)。

- (i) 每份購股權的每股股份行使價為1.014港元；
- (ii) 於2017年12月31日，首次公開售股前購股權計劃尚未行使的購股權總數為56,055,000股，相當於本公司已發行股份約1.40%；
- (iii) 於上市日期(2013年10月31日，「上市日期」)後六個月至2018年12月31日，承權人有權行使全部或部分已歸屬購股權；及
- (iv) 上市日期後將不會進一步授出購股權。

DIRECTORS' REPORT 董事會報告

Particulars of the outstanding Options conditionally granted under the Pre-IPO Share Option Scheme are set out below:

根據首次公開招股前購股權計劃有條件授出的未行使購股權詳情載列如下：

Grantees 承授人	Date of grant of Options 授出購股權日期	Number of Options granted 授出購股權數目	Number of Options held as at 1 January 2017 於2017年 1月1日持有 的購股權數目	Number of Options granted during FY2017 於2017 財政年度授出 的購股權數目	Number of Options exercised/ cancelled/lapsed during FY2017 於2017 財政年度行使/ 註銷/失效的 購股權數目	Number of Options as at 31 December 2017 於2017年 12月31日 未行使的 購股權數目
Directors/People who were directors in FY2017 董事/2017財政年度 為董事的人						
Huang Dehong 黃德宏	30 November 2011 2011年11月30日	4,000,000	4,000,000	—	—	4,000,000
Wang Lianzhou 王連洲	20 March 2013 2013年3月20日	300,000	300,000	—	—	300,000
Lam Chi Yuen Nelson 林智遠	20 March 2013 2013年3月20日	300,000	300,000	—	—	300,000
Other employees 其他僱員	30 November 2011 2011年11月30日	56,630,000	49,005,000	—	6,840,000 ⁽²⁾	42,165,000
Other employees 其他僱員	16 October 2012 2012年10月16日	9,190,000	5,690,000	—	2,200,000 ⁽²⁾	3,490,000
Former Director 前任董事						
Wong Choi Hing ⁽¹⁾ 王再興 ⁽¹⁾	30 November 2011 2011年11月30日	11,600,000	5,800,000	—	—	5,800,000
Total 合計		82,020,000	65,095,000	—	9,040,000	56,055,000

DIRECTORS' REPORT 董事會報告

Notes:

- (1) In accordance with the terms and conditions of the Pre-IPO Share Option Scheme, the Board resolved in the Board meeting held on 22 August 2014 that the Options granted to Mr. Wong Choi Hing, the former Chairman and executive Director of the Company, which were vested pursuant to the Pre-IPO Share Option Scheme are still exercisable, and the remaining Options granted which were not vested pursuant to the Pre-IPO Share Option Scheme were cancelled on 25 August 2014.
- (2) In accordance with the terms and conditions of the Pre-IPO Share Option Scheme, the outstanding Options granted to certain employees pursuant to the Pre-IPO Share Option Scheme have been cancelled due to their resignations from the Company, and these Options ceased to be exercisable from the effective dates of their resignations.

The Options shall vest according to the following schedule:

For Options granted on 30 November 2011

Respective Vesting Date

各歸屬日期

31 December 2012	2012年12月31日
31 December 2013	2013年12月31日
31 December 2014	2014年12月31日
31 December 2015	2015年12月31日

For Options granted on 16 October 2012

Respective Vesting Date

各歸屬日期

31 December 2013	2013年12月31日
31 December 2014	2014年12月31日
31 December 2015	2015年12月31日
31 December 2016	2016年12月31日

附註：

- (1) 根據首次公開售股前購股權計劃條款及條件，董事會於2014年8月22日召開的董事會議中決議王再興先生（本公司前任主席及執行董事）依舊有權行使根據首次公開售股前購股權計劃所獲得的並且已經歸屬的購股權，根據首次公開售股前購股權計劃授予的但未歸屬的剩餘部分自2014年8月25日起失效。
- (2) 根據首次公開售股前購股權計劃條款及條件，若干員工根據首次公開售股前購股權計劃所獲得的尚未行使的購股權因離任本公司而註銷，且自離任生效之日起不可再行使。

購股權按照以下時間表歸屬：

於2011年11月30日授出的購股權

Percentage of Shares under an
Option that shall be vested
應歸屬購股權涉及的股份百分比

25%
50%
75%
100%

於2012年10月16日授出的購股權

Percentage of Shares under an
Option that shall be vested
應歸屬購股權涉及的股份百分比

25%
50%
75%
100%

For Options granted on 20 March 2013

於2013年3月20日授出的購股權

Respective Vesting Date	各歸屬日期	Percentage of Shares under an Option that shall be vested 應歸屬購股權涉及的股份百分比
31 December 2014	2014年12月31日	25%
31 December 2015	2015年12月31日	50%
31 December 2016	2016年12月31日	75%
31 December 2017	2017年12月31日	100%

Details of the Pre-IPO Share Option Scheme are set out in note 31 to the financial statements.

有關首次公開售股前購股權計劃的詳情載於財務報表附註31。

DIRECTORS

The Directors during FY2017 and up to the date of this report are:

董事

於2017財政年度及截至本報告刊發日期的董事為：

Executive Directors

Mr. Wang Jianli (*Chairman*)
Mr. Wang Dewen (*Chief Executive Officer*)
Mr. Huang Dehong

執行董事

王健利先生(主席)
王德文先生(行政總裁)
黃德宏先生

Non-Executive Director

Mr. Yuan Bing

非執行董事

袁兵先生

Independent Non-Executive Directors

Mr. Zhao Lihua
Mr. Wang Lianzhou
Mr. Lam Chi Yuen Nelson

獨立非執行董事

趙立華先生
王連洲先生
林智遠先生

In accordance with Article 16.18 of the Articles of Association of the Company, Mr. Wang Jianli, Mr. Wang Dewen, and Mr. Lam Chi Yuen Nelson shall retire from the Board by rotation at the company's forthcoming annual general meeting (the "AGM") to be held on Wednesday, 16 May 2018 and, being eligible, offer themselves for re-election.

根據本公司組織章程細則第16.18條規定，王健利先生、王德文先生及林智遠先生將於本公司將於2018年5月16日(星期三)舉行的應屆股東週年大會(「股東週年大會」)上輪流退任，惟彼等合資格並願意重選連任。

DIRECTORS' REPORT

董事會報告

The Board has received an annual confirmation of independence from each of the independent non-executive Directors pursuant to Rule 3.13 of the Rules governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). The Board considers all independent non-executive Directors to be independent.

DIRECTORS' SERVICE CONTRACTS

Each of Mr. Wang Jianli, Mr. Wang Dewen and Mr. Huang Dehong, being the executive Director of the Company, has entered into a service contract with the Company for a term of three years. All of the service contracts may be terminated by either party thereto giving no less than 3 months' prior written notice.

Mr. Yuan Bing, non-executive Director of the Company, has entered into a letter of appointment with the Company for a term of three years. The letter of appointment may be terminated by either party thereto giving no less than 14 business days' prior written notice.

Each of Mr. Wang Lianzhou, Mr. Lam Chi Yuen Nelson and Mr. Zhao Lihua, being the independent non-executive Director of the Company, has entered into a letter of appointment with the Company for a term of three years. All of the letters of appointment may be terminated by either party thereto giving no less than 14 business days' prior written notice.

None of the Directors has entered into any service contract with the Company which is not determinable by the Company within one year without payment of compensation other than statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

None of the Directors has or had material beneficial interests, whether directly or indirectly, in any significant contract in relation to the Group's business to which the Company or any of its subsidiaries, its holding companies or a subsidiary of its holding companies was a party during FY2017.

CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

None of the Controlling Shareholders (as defined below) or its subsidiaries (if applicable) has or had material interests, either directly or indirectly, in any contract of significance, whether for the provision of services or otherwise, to the business of the Group to which the Company or any of its subsidiaries was a party during FY2017.

董事會已接獲各獨立非執行董事根據聯交所證券上市規則(「上市規則」)第3.13條作出的年度獨立性確認。董事會認為全體獨立非執行董事均具獨立性。

董事的服務合約

本公司執行董事王健利先生、王德文先生和黃德宏先生各自已與本公司訂立服務合約，為期三年，並可由一方向另一方發出不少於三個月的事先書面通知終止。

本公司非執行董事袁兵先生已與本公司訂立委任書，為期三年，並可由一方向另一方發出不少於14個營業日的事先書面通知終止。

本公司各獨立非執行董事王連洲先生、林智遠先生及趙立華先生已與本公司分別訂立委任書，各為期三年，並可由一方向另一方發出不少於14個營業日的事先書面通知終止。

董事概無與本公司訂立本公司不可於一年內不予賠償(法定賠償除外)的情況下終止的服務合約。

董事於重大合約中的權益

董事於2017財政年度在本公司或其任何子公司、其控股公司或其控股公司的子公司所訂立與本集團業務有關的任何重大合約中，概無直接或間接擁有任何重大實益權益。

控股股東於重大合約中的權益

控股股東(定義見下文)或其子公司(如適用)於2017財政年度在本公司或其任何子公司所訂立與本集團業務有關的任何重大合約(不論是否為提供服務或其他)中，概無直接或間接擁有任何重大權益。

BIOGRAPHICAL INFORMATION OF DIRECTORS AND SENIOR MANAGEMENT

The biographical information of Directors and senior management of the Company are set out in the section headed "Biographical Details of Directors and Senior Management" on pages 114 to 125 of this annual report.

ENFORCEMENT OF THE DEED OF NON-COMPETITION

Pursuant to the deed of non-competition dated 27 September 2013 (the "**Non-Competition Undertaking**") entered into by Mr. Wong Choi Hing, Mr. Wang Dewen, Mr. Wang Jianli, Mr. Wang Quanguang, Mr. Wang Desheng, Mr. Wang Dekai, Mr. Huang Dehong and Mr. Wong Sheung Tak (the "**Ultimate Controlling Shareholders**"), Most Trend Holdings Limited ("**Most Trend**"), Mr. Wong Kim and Eminent Ascend Limited ("**Eminent Ascend**") (collectively, the "**Controlling Shareholders**"), each of the Controlling Shareholders has unconditionally and irrevocably undertaken to the Company that he/it would not, and would procure that his/its associates (other than any members of the Group) would not, during the Restricted Period (as defined below), directly or indirectly, either on his/its own account or in conjunction with or on behalf of any person, firm or company, among other things, carry on, participate, be interested or engaged in, acquire or hold (in each case whether as a shareholder, director, partner, agent, employee or otherwise, and whether for profit, reward or otherwise) any activity or business which is or may be in competition directly or indirectly with the business referred to in the Company's listing prospectus dated 18 October 2013 carried on or contemplated to be carried on by any member of our Group from time to time (the "**Restricted Business**"). The restricted period is the period during which (i) the shares of the Company remain listed on the main board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"); (ii) the relevant Controlling Shareholder and his/its associates hold an equity interest in the Company; and (iii) the relevant Controlling Shareholder and/or his/its associates jointly or severally are entitled to exercise or control the exercise of not less than 30% in aggregate of the voting power at general meetings of the Company.

董事及高級管理層的履歷

有關董事及本公司高級管理層的履歷詳情載於本年報第114至125頁「董事及高級管理層履歷」一節。

執行不競爭契約

根據王再興先生、王德文先生、王健利先生、王全光先生、王德盛先生、王德開先生、黃德宏先生及王雙德先生(「**最終控股股東**」)、至毅控股有限公司(「**至毅**」、王劍先生與頂昇有限公司(「**頂昇**」)(統稱「**控股股東**」)於2013年9月27日訂立的不競爭契約(「**不競爭契約**」),各控股股東已無條件及不可撤回向本公司承諾,彼不會並將促使其聯繫人(本集團任何成員公司除外)不會於受限制期間(定義見下文)直接或間接以本身名義或與任何人士、商號或公司共同或代表任何人士、商號或公司(其中包括)進行、參與或於其中擁有權益或從事或收購或持有與本公司日期為2013年10月18日的上市招股章程所述本集團任何成員公司所不時進行或擬進行者直接或間接存有或可能存有競爭之任何活動或業務(於各情況下不論作為股東、董事、合夥人、代理、僱員或其他身份,以及不論是否為牟利、回報或其他目的)(「**受制業務**」)。受限制期間指下列期間(i)本公司股份在香港聯合交易所有限公司(「**聯交所**」)主板上市期間; (ii)有關控股股東及其聯繫人持有本公司股權;及(iii)有關控股股東及/或其聯繫人共同或單獨有權於本公司股東大會行使或控制行使不少於合共30%投票權的期間。

DIRECTORS' REPORT

董事會報告

The Controlling Shareholders have further undertaken to procure that, during the Restricted Period, any business investment or other commercial opportunity which directly or indirectly competes, or may lead to competition with the Restricted Business (the “**New Opportunities**”) given, identified or offered to him/it and/or any of his/its associates (other than any members of the Group) (the “**Offeror**”) is first referred to the Company in the following manner: (a) each of our Controlling Shareholders is required to, and shall procure his or its associates (other than members of our Group) to, refer, or to procure the referral of, the New Opportunities to the Company, and shall give written notice to the Company of any New Opportunities containing all information reasonably necessary for the Company (the “**Offer Notice**”); and (b) the Offeror will be entitled to pursue the New Opportunities only if (i) the Offeror has received a notice from the Company declining the New Opportunities and confirming that such New Opportunities would not constitute competition with core business of the Company, or (ii) the Offeror has not received such notice from us within 10 business days from the Company's receipt of the Offer Notice. Upon receipt of the Offer Notice, the Company shall seek opinions and decisions from the independent non-executive Directors who do not have material interests in the matter.

The Controlling Shareholders have confirmed with the Company their compliance with the Non-Competition Undertaking for disclosure in this annual report during FY2017. Independent non-executive Directors have also reviewed the Controlling Shareholders' compliance with the Non-Competition Undertaking during the Year.

DIRECTORS' EMOLUMENTS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

Particulars of the Directors' emoluments and five highest paid individuals for FY2017 are set out in notes 7 and 8 to the financial statements and the emolument policy of the Company is set out in the Corporate Governance Report on pages 98 to 113 of this annual report.

No Director has waived or has agreed to waive any emoluments during FY2017.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During FY2017, none of the Directors or their respective associates (as defined in the Listing Rules) had any interest in any business which was in competition or was likely to compete, either directly or indirectly, with the business of the Group.

控股股東進一步承諾，會於受限制期間促使控股股東及／或其任何聯繫人(本集團任何成員公司除外)(「**要約人**」)在接獲、知悉或獲提呈與受限制業務直接或間接競爭或可能導致競爭的任何業務投資或其他商業機會(「**新商機**」)，以下列方式優先轉介予本公司：(a)各控股股東必須及應促使其聯繫人(本集團成員公司除外)轉介或促使轉介新商機予本公司，並須向本公司發出任何新商機的書面通知，載列一切合理所需資料以供本公司考慮(「**要約通知**」)；及(b)要約人僅在下列情況下有權利用新商機：(i)要約人接獲本公司拒絕新商機並確認新商機不會與本公司的核心業務構成競爭的書面通知，或(ii)要約人於本公司收到要約通知起十個營業日內並無接獲我們的通知。於接獲要約通知後，本公司將向在有關事項中並無重大權益的獨立非執行董事尋求意見及決定。

控股股東已向本公司確認彼等於2017財政年度已遵守不競爭承諾在本年報作出披露。獨立非執行董事亦已審核控股股東於本年度不競爭承諾的合規情況。

董事薪酬及五名最高薪酬人士

有關本公司於2017財政年度的董事薪酬及五名最高薪酬人士詳情載於財務報表附註7及8，而本公司的薪酬政策則載於本年報第98至113頁的企業管治報告。

概無董事於2017財政年度放棄或同意放棄任何薪酬。

董事於競爭業務中的權益

於2017財政年度，董事或彼等各自的聯繫人(定義見上市規則)概無於與本集團業務競爭或可能競爭的業務中擁有任何權益。

DIRECTORS' INTERESTS IN SECURITIES

As at 31 December 2017, the interests and short positions of the Directors in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is taken or deemed to have under such provisions of the SFO), or as recorded in the register maintained by the Company under section 352 of the SFO, or as notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Listing Rules, were as follows:

董事的證券權益

於2017年12月31日，董事於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益及淡倉(包括根據證券及期貨條例的有關條文而當作或視為擁有的權益及淡倉)，或須登記於本公司根據證券及期貨條例第352條所存置登記冊的權益及淡倉，或根據上市規則所載的上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所的權益及淡倉如下：

LONG POSITION IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

於本公司股份及相關股份的好倉

							Approximate percentage of the Company's total issued share capital ⁽³⁾ 佔本公司 已發行總股本 的概約百分比 ⁽³⁾
Name of Directors 董事姓名	Class of Securities 證券類別	Corporate interest 公司權益	Personal interest 個人權益	Share Options 購股權	Family interest 家族權益	Total 合計	
Wang Jianli 王健利	Ordinary shares 普通股	2,070,000,000 ⁽¹⁾	—	—	—	2,070,000,000	51.56%
Wang Dewen 王德文	Ordinary shares 普通股	2,070,000,000 ⁽¹⁾	—	—	—	2,070,000,000	51.56%
Huang Dehong 黃德宏	Ordinary shares/Share option 普通股／購股權	2,070,000,000 ⁽¹⁾	—	4,000,000 ⁽²⁾	—	2,074,000,000	51.66%
Wang Lianzhou 王連洲	Share option 購股權	—	—	300,000 ⁽²⁾	—	300,000	0.01%
Lam Chi Yuen Nelson 林智遠	Share option 購股權	—	—	300,000 ⁽²⁾	—	300,000	0.01%

DIRECTORS' REPORT

董事會報告

Notes:

- (1) These shares are held by Most Trend. The entire issued share capital of Most Trend is wholly-owned by the Ultimate Controlling Shareholders. By virtue of an acting-in-concert declaration executed by the Ultimate Controlling Shareholders on 22 March 2013, the Ultimate Controlling Shareholders confirmed, among other things, that since 1 January 2010, they had been operating the Group collectively and would through discussions reach consensus among themselves before reaching any commercial decisions on an unanimous basis. As such, the Ultimate Controlling Shareholders are deemed to be interested in 2,070,000,000 shares of the Company through Most Trend.
- (2) This represents the Options granted pursuant to the Pre-IPO Share Option Scheme. Details of the Pre-IPO Share Option Scheme are set out in the section headed "Pre-IPO Share Option Scheme" on pages 40 to 43 of this annual report.
- (3) The percentage shareholding is calculated on the basis of 4,014,844,000 shares issued as at 31 December 2017.

Save as disclosed above, as at 31 December 2017, to the knowledge of the Board, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executive were taken or deemed to have under such provisions of the SFO); (ii) recorded in the register kept by the Company pursuant to Section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code.

附註：

- (1) 該等股份由至毅持有。至毅的所有已發行股本由最終控股股東全資擁有。由於最終控股股東於2013年3月22日簽署的一項一致行動聲明，最終控股股東（其中包括）確認自2010年1月1日起，彼等一直共同經營本集團並於一致達成任何商業決議前會經商討而達成共識。因此，最終控股股東被視為通過至毅而擁有本公司2,070,000,000股股份的權益。
- (2) 指根據首次公開售股前購股權計劃（定義見上文）授出的購股權。有關首次公開售股前購股權計劃的詳情載於本年報第40至43頁「首次公開售股前購股權計劃」一節。
- (3) 股權百分比乃按2017年12月31日已發行4,014,844,000股股份的基準計算。

除上文所披露者外，於2017年12月31日，就董事會所知，概無本公司董事或主要行政人員擁有本公司或其任何相聯法團（定義見證券及期貨條例第XV部）股份、相關股份及債券的任何權益或淡倉而須：(i) 根據證券及期貨條例第XV部第7及8分部告知本公司及聯交所（包括董事及主要行政人員根據證券及期貨條例的有關條文而當作或視為擁有的權益及淡倉）；(ii) 須登記於本公司根據證券及期貨條例第352條所存置登記冊；或(iii) 根據標準守則須知會本公司及聯交所。

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 31 December 2017, according to the register kept by the Company pursuant to Section 336 of the SFO and so far as is known to, or can be ascertained after reasonable enquiry by the Directors, the following person/entity (other than the Directors or chief executives of the Company) had an interest or short position in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which would fall to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO, or was directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote on all circumstances at general meetings of the Company:

主要股東權益

於2017年12月31日，根據本公司按照證券及期貨條例第336條置存的登記冊及就董事所知或經彼等作出合理查詢後所能確認，除董事或本公司的主要行政人員外，下列人士／實體於本公司及其相聯法團（定義見證券及期貨條例第XV部）股份、相關股份及債券中擁有根據證券及期貨條例第XV部第2及3分部的條文須向本公司及聯交所披露的權益或淡倉，或直接或間接擁有任何類別股本（附有在一切情況下在本公司股東大會投票的權利）面值5%或以上權益：

LONG POSITION IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

於本公司股份及相關股份的好倉

Name 名稱	Nature of interest 權益性質	Number of Shares 股份數目		Approximate percentage of the Company's total issued share capital ⁽¹⁾ 佔本公司已發行 總股本的 概約百分比 ⁽¹⁾
		Corporate interest 公司權益	Share Option 購股權	
Most Trend 至毅	Beneficial owner 實益擁有人	2,070,000,000	—	51.56%
Mr. Wong Choi Hing 王再興先生	Interest in controlled corporation/Share Option 受控制法團權益／購股權	2,070,000,000 ⁽²⁾	5,800,000 ⁽¹¹⁾	51.70%
Mr. Wang Quanguang 王全光先生	Interest in controlled corporation 受控制法團權益	2,070,000,000 ⁽²⁾	—	51.56%
Mr. Wang Desheng 王德盛先生	Interest in controlled corporation/Share Option 受控制法團權益／購股權	2,070,000,000 ⁽²⁾	—	51.56%
Mr. Wang Dekai 王德開先生	Interest in controlled corporation/Share Option 受控制法團權益／購股權	2,070,000,000 ⁽²⁾	4,000,000 ⁽¹¹⁾	51.66%
Mr. Wong Sheung Tak 王雙德先生	Interest in controlled corporation/Share Option 受控制法團權益／購股權	2,370,000,000 ⁽²⁾⁽¹⁰⁾	4,000,000 ⁽¹¹⁾	59.13%
Top Amuse Holdings Limited 悅峰控股有限公司	Beneficial owner 實益擁有人	600,000,000	—	14.94%

DIRECTORS' REPORT

董事會報告

Name 名稱	Nature of interest 權益性質	Number of Shares 股份數目		Approximate percentage of the Company's total issued share capital ⁽¹⁾ 佔本公司已發行 總股本的 概約百分比 ⁽¹⁾
		Corporate interest 公司權益	Share Option 購股權	
Hony Capital Fund 2008, L.P.	Interest in controlled corporation	600,000,000 ⁽³⁾	—	14.94%
Hony Capital Fund 2008, L.P.	受控制法團權益			
Hony Capital Fund 2008 GP, L.P.	Interest in controlled corporation	600,000,000 ⁽⁴⁾	—	14.94%
Hony Capital Fund 2008 GP, L.P.	受控制法團權益			
Hony Capital Fund 2008 GP Limited	Interest in controlled corporation	600,000,000 ⁽⁵⁾	—	14.94%
Hony Capital Fund 2008 GP Limited	受控制法團權益			
Hony Group Management Limited	Interest in controlled corporation	600,000,000 ⁽⁶⁾	—	14.94%
Hony Group Management Limited	受控制法團權益			
Hony Managing Partners Limited	Interest in controlled corporation	600,000,000 ⁽⁷⁾	—	14.94%
Hony Managing Partners Limited	受控制法團權益			
Exponential Fortune Group Limited	Interest in controlled corporation	600,000,000 ⁽⁸⁾	—	14.94%
Exponential Fortune Group Limited	受控制法團權益			
Mr. Zhao John Huan	Interest in controlled corporation	600,000,000 ⁽⁹⁾	—	14.94%
趙令歡先生	受控制法團權益			
Eminent Ascend	Beneficial owner	300,000,000 ⁽¹⁰⁾	—	7.47%
頂昇	實益擁有人			

Notes:

附註：

- | | |
|---|---|
| <p>(1) The percentage shareholding is calculated on the basis of 4,014,844,000 shares issued as at 31 December 2017.</p> <p>(2) These shares are held by Most Trend. The entire issued share capital of Most Trend is wholly-owned by the Ultimate Controlling Shareholders. By virtue of an acting-in-concert declaration executed by the Ultimate Controlling Shareholders on 22 March 2013, the Ultimate Controlling Shareholders, among other things, confirmed that since 1 January 2010, they had been operating the Group collectively and would through discussions reach consensus among themselves before reaching any commercial decisions on an unanimous basis. As such, the Ultimate Controlling Shareholders together control 51.56% interest in the issued share capital of the Company through Most Trend.</p> | <p>(1) 股權百分比乃按於2017年12月31日已發行4,014,844,000股股份的基準計算。</p> <p>(2) 該等股份由至毅持有。至毅的所有已發行股本由最終控股股東全資擁有。由於最終控股股東於2013年3月22日簽署的一項一致行動聲明，最終控股股東（其中包括）確認自2010年1月1日起，彼等一直共同經營本集團並於一致達成任何商業決議前會經商討而達成共識。因此，最終控股股東通過至毅共同控制本公司已發行股本的51.56%權益。</p> |
|---|---|

- | | |
|--|--|
| <p>(3) Top Amuse Holdings Limited ("Top Amuse") is wholly-owned by Hony Capital Fund 2008, L.P., hence Hony Capital Fund 2008, L.P. is deemed to be interested in the 600,000,000 shares held by Top Amuse.</p> | <p>(3) 悦峰控股有限公司（「悦峰」）由Hony Capital Fund 2008, L.P.全資擁有，故Hony Capital Fund 2008, L.P.視為於悦峰持有的600,000,000股股份中擁有權益。</p> |
| <p>(4) Hony Capital Fund 2008, L.P. is controlled by Hony Capital Fund 2008 GP, L.P., hence Hony Capital Fund 2008 GP, L.P. is deemed to be interested in the 600,000,000 shares held by Top Amuse.</p> | <p>(4) Hony Capital Fund 2008, L.P.由Hony Capital Fund 2008, GP, L.P.控制，故Hony Capital Fund 2008, GP, L.P.視為於悦峰持有的600,000,000股股份中擁有權益。</p> |
| <p>(5) Hony Capital Fund 2008 GP, L.P. is controlled by Hony Capital Fund 2008 GP Limited, hence Hony Capital Fund 2008 GP Limited is deemed to be interested in the 600,000,000 shares held by Top Amuse.</p> | <p>(5) Hony Capital Fund 2008, GP, L.P.由Hony Capital Fund 2008 GP Limited控制，故Hony Capital Fund 2008 GP Limited視為於悦峰持有的600,000,000股股份中擁有權益。</p> |
| <p>(6) Hony Capital Fund 2008 GP Limited is controlled by Hony Group Management Limited, hence Hony Group Management Limited is deemed to be interested in the 600,000,000 shares held by Top Amuse.</p> | <p>(6) Hony Capital Fund 2008 GP Limited由Hony Capital Management Limited控制，故Hony Capital Management Limited視為於悦峰持有的600,000,000股股份中擁有權益。</p> |
| <p>(7) Hony Managing Partners Limited controls 80% of the shares of Hony Group Management Limited, hence Hony Managing Partners Limited is deemed to be interested in the 600,000,000 shares held by Top Amuse.</p> | <p>(7) Hony Managing Partners Limited控制Hony Capital Management Limited的80%股份，故Hony Managing Partners Limited視為於悦峰持有的600,000,000股股份中擁有權益。</p> |
| <p>(8) Hony Managing Partners Limited is controlled by Exponential Fortune Group Limited, hence Exponential Fortune Group Limited is deemed to be interested in the 600,000,000 shares held by Top Amuse.</p> | <p>(8) Hony Managing Partners Limited由Exponential Fortune Group Limited控制，故Exponential Fortune Group Limited視為於悦峰持有的600,000,000股股份中擁有權益。</p> |
| <p>(9) Mr. Zhao John Huan controls 49% of Exponential Fortune Group Limited, hence Mr. Zhao John Huan is deemed to be interested in the 600,000,000 shares held by Top Amuse.</p> | <p>(9) 趙令歡先生控制Exponential Fortune Group Limited的49%股份，故趙令歡先生被視為於悦峰持有的600,000,000股股份中擁有權益。</p> |
| <p>(10) Eminent Ascend is wholly-owned by Mr. Wong Sheung Tak, hence Mr. Wong Sheung Tak is deemed to be interested in the 300,000,000 shares held by Eminent Ascend.</p> | <p>(10) 頂昇由王雙德先生全資擁有，故王雙德先生視為於頂昇持有的300,000,000股股份中擁有權益。</p> |
| <p>(11) This represents the Options granted pursuant to the Pre-IPO Share Option Scheme. Details of the Pre-IPO Share Option Scheme are set out in the section headed "Pre-IPO Share Option Scheme" on pages 40 to 43 of this annual report.</p> | <p>(11) 指根據首次公開售股前購股權計劃授出的購股權。有關首次公開售股前購股權計劃的詳情載於本年報第40至43頁「首次公開售股前購股權計劃」一節。</p> |

DIRECTORS' REPORT

董事會報告

Save as disclosed above, as at 31 December 2017, to the knowledge of the Directors, no other person (other than a Director or chief executive of the Company) had, or were deemed or taken to have interest or short position in the shares or underlying shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register kept by the Company pursuant to Section 336 of the SFO.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBT SECURITIES

Save as disclosed in the sections headed "Directors' Interests in Securities" and "Pre-IPO Share Option Scheme" in this report and in note 31 to the financial statements, at no time during the fiscal year under review was the Company or any of its subsidiaries a party to any arrangement to enable the Directors or chief executives of the Company (including their spouses or children under 18 years of age) to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

CONNECTED TRANSACTION

The Board confirmed that none of the related party transactions set out in note 36 to these financial statements constituted non-exempt connected transactions or non-exempt continuing connected transactions under Chapter 14A of the Listing Rules. During FY2017, the Group had not entered into any connected transactions or continuing connected transactions which are required to be disclosed in this annual report pursuant to the Listing Rules.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the Year, the Company and its subsidiaries have not purchased, sold or redeemed any of the Company's shares listed on the Stock Exchange.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles, or the laws of Cayman Islands, being the jurisdiction in which the Company was incorporated, under which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

除上文所披露者外，於2017年12月31日，就董事所知，概無其他人士（本公司董事或主要行政人員除外）於股份或相關股份中擁有或視為或視作擁有須根據證券及期貨條例第XV部第2及第3分部的條文向本公司披露或須登記於本公司根據證券及期貨條例第336條所存置登記冊的權益或淡倉。

董事購買股份或債券的權利

除載於本報告「董事的證券權益」及「首次公開售股前購股權計劃」各節及財務報表附註31所披露者外，本公司或其任何子公司於回顧財政年度內任何時候概無訂立任何安排，致使董事或本公司主要行政人員（包括其配偶或18歲以下子女）藉收購本公司或任何其他法團的股份或債券而獲益。

關連交易

董事會確認，本財務報表附註36所載的關聯方交易概不屬於上市規則第十四A章的非豁免關連交易或非豁免持續關連交易。於2017財政年度內，本集團並無訂立任何關連交易或持續關連交易而須根據上市規則在本年報作出披露。

購買、出售或贖回上市證券

於本年度內，本公司及其附屬公司並無購買、出售或贖回本公司任何在聯交所上市的股份。

優先購買權

章程細則或開曼群島（即本公司註冊成立的司法權區）法律概無有關優先購買權的條文規定本公司須按比例向現有股東提呈發售新股份。

BANK LOANS AND OTHER BORROWINGS

Details of the bank loans and other borrowings of the Group as at 31 December 2017 are set out in note 26 to the financial statements.

ISSUANCE OF 13.75% SENIOR NOTES DUE 2018

On 15 December 2015, the Company issued 13.75% senior notes with an aggregate principal amount of US\$100,000,000, which are due in 2018 (the “2018 Senior Notes”). The 2018 Senior Notes are listed and traded on The Singapore Exchange Securities Trading Limited.

On 14 September 2016, the Company issued additional 2018 Senior Notes with an aggregate principal amount of US\$60,000,000, which are consolidated and formed a single class with the US\$100,000,000 aggregate principal amount of 13.75% Senior Notes due 2018 issued by the Company on 15 December 2015. The proceeds of the additional 2018 Senior Notes will primarily be used for the refinancing of indebtedness of the Company and the remainder for its working capital purposes.

Please refer to the Company's announcements dated 2 December 2015, 8 December 2015, 17 December 2015, 8 September 2016, 18 September 2016, 6 September 2017 and 18 September 2017 for details on the 2018 Senior Notes.

ISSUANCE OF 11% SENIOR NOTES DUE 2019

On 25 August 2016, the Company and certain subsidiary guarantors entered into a subscription agreement with China Orient Alternative Investment Fund, pursuant to which the Company agreed to issue and China Orient Alternative Investment Fund agreed to subscribe for US\$60,000,000, 11% senior notes due 2019. The issuance was completed on 30 August 2016. The proceeds of the senior notes will primarily be used for the refinancing of indebtedness of the Company and the remainder for its working capital purposes.

Please refer to the Company's announcements dated 25 August 2016, 6 September 2017 and 18 September 2017 for details on the notes.

銀行貸款及其他借貸

有關本集團於2017年12月31日的銀行貸款及其他借貸詳情，載於財務報表附註26。

發行於2018年到期的13.75%的優先票據

於2015年12月15日，本公司發行本金總額為100,000,000美元於2018年到期的13.75%優先票據（「2018優先票據」）。2018優先票據於新加坡證券交易所有限公司上市及交易。

於2016年9月14日，本公司發行額外本金合共60,000,000美元之2018優先票據。該等額外優先票據與本公司於2015年12月15日發行本金合共100,000,000美元於2018年到期的13.75%優先票據合併並組成單一系列。額外2018優先票據募集之資金將主要用於本公司的債務再融資及營運資金用途。

有關2018優先票據的詳情，請參閱本公司日期為2015年12月2日、2015年12月8日、2015年12月17日、2016年9月8日、2016年9月18日、2017年9月6日及2017年9月18日的公告。

發行於2019年到期的11%的優先票據

於2016年8月25日，本公司及若干附屬公司擔保人與China Orient Alternative Investment Fund訂立認購協議，據此，本公司同意發行及China Orient Alternative Investment Fund同意認購60,000,000美元於2019年到期的11%優先票據，已於2016年8月30日完成有關發行。優先票據募集資金將主要用於本公司債務再融資及營運資金用途。

有關票據的詳情，請參閱本公司日期為2016年8月25日、2017年9月6日及2017年9月18日的公告。

DIRECTORS' REPORT

董事會報告

CONSENT SOLICITATION IN RESPECT OF THE 2018 SENIOR NOTES AND THE 11% SENIOR NOTES DUE 2019

On 18 September 2017, the Company started a consent solicitation process in relation to certain proposed amendments to the indenture governing the 2018 Senior Notes, and also sought consent from China Orient Alternative Investment Fund in relation to similar amendments to the indenture governing the 11% senior notes due 2019. The Company received requisite consents for both notes on 18 September 2017.

Please refer to the Company's announcements dated 6 September 2017 and 18 September 2017 for details on the consent solicitation.

CORPORATE GOVERNANCE

The Board is of the opinion that the Company had complied with the code provisions as set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Listing Rules during the Year. Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report on pages 98 to 113 of this annual report.

有關2018優先票據及於2019年到期的11%優先票據的同意徵求

於2017年9月18日，本公司就規管2018優先票據的契約的若干建議修訂啟動同意徵求過程，亦就規管於2019年到期的11%優先票據的契約的類似修訂向China Orient Alternative Investment Fund尋求同意。本公司於2017年9月18日就兩批票據取得所需同意。

有關同意徵求的詳情，請參閱本公司日期為2017年9月6日及2017年9月18日的公告。

企業管治

董事會認為本公司於本年內已遵守載於上市規則附錄十四的企業管治守則（「企業管治守則」）的守則條文。本公司所採納的主要企業管治常規載於本年報第98至113頁的企業管治報告。

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the latest practicable date prior to the issue of this annual report, the Company has maintained the public float of the issued shares of the Company as required under the Listing Rules.

CLOSURE OF THE REGISTER OF MEMBERS

The register of members of the Company will be closed from 11 May 2018 to 16 May 2018, both days inclusive, during which period no transfer of shares of the Company will be effected. In order to determine the identity of members who are entitled to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 10 May 2018.

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five years is set out on pages 36 to 37 of the annual report. This summary does not form part of the audited consolidated financial statements.

MANAGEMENT CONTRACT

During FY2017, no contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2017.

充足公眾持股量

根據本公司可取得的公開資料以及就董事於本年報刊發前的最後實際可行日期所知，本公司已維持上市規則所規定本公司已發行股份之公眾持股量。

暫停辦理股份過戶登記

本公司股份過戶登記處將於2018年5月11日至2018年5月16日止(包括首尾兩天)暫停辦理股東登記手續，期間不會辦理本公司股份過戶登記手續。為釐定有權出席股東週年大會並於會上投票的股東身份，所有股份過戶文件連同有關股票須不遲於2018年5月10日下午4:30前送達本公司的證券登記處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712至1716室。

財務概要

有關本集團於過去五年的業績與資產及負債概要載於本年報第36至37頁。本概要並非經審核合併財務報表一部分。

管理合約

於2017財政年度，概無於截至2017年12月31日止年度訂立或存在關於管理及經營本公司全部或任何重大部分業務的合約。

DIRECTORS' REPORT 董事會報告

AUDITORS

KPMG has acted as the auditors of the Company for the financial year ended 31 December 2017. The consolidated financial statements of the Company for FY2017 have been audited by KPMG.

KPMG will retire at the forthcoming AGM and a resolution for the re-appointment of KPMG as the auditors of the Company for FY2018 will be proposed at the AGM.

For and on behalf of the Board

WANG JIANLI

Chairman

Hong Kong, 29 March 2018

核數師

畢馬威會計師事務所為本公司截至2017年12月31日止財政年度的核數師。本公司2017財政年度的合併財務報表已由畢馬威會計師事務所審核。

畢馬威會計師事務所將在應屆股東週年大會上退任。股東週年大會將提呈有關續聘畢馬威會計師事務所為本公司2018財政年度核數師的決議案。

代表董事會

主席

王健利

香港，2018年3月29日

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

INTRODUCTION

The Board hereby deliver the Environmental, Social and Governance Report (the “**ESG Report**”) of the Group for the year ended 31 December 2017 to all shareholders. This ESG Report presents our undertakings on sustainable development. In the current society, investors value the contribution made by an enterprise to the environment and the society, and its ability to enhance business performance for the best interests of its shareholders.

ABOUT THIS ESG REPORT

Basis of Compilation

This ESG Report has been prepared according to the core option of the Global Reporting Initiative (the “**GRI**”) G4 Guidelines, and the “Environmental, Social and Governance Reporting Guide” (the “**ESG Reporting Guide**”) as set out in Appendix 27 to the Listing Rules. The Group has complied with the “comply or explain” provisions set out in the ESG Reporting Guide. In the Year, the Board has supervised the strategies, policies and reports on environment, society and governance issues, monitored continuous compliance, and sought to improve the performance of the Group through improving efficiency of business operation and resource utilization and taking environmental protection measures for realizing its sustainable development, thus minimizing carbon footprint in the environment.

This ESG Report includes forward-looking statements, based on a number of assumptions and expectations as of the issuing date of this ESG Report. Such assumptions and expectations shall not be deemed to be reliable unless they are approved by internal review procedures. Relevant statements include known and unknown risks and uncertainty, which means that the actual results may be different from these expectations, predictions and conclusions in this ESG Report. The Group does not provide any guarantee on the accuracy of these statements, and the Group makes it clear that, if any of the statements do not come true or are confirmed as incorrect, the Group shall not bear any responsibilities on amendment or update of such forward-looking statements.

引言

本公司董事會謹此呈列本集團截至二零一七年十二月三十一日止年度之環境、社會及管治報告（「**環境、社會及管治報告**」）。本環境、社會及管治報告展現我們對可持續發展的承擔。在現今的資本環境中，投資者不僅著眼於企業有否為其股東謀求最佳利益，同時關注企業在環境及社會中所承擔的責任及所作出的貢獻。

關於本環境、社會及管治報告

報告編製依據

本環境、社會及管治報告乃按照全球報告倡議組織（「**GRI**」）G4指引的核心選項及上市規則附錄27所載規定（「**環境、社會及管治報告指引**」）而編製，本集團遵守環境、社會及管治報告指引所載「不遵守就解釋」條文。本年度，董事會負責監督本集團在環境、社會及管治方面的策略、政策和報告，並監察持續遵例情況及尋求透過提高業務營運及資源運用的效率及為實現可持續發展採取環保措施，以改善本集團的表現，從而盡量減少在環境中留下的碳足跡。

本環境、社會及管治報告包含前瞻性陳述，有關陳述乃基於本環境、社會及管治報告發佈之時的若干假設及預期。該等假設及預期須於進行內部審閱程序後，方會被視為可靠。有關陳述包括已知及未知風險及不確定性因素，意味著實際結果可能與本環境、社會及管治報告所作預期、預測及結論有所不同。本集團對陳述之準確性概不作出任何保證，及本集團明確表示，倘任何陳述並未成為事實或被證實為不正確，本集團概不對該等前瞻性陳述之修正或更新承擔任何責任。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ABOUT US

The Company is a leading developer and operator of integrated large-scale trade and logistics center in the PRC. The Company has put efforts on developing, constructing and operating trade and logistics projects in cities over the years and is among the front-runners in the industry in terms of the number of large-scale trade and logistics centers developed and operating, the total gross floor area and the land reserve. The Company has successfully merged the functions of commodity trading, e-commerce, commercial complex, financial services, intelligent warehousing and logistics, corporate headquarters and base, innovative enterprise incubator, star hotel, international conference and exhibition, leisure and entertainment into the projects, and formed an intensive, large-scale, full-format, multi-functional and modern trade and logistics model.

As the scale of enterprises' corporate activities is enlarging, various hazardous and greenhouse gases are emitted into the air, causing global warming and change in rainfall and atmospheric circulation. The climate is getting abnormal due to several ecological changes, destroying ecosystem and causing drought and flood disaster. As such, Enterprises must take lead in contributing to the society.

In respect of our corporate social responsibility, the Group has abided by business ethics, integrity and conduct in its operations and business. Any forms of illicit compensation claimed by staff are explicitly prohibited. The Group complies with the Labor Law of the PRC and any applicable employment laws in the regions where it operates. Meanwhile, The Group has formulated human resources policies and procedures such as formulating bonus and incentives standards in the remuneration system. The Group has also organized sustainable and all-rounded employee trainings, human resources development and interactive career planning to the employees in developing their talents. Through a completed, diversified and systematic mechanism, the Group has promoted to an international horizon in cultivating the employees, deepening their professional knowledge, strengthening corporate prospects and engendering innovative ideas based the dynamic environment.

The Company will continue to put efforts in reducing negative impacts, which incurred by the Group's operation, on the local community. The Company will also facilitate transparent and constructive communications with the community and other stakeholders to understand their concerns and needs, in aim to build up a harmonic community.

關於我們

本公司是中國領先的大型商貿物流中心開發商及運營商。公司多年來深耕於城市開發建設及運營商貿物流中心項目，所開發運營的大型商貿物流中心數量、總建築面積、土地儲備量均居同行業前列，率先成功地將商品交易、電子商務、商業綜合體、金融服務、智慧化倉儲物流、企業總部基地、創新企業孵化器、星級酒店、國際會展、休閒娛樂等功能集為一體，形成了集約化、規模化、全業態、多功能、現代化商貿物流模式。

由於企業生產活動規模越來越大，向大氣排放多種有害及溫室氣體，令大氣品質受到影響，氣候有逐漸變暖的趨勢，影響降雨和大氣環流的變化。各種生態環境的變化使氣候漸趨反常，導致生態系統受到破壞，造成旱澇災害。企業必須以身作則，為社會作一分貢獻。

於企業社會責任方面，本集團恪守商業道德，堅持誠信經營，嚴格遵守商業行為準則，明令禁止員工以任何形式索取不合理報酬。集團遵守中國勞工法及營運所在地司法權區的適用僱傭法律，並同時制定其人力資源政策及程序，於其薪酬制度中加入花紅及獎勵。於培育人才方面，集團建立了持續、全方位的員工培訓、人力資源開發和互動式職業生涯規劃模式。透過全面、多元化及系統化的發展機制，本集團拓闊國際人才視角、深化其專業知識、強化企業願景及針對瞬息萬變的環境提出創見。

公司於來年將會繼續設法盡量減少集團的營運對地方社區造成的任何負面影響，並促進與社區及其他持份者建立具透明度及具建設性的對話，了解各方面訴求及需要，共創和諧美好的社區。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

OUR CONCEPT OF SUSTAINABLE DEVELOPMENT

We understand that, the Company's long-term success depends on the sustainable development of our business, high-quality services provided by diligent and innovative employees to our clients and business partners, and valuable contributions of stakeholders of the Group. We put efforts to meet relevant local and international standards applicable to our operations. We manage our business positively adhering to environmental protection and responsibilities to the society, which is in line with the adopted policies. We have grouped and identified five different kinds of stakeholders which are relevant in the operation of the Group. The groups are categorized as shareholders, clients, employees, communities and the government.

我們的可持續發展觀

我們明白公司的長期成功有賴於業務的可持續發展性及勤奮創新的僱員，向客戶及商業夥伴提供優質服務及對本集團之若干持份者作出有益貢獻。我們竭力符合與本集團營運有關的相關地方及國際標準。我們以環保及對社會負責之方式積極管理業務，其與所採納政策一致。綜合及識別涉及本集團主要業務的五個不同持份者分組，分別包括股東、客戶、僱員、社區及政府。

Stakeholder's Engagement and Materiality

持份者的參與及重要性

持份者 Stakeholders	主要關注問題 Issues of Major Concerns	通訊渠道 Communication Channels
股東 Shareholders	1. 財務表現 Financial performance 2. 企業管治 Corporate governance 3. 企業形象 Corporate image	a. 年報及中期報告 Annual report and interim report b. 股東週年大會及其他股東大會 Annual general meeting and other meetings c. 披露易網站 HKEx website d. 公司網站 Company website e. 大會通告及說明材料 Notices of meetings and explanatory materials
政府 Governance	1. 企業管治 Corporate governance 2. 遵守法律法規 Compliance with laws and regulations	a. 配合政府及監管機構的合規檢查 Cooperate with the government and regulatory authorities on compliance inspections
客戶 Customers	1. 產品及服務質量 Product and service quality 2. 風險管理 Risk management	a. 電郵及電話聯絡方式 Email and phone contacts b. 拜訪、會議及研討會 Visits, meetings and seminars

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持份者 Stakeholders	主要關注問題 Issues of Major Concerns	通訊渠道 Communication Channels
僱員 Employees	1. 工作保障 Job security 2. 薪金及福利 Salaries and benefits 3. 規章制度的合理性 Reasonableness of rules and regulations 4. 工作時間 Working hours 5. 長期發展 Long-term development	a. 內部網站 Internal website b. 電郵 E-mail c. 員工福利委員會 Employee welfare committee d. 投訴委員會 Committee for complaints e. 調查/論壇 Surveys/forums
社區 Community	1. 遵守法律法規 Compliance with laws and regulations 2. 就業機會 Career opportunities 3. 社區福利拓展活動 Community welfare outreach activities	a. 主動訪問 Proactive visits b. 公益活動 Public welfare activities c. 公司網站 Company website d. 環境、社會及管治報告 ESG report

The Company is persistently strengthening communication and relationship with its investors. Designated senior personnel are keeping contact from time to time with shareholders and investors through email, teleconference, one-to-one meetings, broker forums and non-trading roadshow among others, so as to ensure that shareholders and investors can receive the latest information of the Group in a fair and timely manner, helping them to make investment decisions. The Company will give detailed and timely response to inquiries from investors. The Company has made a materiality evaluation to identify material matters in the Group's operation which shall have significant influence on the economy, environment, society and stakeholders. In accordance with the evaluation results, the Group aim to make the commitments and undertake the responsibilities to all stakeholders.

本集團持續加強與其投資者之溝通及關係。特定高級管理人員通過電郵、電話會議、一對一會面、出席經紀座談會及非交易路演等形式與股東及投資者保持緊密聯繫，以確保股東及投資者能夠公平、及時地得到集團最新資訊以協助彼等作出投資決定。本公司會對投資者之查詢作出詳盡及適時之回應。本集團已進行重要性評估以識別反映集團之業務於經濟、環境及社會方面之重大影響之事項及對持份者而言屬最為重要之事項。根據評估結果，集團希望對所有利益相關方作出集團的承諾以及承擔集團的責任。

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利益相關方 Stakeholders	我們的承諾及責任 Our Commitments and Responsibilities
客戶 Clients	提供安全、高品質產品及服務 Provide safe, high-quality products and services
環境 Environment	節能降耗、減少資源浪費、應對氣候變化、發展循環經濟 Save energy and reduce consumption, and waste of resources, respond to climate changes, and develop circular economy
股東/投資方 Shareholders/Investors	穩健運營、提供合理可持續回報 Keep stable operations, provide reasonable and sustainable returns
員工 Employees	提供安全場所、良好福利待遇、關注他們的健康和職業發展 Provide safe sites, good welfare and compensation, and pay attention to their health and occupational development
商業合作夥伴 Business Partners	以誠信為基礎、共同發展 Achieve mutual development on the basis of good faith
社區 Communities	為社區和諧發展做出貢獻、關愛社區 Make contributions to harmonious development and care of communities
政府 Government	依法納稅、遵紀守法 Pay taxes in accordance with relevant laws, and comply with laws and regulations

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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OUR PROJECTS

我們的項目

項目公司 Project Company	地點 Location
寧鄉商貿物流中心 Ningxiang Trade Center	湖南省長沙市 Changsha, Hunan province
濟寧商貿物流中心 Jining Trade Center	山東省濟寧市 Jining, Shandong province
玉林商貿物流中心 Yulin Trade Center	廣西壯族自治區玉林市 Yulin, Guangxi Zhuang autonomous region
綿陽商貿物流中心 Mianyang Trade Center	四川省綿陽市 Mianyang, Sichuan province
贛州商貿物流中心 Ganzhou Trade Center	江西省贛州市 Ganzhou, Jiangxi province
梧州商貿物流中心 Wuzhou Trade Center	廣西壯族自治區梧州市 Wuzhou, Guangxi Zhuang autonomous region
菏澤商貿物流中心 Heze Trade Center	山東省濟寧市 Jining, Shandong province
煙台商貿物流中心 Yantai Trade Center	山東省煙台市 Yantai, Shandong province
蘭州商貿物流中心 Lanzhou Trade Center	甘肅省蘭州市 Lanzhou, Gansu province
佳木斯商貿物流中心 Jiamusi Trade Center	黑龍江省佳木斯市 Jiamusi, Heilongjiang province
柳州商貿物流中心 Liuzhou Trade Center	廣西壯族自治區柳州市 Liuzhou, Guangxi Zhuang autonomous region

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

I. ENVIRONMENT

I.1 Emissions

1.1.1 Management on Emissions and Pollutants

Currently, the Group is developing and operating 11 trade and logistics centers in the PRC. The Company bears in mind the corporate responsibilities of sustainable development. All projects of the Group are complied with the Environmental Protection Law of the PRC (中華人民共和國環境保護法), Law of the PRC on Environmental Impact Assessment (中華人民共和國環境影響評價法) and related regulations, as well as specific regulations released by regional governments. Before the start of each projects, the project company will make respective evaluation reports such as Environmental Impact Report (建設項目環境影響報告) and Environmental Acceptance Report (項目工程環境驗收報告書) to regulate the construction contractors in relation to the noises generated by construction machineries, exhausted gas emitted from various construction machineries and transportation vehicles, organic emissions generated during decorations and renovations, wastewater generated from operation at construction sites, solid wastes generated at construction sites, energy consumption at construction sites, and household garbage and domestic wastewater generated by construction contractors, etc.

1.1.2 Noise Management

Construction noises are generated by various construction machineries, including foundation piling machines, excavators and bulldozes. Noises are also generated by various types of machineries which are used for decoration and renovation. These machineries include drills, collecting machines, cutting machines and electric saws. The Group complies with the Law of the PRC on the Prevention and Control of Noise Pollution (中華人民共和國噪聲污染防治法) to reduce the impacts of noise placed on the surrounding environment through ensuring that the boundaries of the construction sites meets the requirements of the national Emission Standard of Environment Noise for Boundary of Construction Sites (建築施工場界環境噪聲排放標準). The Group required construction contractors to adopt the following measures in reducing the impact of such noises generated by construction machineries:

I. 環境

I.1 排放物

1.1.1 排放物及污染物管理

目前本集團在中國開發及運營11個商貿物流中心項目。在開發的過程中，公司謹記企業對可持續發展的承擔，並在《中華人民共和國環境保護法》及《中華人民共和國環境影響評價法》等相關法律和地方政府法規架構下進行所有工程建設和項目開發。項目公司在各地的項目開始前，皆會製作環境相關的評估報告表，如《建設項目環境影響報告》和《項目工程環境驗收報告書》，以規範施工單位對各類施工機械所發出的噪音、各類施工機械及運輸車輛所排放的廢氣、裝修及翻新時產生的有機廢氣、建築工地所產生的廢水、施工中所製造出來的固體廢物、建築工地的能源消耗及施工單位的生活垃圾及污水等。

1.1.2 噪音管理

施工噪音主要來自各種大型施工器械如打樁機、挖土機、推土機等。此外，在進行室內裝修時，噪音主要來自各種鑽機、收集機、切割機、電鋸等裝修機械。本集團遵守《中華人民共和國噪聲污染防治法》，以減少其對周圍環境的影響，使施工場地邊界線達到《建築施工場界環境噪聲排放標準》的要求，本集團督促施工單位採取以下措施來減輕由施工機械造成的噪音之影響：

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- a) Traditional percussive piling process using steam and diesel are prohibited during foundation works. Instead, construction process with less noise and less pollution are adopted such as drilling pile and hydrostatic pile;
 - b) The majority of construction process are prohibited during non-working hours, noontime and nighttime. Any extension of operating hours due to special circumstances must be reported to and approved by the relevant authorities;
 - c) For any construction process in which high noise-level operation are expected, proper shielding should be installed to ensure temporary sound insulation and sound muffling; and
 - d) The entrances and exits for construction trucks at construction sites should be arranged at places away from sensitive areas, such as government properties.
- a) 在基礎建設期間禁止使用蒸汽、柴油等傳統撞擊式打樁機，轉而選用鑽樁、液壓靜力樁等低噪音低污染的施工方式；
 - b) 項目大部分施工程序禁止在作息時間、中午及夜間進行，因特殊需要延續施工時間的，必須報有關部門批准；
 - c) 高噪音施工期間應對施工範圍附近採取臨時性移動聲屏障措施；及
 - d) 施工運輸車輛進出場地應安排遠離敏感區域，例如政府產業和住宅區。

1.1.3 Dust Management

Dusts from construction sites are mainly generated during the process of foundation works. Dust emissions can mainly be attributed to wind and kinesis. Construction materials such as sands and cements stored outdoor are easily picked up by wind in dry and windy weather. In addition, dusts are generated by external force in particular the construction trucks and machineries during the process of excavation and soil loosening. In practical, the volume of dusts are correlated with humidity, road condition, speed of vehicles and wind velocity. The Group complies with the Prevention and Control of Atmospheric Pollution Law of the PRC (中華人民共和國大氣污染防護法) and Integrated Emission Standards for Air Pollutants (大氣污染物綜合排放標準) to minimize the environmental impacts of dust generated in construction process. The Group also encourages construction contractors to comply with related regulations and adopt following measures:

1.1.3 揚塵管理

項目施工時所產生揚塵，主要集中在基礎土建施工階段。造成揚塵的原因可分為風力起塵和動力起塵，其中風力起塵主要由於天氣乾燥及大風吹起露天堆放的建材(如黃沙、水泥等)及裸露的施工區表層浮塵；而動力起塵，主要是在建材的裝卸、攪拌過程中，由於外力而產生的塵粒再懸浮而造成，其中施工及裝卸車輛造成的揚塵最為嚴重。一般情況下，揚塵量的大小與天氣乾燥程度、道路路況、車輛行駛速度、風速大小有關，本集團在這方面嚴格的遵守《中華人民共和國大氣污染防護法》及《大氣污染物綜合排放標準》，並依照相關規範去督促施工單位採取以下措施來減輕揚塵之影響：

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| <p>a) Construction sites should be fully enclosed, and road surfaces at construction sites should be fully hardened;</p> <p>b) Certain level of humidity should be maintained during the excavation and drilling process by watering the operation surface; watering should be carried out regularly on loose and dry soil at construction sites; and proper watering should be carried out on dry surface of soil when backfilling the soil, in order to prevent the creation of dusts;</p> <p>c) Dedicated locations should be set up with enclosure for the stacking and storage of building materials, and misplacements should not be allowed. Unwanted residual materials should be transported away as soon as possible, and accumulation of such wastes should not be allowed. Sand and soil at construction sites should be covered at all times when they are not in use;</p> <p>d) During the process of demolition, watering should be made to suppress dusts;</p> <p>e) Car wash facilities and ground surface water trenches should be set up at the entrances and exits of construction sites for rinsing of transportation trucks. Transportation trucks should be rinsed thoroughly before leaving the construction sites to reduce dirt carried by the vehicles and chassis from scattering on the roads. Soil scattered on the roads should be removed immediately to reduce the creation of dust during operation; and</p> <p>f) Ready-mix concrete must be used for construction projects located on both sides of the roads or within designated areas. In order to reduce dust pollution, concrete mixers should not be installed at construction sites.</p> | <p>a) 施工現場全面圍蔽，工地路面實行全面硬化；</p> <p>b) 開挖和鑽孔過程中，灑水使作業面保持一定的濕度；對施工場地內鬆散、乾涸的表土，經常灑水防止揚塵；回填土方時，在表層土質乾燥時適當灑水、覆蓋，防止有揚塵；</p> <p>c) 設置建築物料專用堆放場所，採用圍隔堆放處理，不准亂堆亂放。不需要的建築材料和棄渣必須及時運走，不長時間堆積。工地沙土不用時需覆蓋；</p> <p>d) 進行清拆建築時，拆除工程需灑水壓塵；</p> <p>e) 在施工出入口設置洗車平台及沉澱池；出工地車輛需沖淨車輛車身後方可駛出工地，減少車輛、底盤等攜帶泥土散落路面。對運輸過程中散落路面上的泥土及時清掃，以減少運行過程中的揚塵；及</p> <p>f) 在市區道路兩側和規定範圍內的建設工程必須使用預拌混凝土，不在施工現場設立混凝土攪拌機攪拌；</p> |
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1.1.4 Air Emission Management

Exhausted gas is mainly emitted by various construction machineries and transportation vehicles during construction process, as well as organic emissions generated during decorations and renovations. Exhaust gases emitted by various kinds of construction machineries are such mainly sulfur dioxide (SO₂), nitrogen oxide (NO_x) and hydrocarbons. Organic exhaust gases emissions are mainly toxic gases which vaporized from various paints and coatings on plywood boards, fine wood boards, medium-density fiberboard and particle boards. These toxic gases include formaldehyde, benzene, ethanol, radon, polyvinyl chloride, ethyl benzene and polycyclic aromatic hydrocarbons. The Group complies with the Prevention and Control of Atmospheric Pollution Law of the PRC (中華人民共和國大氣污染防護法) to minimize the environmental impacts of exhausted gases generated from construction. The Group also encourages construction contractors to adopt the following measures:

- a) Machineries should be turned off when idle to reduce generation of exhaust gas from combustion;
- b) During the construction process, the use of disposed building materials as fuel is strictly prohibited; and
- c) Environmental friendly materials should be used during decorations and renovations as to reduce the emission of formaldehyde.

1.1.4 廢氣管理

施工廢氣主要為項目施工時各類施工機械及運輸車輛所排放的廢氣，以及裝修及翻新時產生的有機廢氣。此類廢氣主要成分為二氧化硫(SO₂)、氮氧化物(NO_x)和碳氫化合物。有機廢氣主要來源於裝修過程中使用的膠合板、細木板、中密度纖維板、刨花板上的各油漆塗料等發揮的有毒氣體，其成分主要為甲醛、苯、酯、醇、氫、聚氯乙炔、乙苯、多環芳烴等。為使施工過程中所產生的廢氣對周圍環境空氣的影響降低到最小程度，集團遵守《中華人民共和國大氣污染防護法》，同時，集團亦督促施工單位採取以下防護措施：

- a) 各類施工機械在不工作時應停止運行，減少其產生的燃料廢氣；
- b) 施工過程中，嚴禁將廢棄的建築材料作為燃料燃燒；及
- c) 室內裝修應儘量使用環保裝修材料，從源頭減少甲醛廢氣的排放。

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1.1.5 Wastewater Management

The Group's discharges into water mainly include wastewater generated from office operations and construction sites. When dealing with wastewater which generated from office operations, the Group strictly complies with the Wastewater Quality Standards for Discharge to Municipal Sewers (污水排入城鎮下水道水質標準) in directing all discharges into municipal sewage. Wastewater discharged from construction sites mainly include muddy water, wastewater from rinsing the cement system, cooling water of machineries and wastewater from rinsing of ground surface. In general, the pH value of wastewater is within the range of 6~8, SS within 1000~6000 mg/L and petroleum of around 15 mg/L. Pollution is generated mainly from suspended solids (SS), dichromate chemical oxygen demand index (CODCr), biochemical oxygen demand indicator (BOD5) and ammoniacal nitrogen indicator ($\text{NH}_3\text{-N}$) in the wastewater. The Group complies with the Law of the PRC on the Prevention and Control of Water Pollution (中華人民共和國水污染防治法) to minimize the pollution generated during constructions so that the discharging of wastewater is in compliance with the requirements set out in the Integrated Wastewater Discharge Standard (污水綜合排放標準) released by the PRC Government. To reduce discharges into water, the Group has adopted the following preventive measures:

- a) Construction contractors shall strictly follow the Construction Organisation Design and Special Plan for Construction Safety as reviewed and approved by the Company and the project supervisors, formulate design plans for the discharge of surface water, and prohibit unorganised discharge, pollution to roads and the environment, or flooding of municipal facilities;

1.1.5 廢水管理

本集團向水的排污主要來自於辦公室營運產生的少量生活廢水以及施工現場的施工廢水。對於辦公室產生的廢水，集團嚴格按照《污水排入城鎮下水道水質標準》排入市政污水管道進行統一處理。施工廢水主要包括泥漿水、混凝土系統沖洗水、機械設備運轉的冷卻水和地面沖洗廢水，施工廢水含有大量懸浮物、石油類污染物等。一般施工廢水pH值約為6~8，SS約1000~6000 mg/L，石油類15 mg/L，主要污物包含水質中懸浮物(SS)、重鉻酸鹽指數(CODCr)、生化需氧量(BOD5)、廢水中氨氮含量指標($\text{NH}_3\text{-N}$)。本集團遵守《中華人民共和國水污染防治法》，為使施工過程中產生的廢水影響降低至最小程度，施工地污水排放符合國家標準《污水綜合排放標準》的規定，本集團已採取以下防護措施：

- a) 工程施工期間，施工單位嚴格執行集團制定的《施工組織設計》和《安全文明施工專項方案》，對地面水的排放進行設計項目，嚴禁亂排、亂流污染道路及環境或淹沒市政設施；

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- b) Wastewater generated during foundation piling work must be treated immediately through dredging and discharge management. Pollutants in wastewater generated from washing and rinsing machineries and construction vehicles are mainly suspended solids, for which rinsing and washing facilities should be set up at designated locations. Surface water ditches should be directed to temporary sedimentation tanks to allow suspended solids in wastewater to sediment. After sedimentation, wastewater can then be recycled for use to reduce the use of clean water;
 - c) Muddy water generated during operation and sludge by punching pile drivers and bored piles must not be discharged without treatment. Temporary settling basins should be set up at backfill dumps and at locations where sludge is produced. Rainwater containing sediments and muddy water should only be discharged after sedimentation in settling basins to remove floating specks and reduce sediments concentration so as to prevent any sewer blockage. No unorganized discharge is allowed;
 - d) Provide temporary public toilets. Sewage can be discharged only after it is properly collected by the septic tank; and
 - e) Establish wastewater diversion canals, wastewater collection pond, grit chamber and other preventive facilities.
- b) 及時處理打樁基礎作業產生的污水，要注意攪好疏導、排放管理；施工機械設備沖洗和施工車輛沖洗廢水中主要污染物懸浮物，應指定施工機械設備沖洗場地並設置地面水槽引至臨時沉澱池，以收集洗車、施工以及降水過程中產生的廢水和泥漿，經沉澱後便可循環利用，以減少本集團清水的用量；
 - c) 施工時產生的泥漿水及沖孔鑽孔樁產生的泥漿未經處理不隨便排放，不污染現場及周圍環境。在回填土堆放場、施工泥漿產生點設置臨時沉沙池。含泥沙雨水、泥漿水經沉沙池沉澱後就近排入市政雨水管系統，去除其中的漂浮物，減少污水中泥沙含量，以防造成下水道堵塞，並禁止無組織排放；
 - d) 提供臨時公廁，污水收集後經化糞池妥善處理後，才可排出；及
 - e) 建立廢水導流渠、廢水收集池、沉砂池及其它防治設施。

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1.1.6 Solid Waste Management

The Group's solid wastes include harmless wastes generated in offices and at construction sites. Wastes generated in offices are daily garbage which is associated with the social and economic development, as well as enhancement in living standard. All wastes generated in offices are handled and recycled through the Group's property management. Solid wastes generated at construction sites mainly consist of silt, muck, sludge resulted from surface excavation, residual wasted construction materials, domestic garbage from workers and wastes generated from renovation. Wastes generated from renovation include mortar surface cement, packaging materials, scrap metal wire, sawdust, and various hazardous wastes, such as wasted oil drums, wasted plastic cloth, wasted chemical materials and its respective packaging materials, and wasted asbestos. The Group complies with the PRC Law on the Prevention and Control of Environmental Pollution by Solid Wastes (中華人民共和國固體廢物污染環境防治法) to reduce the pollution from solid wastes generated during construction process, and the Group has required the construction contractors to adopt the following measures:

- a) Different types of solid wastes generated from construction should be collected and handled separately;
- b) Domestic waste should be disposed of regularly after collection;
- c) Only proper quantities of residual mud should be loaded to transportation trucks to ensure no spillage nor flying dusts during transportation. Wastes should only be dumped to landfill sites designated by the relevant authorities;
- d) Wastes such as brick rubbles can be treated through the general piling method. Wastes that can be reused, such as wood and bamboo, should be recycled for the conservation of resources;

1.1.6 固體廢物管理

本集團的固體廢物包括辦公室產生的無害廢棄物和施工現場的施工固體廢物。辦公室產生的廢棄物屬於城市生活垃圾，其成分隨著社會、經濟的發展，生活水準的提高而發生變化。一般而言，所有辦公室廢棄物由本集團辦公室的物業統一回收處理。施工現場的施工固體廢物包括建築工地產生的大量淤泥、渣土、施工剩餘廢物料及施工人員產生的生活垃圾和裝修產生的水泥沙漿抹面、軟包裝、廢電線金屬、木屑等無害廢棄物以及廢油桶類、廢塑膠布、廢化工材料及其包裝物、廢石棉類等有害廢棄物。本集團遵守《中華人民共和國固體廢物污染環境防治法》，為減少施工期間產生的固體廢物的堆放及運輸過程中對環境的影響，集團同時督促施工單位採取如下措施：

- a) 將施工期間所產生的固體廢物運往指定的地點堆放和分類處理；
- b) 生活垃圾經收集後定期清理；
- c) 裝運餘泥要適量，確保沿途不灑漏，不揚塵；並運到有關部門指定的填埋場地堆放，嚴禁亂倒亂卸；
- d) 對磚塊瓦礫等廢物，可採用一般堆放方法處理，對可再利用率高的廢料，如木材、竹料等，應進行回收利用，以省資源；

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- e) Dump sites selected should not occupy farmlands or be placed close to rivers or reservoirs. They should be located in low-lying areas, with diversion ditches set up at upstream of the dump sites; and
- f) All hazardous wastes should be handled and transported by waste recycling companies approved by the government.

1.1.7 Greenhouse Gases Management

Energy consumption not only draining the limited resources available on Earth but also produces greenhouse gases, such as carbon dioxide, thereby exacerbating disasters caused by the global climate change. Buildings are one of the major sources of energy consumption in cities. The Group places great concerns on various energy consumption indicators. In addition to the compliance of the PRC's energy efficiency standards, the Group strives to achieve the Assessment Standard for Green Buildings (綠色建築評價標準) issued by the PRC government to improve energy efficiency. In order to avoid over-consumption of energy and to reduce the emission of greenhouse gases, the Group put efforts on saving energy, water, space and materials during the development and operation of our projects. Please refer to "1.2 Use of resources" and "1.3 Environment and natural resources" below for details of our measures adopted.

- e) 選擇棄土場不佔用農田，也不靠近江河和水庫，選擇在山坳或低窪地帶；棄土場的上游要設置導流溝；及
- f) 對有害廢棄物，由經政府部門批准的廢物回收公司統一進行運輸和處理；

1.1.7 溫室氣體管理

能源的使用不僅會消耗地球上有限的資源，同時也會產生二氧化碳等溫室氣體，加劇全球氣候變化所造成的各種災害。建築物是城市耗能的一個主要源頭，本集團十分重視能源使用的各項指標，在遵守各項國家節能標準的基礎上，以國家政府頒佈的《綠色建築評價標準》為努力的方向，進一步提高能源效能，從細節上減少浪費，將節能、節水、節地、節材引入到項目開發和運營以及集團日常辦公管理中，避免過度耗能，減少溫室氣體的排放，進而為環境保護作出更大的貢獻。具體舉措詳見下文「1.2 資源使用」和「1.3 環境及天然資源」章節中的描述。

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Major Emissions Indicators

主要排放物指標

車輛廢氣排放 Emissions of Vehicle Exhaust	單位 Unit	2017年排放量 Emissions in 2017
車輛廢氣排放 Emissions in 2017	單位 Unit	2017年排放量 Emissions of Vehicle Exhaust
氮氧化物 (NO _x) 排放量 NO _x Emissions	千克 Kilogram	約 497 Approximately 497
二氧化硫 (SO ₂) 排放量 SO ₂ Emissions	千克 Kilogram	約 42 Approximately 42
顆粒物排放量 Particles Emissions	千克 Kilogram	約 42 Approximately 42
合計 Total	千克 Kilogram	約 581 Approximately 581

二氧化碳排放 CO ₂ Emissions	單位 Unit	2017年排放量 Emissions in 2017
用電產生的二氧化碳排放當量 Emissions from Electricity Consumption	噸 Tonne	約 24 Approximately 24
處理廢紙產生的二氧化碳排放當量 Emissions from Processing Scrap Paper	噸 Tonne	約 96 Approximately 96
處理污水產生的二氧化碳排放當量 Emissions from Processing Sewage	噸 Tonne	約 276 Approximately 276
合計 Total	噸 Tonne	約 395 Approximately 395

1.2 Use of Resources

The Group places great emphasis on the synergies between its projects and the local society and environment, and is committed to achieving a sustainable development of its projects and the environment. The Group has put efforts, reflected from the choice of building materials to the layout of project designs, on the balance between project development and the local environment. The Group's projects are humanized and accommodated to the natural environment that emphasize in minimizing the use of resources. The Company has been infusing this environmental protection concept into its ongoing projects, imposing strict control on these projects to ensure adherence to the relevant construction regulations.

1.2 資源使用

本集團非常重視各項目與當地人文社會和環境的結合，並致力於項目發展和環境保護的永續並存。本集團努力在開發過程中與當地的環境取得平衡，從建築材料的選擇到項目設計的安排都充分體現了毅德項目的人性化和自然協調性，公司將這種企業理念實踐在集團的在建項目之中，對於各在建項目均有嚴格的管控措施，項目施工過程中，集團嚴格執行國家有關建築施工的相關規定。

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1.2.1 Conservation and Use of Energy

- a) Construction plans are designed based on the energy efficiency standards for buildings of the PRC, with an energy efficiency review report issued by local authorities;
- b) Structural forms, architectural orientations, spacing between buildings and proportion of windows to walls are designed to utilize the natural conditions of the venues, so that residents can enjoy adequate sunlight, ventilation and lighting. Shading facilities are installed as necessary;
- c) Street lights and the lights installed at marketplaces use LED lights with time or light control;
- d) Make full use of solar, geothermal and other renewable energy resources according to local climates and resources conditions;
- e) Make use of natural lighting and ventilation (directly or indirectly from entrances and exits, open yards, side windows and skylights) in the underground area;
- f) Adopt insulation design for exterior walls and roof surface; and
- g) Ensure the design of buildings meets the requirement of indoor and outdoor sunlight, and ventilation set out in the Code for Planning and Design on Urban Residential Areas (城市居住區規劃設計規範).

1.2.1 節能與能源利用

- a) 施工圖採用國家建築節能標準進行設計，並取得當地主管部門出具的節能審查報告；
- b) 利用場地自然條件，合理設計建築體形、朝向、樓距和窗牆面積比，使住宅獲得良好日照、通風和採光，並根據需要設遮陽設備；
- c) 室外路燈和賣場光源採用LED光源，設計分時控制及光電控制；
- d) 根據當地氣候和資源條件，充分利用太陽能、水資源、地熱能等可再生能源；
- e) 地下空間直接或間接利用出入口、天井、側窗、天窗等部位進行自然採光通風；
- f) 採用保溫牆體及屋頂隔熱節能設計；及
- g) 園區建築佈局保證室內外的日照環境、採光和通風的要求，滿足載於現行國家標準《城市居住區規劃設計規範》中有關住宅建築日照的標準要求。

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1.2.2 Conservation and Use of Water Resource

- a) Water system planning should be devised at the project planning stage in order to coordinate, oversee and integrate various water resources;
- b) Indoor pipes are made of stainless steel to avoid contamination of water resource;
- c) Municipal supplied water and groundwater should not be used for landscape purpose. Circulating water supply systems should be used for landscape purpose;
- d) When using non-traditional water sources, such as recycled water, water safety measures should be taken to ensure that there is no adverse effect to human health and the surrounding environment;
- e) Properly design rainwater runoff channels on ground surface and on proof tops to reduce surface runoff, and adopt various methods of infiltration to increase rainwater infiltration;
- f) Non-traditional water sources such as recycled water and rainwater are used for non-potable purposes such as irrigation and car wash;
- g) Adopt high efficiency and water conserving irrigation methods such as sprinkler irrigation and micro irrigation; and
- h) Use water-saving appliances and equipment.

1.2.2 節水與水資源利用

- a) 在方案、規劃階段制定水系統規劃方案，統籌、綜合利用各種水資源；
- b) 室內給水管採用不銹鋼管，避免鏽蝕影響水資源；
- c) 景觀用水不應採用市政供水和自備地下水供水、景觀水應設置循環供水系統；
- d) 使用非傳統水源如再生水時，應採取用水安全保障措施，以確保對人體健康與周圍環境沒有產生不良影響；
- e) 合理規劃地表與屋面雨水徑流途徑，降低地表徑流，採用多種滲透措施增加雨水滲透量；
- f) 綠化用水、洗車用水等非飲用用水採用再生水、雨水等非傳統水源；
- g) 環境綠化採用噴灌、微灌等高效節水灌溉方式；及
- h) 採用節水器具和設備。

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Indicators of Energy and Water Consumption

能源及水資源消耗指標

能源消耗量 Energy Consumption	單位 Unit	2017年消耗量 Consumption in 2017
總耗電量 Total Electricity Consumption	千瓦時 Kilowatt per Hour	約 25,600,000 Approximately 25,600,000
汽油消耗總量 Total Gasoline Consumption	噸 Tonne	約 280 Approximately 280
折合標準煤能源消耗總量 Total Energy Consumption of Standard Coal	噸 Tonne	約 7,000 Approximately 7,000
總耗水量 Total Water Consumption	立方米 Cubic Meter	約 650,000 Approximately 650,000

1.2.3 Conservation and Use of Material Resources

In the selection process of construction and renovation materials, the Group strictly complies with related technical indicators and national standards, such as the Indoor Decorating and Refurbishing Materials-Limit of Formaldehyde Emission of Wood based Panels and Finishing Products (室內裝飾裝修材料人造板及其製品人甲醛釋放限量), Limit of Ammonia Emitted from the Concrete Admixtures (混凝土外加劑中釋放氨的限量), Limit of Radionuclides in Building Materials (建築材料放射性核數限量), etc. The Group puts efforts in minimizing the volume of toxics so as to protect the health of the clients and avoid the adverse impact on the environment.

- The architectural designs should be plain and simple, and without large quantities of decorative elements;
- Encouraging the use of eco-friendly building materials such as aerated block;
- Ready-mix concrete should be used for purpose of in situ concrete;
- High-performance concrete and high-strength steels should be used as structural building materials;

1.2.3 節材與材料資源利用

本集團以一個嚴格的標準來選定建築與裝修的材料，集團遵照國家相關的技術指標及規定，包括《室內裝飾裝修材料人造板及其製品人甲醛釋放限量》、《混凝土外加劑中釋放氨的限量》、《建築材料放射性核素限量》等規章，將建築材料中有害物質含量降至最低，不只保障客戶的健康，也避免了對環境的不良影響。

- 建築造型要素簡的，無大量裝飾性構件；
- 鼓勵使用加氣塊等環保建材；
- 現澆混凝土採用預拌混凝土；
- 建築結構材料應採用高性能混凝土、高強度鋼；

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- e) The solid residual wastes resulted from construction work, old building demolition and site clean-up should be classified for different treatments, and materials which can be reused should be recovered and recycled; and

- f) Use self-insulation wall materials for buildings' exterior and lightweight hollow wall for the interior.

1.2.4 Eco-friendly Working Environment

- a) Depleted ink cartridge and office equipment should be recycled and disposed of by our administrative department;

- b) Purchase energy saving office equipment and machineries such as air-conditioners with level 1 or level 2 China Energy Efficiency Label; and

- c) Use double-sided printing to avoid the waste of paper.

1.3 Environment and Natural Resources

The Group understands that its business operations and project development have significant impact, directly and indirectly, on environmental resources, in particular land resources. Although the Group emphasizes the smooth development of its business, it understands the importance of environmental protection. As a result, the Group strives to balance both considerations. Environmental evaluation is conducted by construction contractor prior to the start of projects. Also, the design of project proposal should be carried out in matching the eco-system of the region in order to minimize overdevelopment and enhance the allocation of social resource. In the meanwhile, the Group has adopted the following measures to maintain and protect the environment:

- e) 應將建築施工、舊建築拆除和場地清理時產生的固體廢棄物分類處理，並將其中可再利用材料、可再循環材料回收和再利用；及

- f) 建築外牆採用自保溫牆體材料，內牆採用輕質空心牆板；

1.2.4 綠色辦公環境

- a) 廢棄的墨水盒及辦公設備交由行政部門統一回收處理，不得隨意丟棄；

- b) 儘量選購省電節能的電器與設備，如使用有中國能效標識等級一和等級二的高能效，低能耗空調；及

- c) 盡量使用雙面打印，以減少紙張的浪費。

1.3 環境及天然資源

本集團明白在業務的發展和項目的開發上勢必會對環境資源產生直接或間接的影響，其中對土地資源影響最大。雖然集團非常重視業務是否能順利的拓展，但也明白環境保護的重要性，所以集團致力於維持兩者的平衡，在開發項目開始前會先請施工單位做環境評估，且在開發方案的設計中儘量使所開發的項目與城市生態系統相容，因地制宜減少過度開發及優化配置社會資源，集團同時採取以下措施進行對環境的保持及維護：

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- a) The water and soil conservation proposal should be made following the Control Standards for Soil and Water Loss on Development and Construction Projects (開發建設項目水土流失防治標準);
 - b) Construction should not bring destructions to local heritage, natural water system, wetland, farmland, forest and other reservation area;
 - c) Drainage ditch and eco-friendly carpark should be built around the construction site,
 - d) Botanical colony with diversified species of plants based on local climates and distribution of plants should be built to repair the vegetation of the region after the completion of the project;
 - e) Adopt native landscaping by planting appropriate native plants that are accustomed to the local climate and soil conditions. The preferred choices are those that require little maintenance, are resistant to extreme weather conditions and pests, and not harmful to human health;
 - f) The locations of construction sites should be free from threats such as floods, landslides and radon-containing soil. No sources of hazards such as electromagnetic radiation, fire, explosives and toxic substances should be found within the perimeters of the construction sites;
 - g) The construction project should follow the topography; and
 - h) Reasonable development and utilization of underground area.
- a) 項目開發前依據《開發建設項目水土流失防治標準》編製水土保持方案；
 - b) 場地建設不破壞當地文物、自然水系、濕地、農田、森林和其他保護區；
 - c) 在主體工程區，修築排水暗溝，建設生態停車場；
 - d) 工程完畢後，根據當地的氣候條件和植物自然分佈特點，栽植多種類型植物，喬、灌、草結合構成多層次的植物群落，以完善植被的恢復；
 - e) 種植適應當地氣候和土壤條件的鄉土植物，選用少維護、耐候性強、病蟲害少及對人體無害的植物；
 - f) 建築場地選址無洪澇災害、泥石流及含氡土壤的威脅。建築場地安全範圍內無電磁輻射危害和火、爆、有毒物質等危險源；
 - g) 建築場地結合舊有地形地貌設計；及
 - h) 合理開發利用地下空間。

2. SOCIAL

Employment and Labor Standard

2.1 Employment

2.1.1 Overview of Human Resources

The Group values and cultivates employees, and constantly attracts outstanding talents from external sources based on our advanced management philosophy and positive corporation culture. The Group strives to provide a platform for talents to fully exert their abilities and realize their value. The Group has formulated a set of human resources management policy and procedures to provide excellent working conditions, and a healthy and safe workplace for them to work and develop their strengths. The Group strictly complies with the Labor Law of the PRC (勞動法) and the Labor Contract Law (勞動合同法), and has constructed the Human Resources Process Management Manual (人力資源流程管理手冊) following related guidelines which enables employees to understand their own rights and benefits. The manual also sets out a fair and reasonable channel of career development for the employees. The manual contains 20 sets of rules, including Operational Guidelines on Annual Human Resources Planning, Operational Guidelines on Recruitment Management, Operational Guidelines on Internal Recommendation Management, Operational Guidelines on Trainees and Interns Management, Operational Guidelines on Training Management, Operational Guidelines on Employee Incentive Management, Operational Guidelines on Employee Benefits, Operational Guideline on Remuneration Management, Operational Guidelines on Labor Contract Management, Operation Guidelines on Staff Internal Transfer and Operational Guidelines on Attendance Management, covering recruitment and promotion, internal competition, dismissal and compensation, working hours, paid leave and other benefits.

2. 社會

僱傭及勞工準則

2.1 僱傭

2.1.1 人力資源概況

本集團視人才為集團的珍貴資產，重視人才的選育用留，以先進精細的管理理念和積極向上的企業文化不斷吸引優秀人才加盟，努力為人才提供一個充分發揮才幹、實現價值的舞台。集團已制訂一套人力資源管理政策及程序以提供良好的工作條件及健康安全的工作場所，讓僱員投入工作，盡展所長。集團嚴格遵守中國《勞動法》及《勞動合同法》，並在相關規範下編製了《人力資源流程管理手冊》讓員工了解自身的權利和福利，同時提供一個公正且合理的升遷管道。《人力資源流程管理手冊》包括：《年度人力資源規劃作業指引》、《招聘錄用管理作業指引》、《員工內部推薦管理作業指引》、《應屆生與實習生管理作業指引》、《培訓管理作業指引》、《員工獎懲管理作業指引》、《員工福利管理作業指引》、《薪酬管理作業指引》、《勞動合同管理作業指引》、《員工異動管理作業指引》、《考勤管理作業指引》等20項制度，其中涵蓋了培訓、升遷、內部競聘、業績考核、解僱及補償、工作時間、帶薪休假以及其他福利等範疇。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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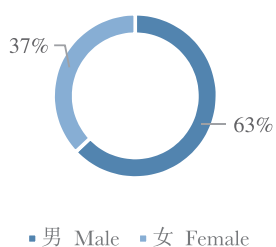
2.1.2 Team Profile

The Group uses different recruitment channels, fairly and justly, to hire talents from different nationalities, genders, ages and religions. The Group has 1,254 employees as of 31 December, 2017 in which female employees account for about 37% and male employees account for about 63%. Due to the business nature, the Group's male employees are slightly more than female employees. The age structure of the Group is relatively young, as employees aged below 40 account for about 67% of the total. Around 35% of the Group employees, which is 4% more than 31% of 2016, have completed bachelor degree or above qualifications. The Group values talent cultivation. This year, the Group has provided training to 1,177 employees with a total training hours of 26,672. The average training hour per employee was 22 hours during the period.

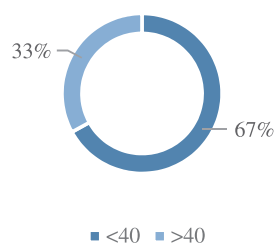
2.1.2 團隊情況

本集團利用不同招聘渠道公平公正地招募不同國籍、性別、年齡及宗教的人才。截至二零一七年十二月三十一日，集團共聘用員工1,254人，女性僱員佔約37%，而男性僱員佔約63%。基於業務性質，集團男性僱員稍多於女性僱員。集團的員工年齡結構較年輕，40歲以下的員工佔集團總人數約67%。集團員工教育程度在大學本科及以上的有447人，佔集團總人數35%，相較去年的31%增加4%。集團也非常注重人才的培訓，今年度共有1,177名員工接受集團培訓，總培訓時間多達26,672個小時，平均每員工培訓時間為22個小時。

員工 (按性別劃分)
Employee (By gender)



員工 (按年齡劃分)
Employee (By age)



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2.1.3 Recruitment and Departure Management

Recruitment of the Group's employees is in accordance with the Operational Guidelines on Recruitment Management and is in compliance with the requirements of relevant labor regulations at national and regional levels. The Group strictly restricts child labor and forced labor. The Group scrupulously complies with the above regulations during the period and reviews its recruitment practices from time to time to prevent potential non-compliances. The Group strives to ensure that the entire recruitment process complies with relevant laws and regulations, and employees are required to truthfully complete the application forms upon entries, with their personal particulars (including copies of documents, such as resume, identity documents, academic certificates, proof of qualifications, title certificates, business qualification certificates, work licenses, driver's license, original copy of proof of departure from previous employments, and career profile background files) verified by the human resources department before hiring.

The Company organizes recruitment events from time to time for outstanding talents in the society. In addition, to ensure that its future middle to senior level work force are equipped with compound skills necessary for its development, the Group has launched the "Hydoo's Apprentices" scheme by recruiting excellent graduates from key colleges and universities since 2015. Through various types of training for "Hydoo's Apprentices", such as internship rotation of different positions, mentoring, on-the-job practice and project experience, outstanding graduates are provided with comprehensive training.

2.1.3 招聘錄用及離職管理

集團的員工招聘按《招聘管理作業指引》執行，並完全符合相關國家和地方勞動法規要求，嚴格限制童工或強迫勞工。集團年內嚴格遵守上述法規，並不時檢討集團的僱用實務，以防止潛在違規事宜。員工入職時必須如實填寫《職位申請表》，個人資料(包括個人簡歷；身份證、學歷證、學歷驗證證明、職稱證、從業資格證、上崗證、駕駛證等證件複印件；離職證明原件、職業背景調查檔等)錄用前已獲人力部門覆核，務求整個招聘合法合規。

公司適時對社會優秀人才進行招募活動。除此之外，為培養企業未來發展所需的中高級複合型生力軍，本集團自2015年正式啟動「得毅門生」計劃，在各重點高校招聘優秀應屆畢業生，通過對「得毅門生」的實習輪崗、導師輔導、在崗實踐、項目歷練等多種方式結合，全面培養優秀應屆畢業生，為公司增加年輕新力軍及注入新動力。

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The departure of the Group's employees complies with the Group's Operation Guidelines on Staff Internal Transfer, which regulates how resignation, and discharge and termination of labor contract are handled, and is in compliance with relevant national policies and other relevant rules and regulations of the Company. In relation to resignation, the Group's human resources department would arrange a departure interview, requiring the relevant staff to complete the Staff Departure Survey and the Departure Interview Record before and after the interview for filing and analysis, and for the human resources department to optimize human resources management decisions.

2.1.4 Working Hours and Holidays

The Group has formulated the Operational Guidelines on Attendance Management, regulating employees' working hours to the standard of 40 hours per week. The Group advocates efficiency at work. Staff who are required to work overtime should complete and deliver the Application Form for Overtime Work. Upon approval, staff may apply for alternative leave. The Group's employees are entitled to national holidays, company holidays, annual leaves, funeral leaves, marital leaves, maternity leaves and sick leaves.

集團員工的離職按照公司制定的《員工異動管理作業指引》規範，主要分為辭職、解除勞動合同、勞動合同終止三種情形的處理方式。本集團在處理辭職事務上仍然均遵守國家相關法律以及公司的相關規章制度。針對集團員工主動辭職的情形，集團人力部門會安排對辭職人員作離職訪談，訪談前填寫《員工離職調查問卷表》以及訪談後填寫《離職訪談記錄表》，並進行內部存檔和分析，提供人力部門後續優化人力資源管理和集團未來招募人才之決策。

2.1.4 工作時數及假期

本集團制定了《考勤管理作業指引》，規定員工每週工作40個小時，且明確制訂考勤要求並公開數據統計方式。集團提倡高效辦公，因工作需要而加班的員工需報送《員工加班申請單》，加班被批准後，員工可申請補休假。本集團員工均享有國家法定假期、公司假日、年假、喪假、婚假、產假和病假等帶薪假期。

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2.1.5 Development and Training

The Group has put emphasize on talent cultivation. The Group intends to build a team equipped with professional knowledge, managerial experience, strong business acumen, full of passion and entrepreneurial spirit. The talent team is a strong guarantee for the Group's continuous progress. Talent cultivation and promotion are important tasks and goals of the management. To ensure the growth of employees, the Group has set up continuous and all-rounded staff trainings, human resources development and interactive career planning models. The trainings offered improve employees' knowledge, skills and work ethics. Through interactive career planning with employees, the individual career development of each employee is well connected with the development of the Group. A comprehensive training system is established to support the on-job education and training of the employees. The system includes Operational Guidelines on Training Management, Operational Guidelines on Induction Training Management for New Employees, Operational Guidelines on Position Mentoring, Operational Guidelines on In-service Immersion Management, Operational Guidelines on Staff Internal Transfer and Operational Guidelines on Promotion Management.

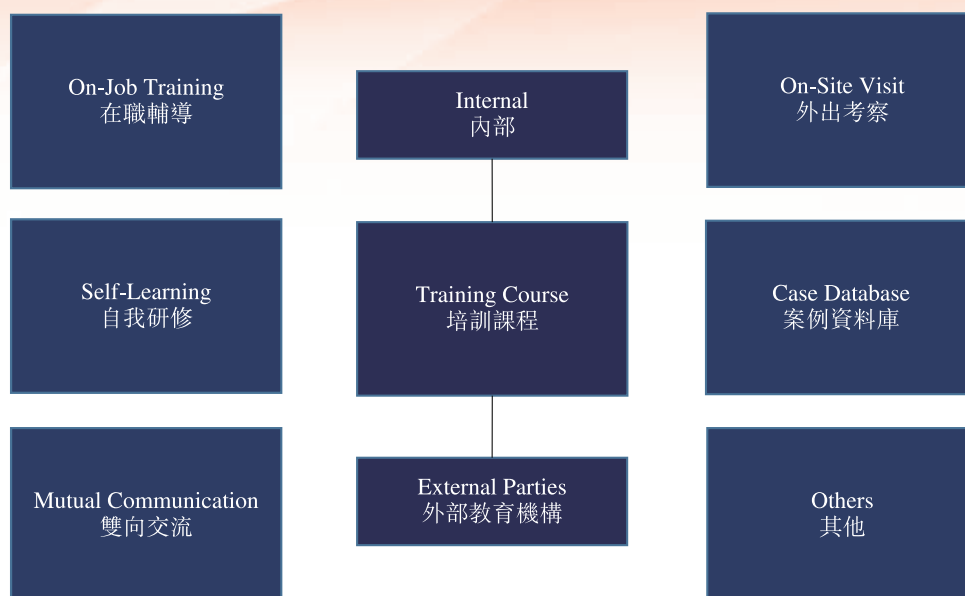
2.1.5 發展及培訓

本集團重視人才培養，打造一支具備專業知識，懂管理、善經營，富有激情，充滿進取精神的人才隊伍，是企業不斷前行的有力保障。人才培養和梯隊建設是各級管理者重要的工作內容和孜孜以求的目標。為實現員工與企業共同成長，集團建立了持續、全方位的員工培訓、人力資源開發和互動式職業生涯規劃模式。通過各種培訓，使員工的知識、技能、態度等諸方面得到改進，通過與員工進行互動式的職業生涯規劃，使每位員工個人的職業發展與企業發展良性結合。集團訂有完整的培訓制度和培訓體系來支持僱員的在職教育和培訓。集團制定了《培訓管理作業指引》、《新員工入職培訓管理作業指引》、《崗位導師管理作業指引》、《在職深造管理作業指引》、《員工異動管理作業指引》及《晉升管理作業指引》等制度。



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In addition to different trainings and talks held in project companies, the Group organized many trainings for its employees at different levels, including both internal trainings and external trainings in 2017. The trainings mainly included:

- a) Induction training for new employees: Such trainings mainly introduce the Company's development history, corporate culture, organization and structure, and rules and regulations to help new employees familiarize themselves with the Group's operations as soon as possible and improve their work efficiency. In addition to trainings, the Group would also assign a mentor to new employees to guide them through the Company's operations and management;
- b) Middle to senior level management training: The Group would regularly organize training classes for management staff at middle to senior levels every year, and hire professional lecturers to deliver. Through systematic learning, the classes can enhance the technical knowledge and management skills of the Group's employees at middle to senior levels, helping them become leaders with the ability to create commercial values;

2017年，本集團共進行多場不同層級和目的培訓活動，除了在各項目公司舉辦不同的培訓和講座之外，集團規定的必要性培訓主要包括員工培訓，涵蓋內部培訓以及外部培訓：

- a) 新員工入職培訓：主要介紹公司發展歷史、企業文化、組織架構、公司規章制度等等，使新入職員工儘快熟悉集團運作以提升其工作效率。除員工入職培訓，還為新進員工安排崗位導師，帶領新員工快速熟悉公司經營管理及運作模式；
- b) 中高級管理培訓：每年定期組建中高級管理人員培訓班，聘請專業講師，通過系統學習，提高集團中高管專業知識水準和管理能力，使其向具備商業價值創造能力的領導者轉變；

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- c) Expansion training: The Group regularly conduct outdoor teambuilding expansion trainings, creating an effective and interesting platform through which communications between leaders and employees, and among employees themselves, can be enhanced;
 - d) External learning: To serve the objective of cultivating talents for the society, the Group regularly sends employees away on external learning to study the latest trends in the industry, broaden their horizons and enhance their skills;
 - e) "Yi Class": It is the Group's pocket mobile learning platform for its employees, enabling them to learn at any time anywhere. The Company can set the curriculum structure in light of its development strategies and its employees' professional competence and, through the management and monitoring of the learning process, assist its employees in mastering the knowledge and skills necessary for their positions, in order to enhance the Company's performance; and
 - f) Continuing education: In order to enhance their professionalism and qualifications, and eventually improve their comprehensive quality, the Company supports employees to pursue in-service studies through three channels, namely professional research and learning, education advancement and EMBA/MBA.
- c) 拓展培訓：定期進行團建拓展培訓，用戶外培訓形式，搭建有效、趣味的平台，加深領導與員工之間，員工相互的溝通；
 - d) 外派培訓：以為社會培養人為宗旨，定期派員工外出學習，接觸最新行業動態，拓寬員工視野，提升員工技能；
 - e) 毅課堂：集團掌上移動學習平台，員工可隨時、隨地在毅課堂學習，公司可以根據發展戰略和崗位勝任力，設置課程體系，並通過學習過程的管理、監控，使員工更好地掌握崗位必備的知識和技能，以提升企業績效；及
 - f) 繼續教育：公司支持員工在職期間通過專業考證和學習、學歷提升和EMBA/MBA學習三類途徑進行在職深造，以提高員工專業水準和學歷程度，進而提升員工的綜合素質。

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2.1.6 *Remuneration and Benefits*

In order to standardize the benefit management, build a sound benefit system, enhance team stability and cohesion, and stimulate the Group's sustainable development, the Group has established the Operational Guidelines on Employee Benefits. The Group provides its employees "5 Insurances and 1 Pension", high-temperature subsidies, annual leaves, communication allowance, meal allowance, accident insurance, body check, and holiday allowance. In addition, the Company also adopted measures, such as distributing gifts and benefits and lengthening holidays, to further enhance the benefits system and its staff satisfaction.

The Group organizes salary surveying annually based on Operational Guidelines on Salary Management and the Group's development strategy to raise suggestions to the Company's salary level and structural adjustment, as well as to gather statistics.

2.1.7 *Incentives and Praises*

The Company has formulated a sound staff incentive mechanism. At the end of each year, the Company would assess its staff for their performance to select outstanding teams, managers and employees, who would receive commendations and bonuses in recognition of their contribution to the Company and of their efforts in jointly reaching the Company's goals. Throughout the year, the Company would also offer immediate promotion to staff with excellent daily performance and give commendation to staff from time to time in recognition of their handling of emergencies or as an award for their early fulfilment of targets, thereby encouraging other staff to contribute to the Company. In addition, the Company has adopted comprehensive incentive measures in light of its various businesses to fully mobilize the enthusiasm of the staff and ensure the Company's sustainable development.

2.1.6 薪酬與福利

本集團為規範公司福利管理，建立完善的福利體系，提升員工隊伍的穩定性和凝聚力，促進集團持續穩定的發展，制定了《員工福利管理作業指引》，集團提供員工的法定福利為五險一金、高溫補貼、帶薪假期、通訊補貼、餐飲補貼、意外傷害保險、健康體檢、節日津貼等。除此之外，公司還會在節假日採取給員工發放豐厚物質福利及延長假期等措施，進一步完善福利體系，提升員工滿意度。

集團依據《薪酬管理作業指引》並搭配集團之發展戰略，每年會例行性的進行一次薪酬調查，對公司的薪酬水準和結構調整提出建議方案，並同時獲得行業調研資料。

2.1.7 激勵與表彰

公司有制訂一套完善的員工激勵機制，每年年終對員工當年的工作表現進行考核，選出優秀團隊、優秀管理者和優秀員工頒發嘉許狀及獎金以示獎勵，以表揚他們為公司作出的貢獻，共同向公司的目標邁進。於年內，公司亦會對日常業績優異的員工實時晉升，並不時對一些值得嘉許的團隊／員工作出表彰，以讚揚其對突發事件的處理或其提前達成指標的獎賞，以激勵其他員工共同為公司努力。除此之外，公司針對各業務設置全方位的激勵措施，以充分調動員工積極性，保證公司業務的持續發展。

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2.1.8 Employee Activities

To release employee's work pressure and enrich their pastime, during the Year, the Group organized various staff activities, including the New Year banquet, group basketball matches, badminton matches, fishing matches, snooker matches, seasonal team-building events, Women's Day event, staff birthday parties, outdoors walks, hiking, fluorescent night runs and photography events, which offers its staff a platform to showcase their talents and enhance communication among themselves and between different centers and departments, and strengthen its staff's sense of belonging and team cohesion.

2.1.8 員工活動

為了減輕員工們工作壓力和豐富員工業餘文化生活，集團在各項目公司會組織各種團體活動來刺激員工間的良性競爭意識和團隊的向心力，在本年度，本集團分別舉辦了：新春年會、集團員工籃球大賽、羽毛球大賽、釣魚比賽、桌球比賽、季度團隊建設活動、三八女人節活動、員工生日會、戶外拓展、登山、熒光夜跑、攝影等文體活動，為廣大員工提供展示自我的平台，增進協作單位員工之交流，促進集團各中心、部門之間的溝通，增強員工歸屬感及團隊凝聚力。

2.2 Health and Safety

The Company strictly complies with PRC's laws and regulations to protect employees' occupational safety and health. The Group has developed its occupational health guidelines in accordance with national occupational health and safety standards including OHSMS (職業健康安全管理體系), ISO 9000 (質量保證體系) and ISO 14000 (環境管理體系標準), to prevent occupational diseases, protect workers' health, enhance employees' safety awareness and ensure safety at construction sites. The Group has purchased accidental injury insurance for each employee in addition to social insurance purchased in accordance with the relevant laws and regulations, offering its staff all-rounded protection. Furthermore, the Group arranges body-checking annually for all employees to help identifying potential health risks in advance.

2.2 健康與安全

公司在員工職業健康工作上嚴格按照國家法律法規執行，依照《職業健康安全管理体系》OHSMS、《質量保證體系》ISO 9000和《環境管理體系標準》ISO 14000等標準體系建立企業職業健康準則，為預防職業病，保護勞動者健康，增強員工安全生產意識，確保建築安全，滿足企業和員工的需求。本集團除按規定購買社會保險之外，公司為每一位員工均購買了意外傷害險，對員工進行全方位保障，而為了使員工的健康有更好的保障，集團每年會安排全體員工進行一次全面身體檢查，以了解自身健康狀況、希望及早發現疾病線索和健康隱患，才能及時的對症下藥或是治療。

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The Group has formulated the Operation Guidelines on the Management of Construction Safety and Legitimacy to enhance safety management and to prevent the occurrence of accidents. Through prevention and control measures, the Company strives to reduce the probability of workplace accidents in construction projects, improve construction site environment, standardize safety management procedures and equip its workers with accident-handling knowledge. Project companies assess the management measures adopted by contractors, conduct independent patrolling, sample-checking and monitoring at construction sites, report to the relevant person-in-charge and the relevant contractors when problems are identified, and monitor the relevant rectification measures. The Group's project management division has set up internal safety management teams for the project companies to regularly monitor and control the safety and incident prevention measures on the sites of ongoing constructions. If there is any problems associated with safety, the project management division of the Group will report to the entity-in-charge or the construction contractor and the result will be updated in the Monthly Report of Construction Management, so as to minimize the occurrence of accidents in the construction process.

在施工項目上，公司有制定《安全文明施工管理作業指引》以加強施工安全管理和預防安全事故的發生，規範了勘察單位必須嚴格執行操作規程，採取措施保證各類管線、嚴格執行操作規程，採取措施保證各類管線、市政設施和周邊建築物結構的安全，除了要求承包商對其員工進行教育訓練，強化施工之安全觀念，防範未然，集團工程管理中心也會監督各項目公司的安全管理制度執行且審核承包商編製的安全文明施工管理措施，對施工現場安全及文明施工各環節進行獨立巡檢、抽查和監控，發現問題及時通知監理和承包商，並匯總形成《工程管理月報》中安全文明施工部分的內容，整改措施落實情況，以減少項目施工過程中出現安全事故的機會。

3. OPERATIONAL PRACTICES

3.1 Supply Chain Management

The majority of the Group's construction work and technical work are outsourced to contractors which are selected through a bidding process. The selection process of suppliers and technical service providers is very rigorous. The Group has set up the Tender Procurement Management Process to regulate the selection and management of suppliers to maximize the use of the Company's external resources and help to achieve the Company's project targets and strategies. The Company has a stable relationship with its suppliers. No difficulties were encountered in the process of supplier selection, and the requirements in all the Company's development projects were met. As most construction materials are procured locally at the place of the development project, there should be no problem in locating an alternative supplier of major construction materials in the event that any supplier is unable to meet the demand of the Group. The Company has compiled with the Supplier Management Process and set up a supplier information management platform through which suppliers information are input to the database by category, after qualification assessments or onsite reviews. With the setup and maintenance of the suppliers' database, suppliers' information is collected and processed systematically to ensure that quality services and products can be delivered to the Company. At the end of each year, the contract tender management division works with other management divisions and project companies in reviewing and assessing suppliers' contract performance, and screens out suppliers that have not complied with the relevant rules and regulations, and have brought environmental and social risks to the Company (such as bringing harm to the Company's reputation by causing environmental pollution at construction sites or employing illegal workers). To ensure that qualified suppliers can provide the Company with quality service and have good reputations, suppliers' ratings are updated in the database according to the assessment reports approved by the Group's management, while those failing to pass the assessment are eliminated.

3. 營運慣例

3.1 供應鏈管理

本集團大部份項目工程及專業技術提供大都以招標形式由承建商總包興建，故在挑選供貨商及技術提供者方面非常嚴謹。集團制定有《招標採購管理流程》，以規範供貨商選用和合作管理，提高公司外部資源的整合和效果，以促使各開發項目目標和公司戰略的實現；公司與其供貨商的關係穩固，過往在揀選供應方面並無遇上重大困難。由於大部份建築物料都是在項目發展當地採購，即使任何一家供貨商未能應付本集團的需求，相信亦有充足的替代供貨商供應主要建築物料。公司有制定《供貨商管理流程》構建供貨商的信息管理平台，經過資格或現場評審後，將供貨商分類分級入庫。通過供貨商庫的建立和維護，系統地收集和處理供貨商的資源信息，確保供貨商能向公司提供更優質的服務和產品。每年年底，合同招標管理中心會聯同其他管理中心及項目公司進行對供貨商的履約進行評估及篩選，以減低供貨商不合規營運而帶給公司的環境及社會風險，如施工地盤的環保污染或聘用非法勞工而令公司聲譽受損等風險等。經集團領導審批評審報告後，根據評審結果更新合作供貨商庫中供貨商等級，剔除不合格供貨商，以確保合資格的供貨商能提供質量保證及良好的聲譽。

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3.2 Product Responsibility

3.2.1 Monitoring of Product Quality

To ensure that the properties constructed by the Group are complied with relevant regulations and standards as set out in the national Unified Standard for Constructional Quality Acceptance of Building Engineering (建築工程施工品質驗收統一標準) and Quality Evaluation Standard for Construction (建築工程施工品質評價標準), the Group has formulated the Operation Guideline on Engineering Quality Control and the Operational Guidelines on Engineering Inspection, which are adopted to ensure that construction works can meet relevant regulations and technical standards, and fulfill the requirements as set out in the relevant construction work/service contracts. In order to ensure that the projects of the Group are complied with the policies of the PRC Government, technical standards and completion-based check, the Group organizes management review, once every two months, to the construction plans, quality assurance measures and business qualifications submitted by contractors and suppliers, as well as conducts site inspections and makes sample-checks on the quality of project. In addition, the Group's project management division provides technical support to project companies and review such quality assurance measures.

3.2 產品責任

3.2.1 產品質量的監督

本集團在每一個項目中皆確保扮演好監督承包商的角色，為確保集團所開發的物業有符合國家現行的《建築工程施工品質驗收統一標準》、《建築工程施工品質評價標準》等相關標準規範，公司有制定《工程質量管理作業指引》、《工程巡檢作業指引》和《工程驗收作業指引》，集團工程及成本中心工程管理部負責統一協調集團在建項目的檢查評估工作，負責集團層面工程巡檢工作的具體實施。原則上，集團每兩個月會組織一次對所有在建項目進行巡檢，此措施不只提升項目工程質量、和施工管理水準且能有效的規範承包商的施工質量，目的就是確保毅德控股所負責的項目能夠順利按計劃符合國家有關規範、技術標準法、通過竣工驗收，請讓每一位客戶都對產品質量感到滿意。項目公司審核承包商提交的施工方案、質量控制保證措施及分包商和供貨商的企業資質，對現場施工質量進行巡檢和抽查。除此之外，集團工程管理中心對項目公司提供技術支持及對質量保證措施進行審核。

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3.2.2 Customers' Feedback

In order to improve the quality of the Company's products, services and management standard in terms of strengthening product quality and fulfilling service requirements, and as well ensuring that customers' complaints are handled in a timely, accurate and reasonable manner, the Company has formulated the Operational Guidelines on Engineering Maintenance Services and Operational Guidelines on Merchant Service and Supervision, and established the Information File of Merchant's Complaints and Feedbacks. The Information File of Merchant's Complaints and Feedbacks has listed out the principle of handling complaints, the types of complaints and responsible departments, and complaint handling procedures for internal personnel. The marketing department of project companies are responsible for receiving and recording complaint information, and collecting customer feedback through the Group's website and mail box in a timely manner. After the process of complaint handling, the customer service staff will follow up with relevant responsible department and ask for feedbacks from the clients through visits or telephone consultations to understand the satisfaction of the results. The Group's business management center is responsible for dealing with more serious problems from customer's feedbacks, and conducting regular review and analysis of the Information File of Merchant's Complaints and Feedbacks, in order to give project companies' property management centers instructions on how to improve their service quality.

3.2.3 Protection of Intellectual Property Right

The Group has formulated the Trademark Management System in accordance with the Trademark Law of the PRC (中華人民共和國商標法) to encourage all staff and customers to participate in Hydoo's brand protection. All staff and customers are encouraged to collect evidence to assist the Group's legal division and other relevant departments in the handling of intellectual property rights infringement.

3.2.2 客戶的反饋

為提高企業產品、服務和管理水準，加強產品質量和滿足服務需求，確保客戶的投訴能及時、準確、合理地解決，達到持續改進公司的產品和服務的目的，公司制定《工程維修服務作業指引》、《商戶服務與監督作業指引》以及《客戶投訴管理流程》等規範，其中《客戶投訴管理流程》裡明定投訴處理原則，分類投訴的類型及責任部門，並規劃投訴處理流程以供內部人員參考，項目公司行銷部負責受理和記錄投訴資訊，並及時收集客戶通過集團網站、信箱等形式回饋的投訴意見，客訴後，集團客戶服務人員跟進相關責任部門對投訴的處理結果，並對投訴客戶進行回訪或電話諮詢，了解客戶對投訴處理結果的滿意度。集團商業管理中心負責處理較為嚴重的客戶反饋問題以及定期審閱分析《商戶投訴反饋信息檔案》，對項目物業管理中心提出服務改進要求。

3.2.3 知識產權保護

本集團根據《中華人民共和國商標法》制定了《商標管理制度》，避免任何形式之智慧產權被不法人士或團體盜用或侵害，集團也鼓勵所有員工和客戶參與毅德品牌的保護工作，為毅德的財權保護盡一份心力，如發現侵權的情況，收集有關侵權證據，協助本集團法務部等相關職能部門進行處理。

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3.2.4 Advertising

The Group strictly complies with the PRC Advertising Law (中華人民共和國廣告法).

3.2.5 Privacy

In accordance with the Labor Law of the PRC (中華人民共和國勞動法), the Group's template labor contracts stipulate that its staff are obliged to keep confidential the Group's business secrets, which, in accordance with the Law of the PRC against Unfair Competition (中華人民共和國反不正當競爭法), refer to matters that are not known by the general public, can bring economic benefits to the Group, are of practicality, and include technical secrets and operational information protected by the Group's confidentiality measures. These secrets include but are not limited to the following:

- a) Technical information: Technical information generally includes technical solutions, engineering solutions, circuit designs, manufacturing methods, prescriptions, crafting processes, technical indicators, computer software, databases, test results, drawings, samples, prototypes, models, molds, operating manuals, technical documentation, business correspondence involving trade secrets and so forth;
- b) Operational information: Operational information generally includes customer lists, marketing plans, procurement information, pricing policies, non-public financial information, trading contracts, purchase pipelines, production and marketing strategies, bidding and tender content and so forth; and
- c) Matters to be kept confidential in accordance with the provisions of laws (such as the confidential information of the other contracting parties) and the terms of relevant agreements (such as technology agreements).

3.2.4 廣告

本集團嚴格遵守《中華人民共和國廣告法》以進行一切營銷活動和廣告的放置。

3.2.5 隱私

根據《中華人民共和國勞動法》，本集團的範本勞動合同規定其員工有義務保守本集團的商業秘密。根據《中華人民共和國反不正當競爭法》，商業秘密系指不為公眾所知悉，能為本集團帶來經濟利益，具有實用性並經本集團採取保密措施的技術秘密和經營資訊。該等秘密包括但不限於下述內容：

- a) 技術信息：技術資訊的範圍一般包括技術方案、工程方案、電路設計、製造方法、配方、工藝流程、技術指標、計算機軟件、數據庫、試驗結果、圖紙、樣品、樣機、模型、模具、操作手冊、技術文檔、涉及商業秘密的業務函電等等；
- b) 經營信息：經營資訊的範圍一般包括客戶名單、營銷計劃、採購資料、定價政策、不公開的財務資料、交易合同、進貨管道、產銷策略、招投標中的標的及標書內容等；及
- c) 依照法律規定(如在締約過程中知悉的對方當事人的秘密)和有關協議的約定(如技術合同等)對外應承擔保密義務的事項等。

3.3 Anti-corruption

The Group does not tolerate any form of improper behaviors which will affect its business activities. The Group dedicates in upholding the principle of honesty, responsibility and fairness, and regards it as the core value to maintain the Group's normal operations. Employees must comply with the Group's Employee Handbook, which lists out the sanction for anyone who violates the integrity code. Employees must sign the Integrity work Commitment when they first entered the Company and they will be trained in relation to integrity from time to time. Furthermore, in order to control the risk associated with integrity work, the Group has established the Operational Guidelines on Supervision of illegal behavior and Operational Guidelines on Supervision and Management. The two guidelines stipulate that all departments should always monitor whether any employee is having any form of illegal behaviors. The process of investigation must be demonstrated in terms of objective and independent, and sanctions will be implemented once the employee is committed to the violation of guidelines. The corresponding sanctions include warnings, demerit on employment records and demotions. In some severe cases, the Company will terminate the labor contract and transfer the case to the judicial authorities. The Group believes that these kind of regulation can help in strengthening the management and supervision to the Company and its subsidiaries, promoting the construction of integrity, and improving the efficiency of administrative management.

In respect of internal auditing, the Group prohibits any forms of unfair behavior that would interfere the audit work. To maintain the independence and objectivity of auditing, the integrity and validity of internal control and risk management, the accuracy and comprehensiveness of financial information, efficiency and effectiveness of business activities, the Group has formulated the Operational Guidelines on the Management of Internal Auditing Work and Operational Guidelines on the Management of Internal Auditor. These two guidelines can help in strengthening the internal management and supervision of the Group and protecting the Group's legal rights and interests, as well as improving its internal economic supervision and inspection mechanism, and maintaining the validity of cooperation between the risk control center and the audited entity. The guidelines can also help to improve the efficiency on auditing, to ensure the safety of the Group's assets and the legitimacy, authenticity and effectiveness of economic activities, to ensure the healthy and orderly development of business activities, to regulate internal audit work, and to clarify the responsibilities and permissions of internal audit institutions and staffs.

3.3 反貪污

本集團絕對不容忍任何不正當之行為影響經營活動，集團一直努力不懈堅守誠實、負責任及公平的宗旨，並以此為維持集團正常營運的核心價值，所有員工必須遵守集團的《員工手冊》，其手冊列載所有員工觸犯廉潔規範的處分，所有員工在入職時須進行培訓並簽署《廉潔工作承諾書》，此外，本集團為了控制此風險的發生，也制定了《違法違紀行為監察管理作業指引》和《監察管理作業指引》等規章，明定各個職能部門應隨時注意員工是否發生違法犯紀之行為，更詳細的規範調查、取證等階段之職責，且必須保持客觀獨立且公正的審查，追責方式包括警告、記過、降職，嚴重者公司將與其解除勞動合同以及移交司法機關處理，本集團相信該規範能夠加強對集團總部及各下屬公司的管理和監督，促進廉政建設，改善行政管理，提高行政效能。

在公司內部審計方面，本集團也是徹底地貫徹嚴禁會干擾審計工作之任何不正當行為，為了保持審計的獨立客觀性和維持對其內部控制和風險管理的完整性、有效性、財務資訊的真實性和完整性以及經營活動的效率和效果等開展的審查和評價服務，故集團制定了《內部審計工作管理指引》和《內部審計聯絡員管理作業指引》，加強集團內部管理和監督，維護公司的合法權益，健全內部經濟監督、檢查機制和維持風險控制中心與被審計單位保持有效的且良好的溝通及協作，提高審計工作效率，保證集團財產的安全和經濟活動的合法性、真實性、效益性，保障經營活動健康有序的發展，規範內部審計工作，明確內部審計機構和人員的職責與許可權。

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4. COMMUNITY

4.1 Community Investment

The Group is dedicated to building a harmonious, safe and prosperous relationship between enterprise and the community. The Group sees contribution to the society as a responsibility, as its value and as a display of positivity. The Group has formulated the Donation Management System, standardizing the act of donating and integrating it into the Group's daily management. In 2017, the Group donated a total amount of RMB8.3 million to the society. The Group actively fulfills its responsibilities as a corporate citizen in the community. Part of the contributions made by the Group thereto in respect of philanthropy is as follows:

Project company in Yulin visiting the indigent

The project company in Yulin represented the Company to visit the indigent and disabled in Lintong village in Yuzhou district of Yulin city, bringing them the blessings of Lunar New Year, and daily supplies such as rice and cooking oil.

Project company in Yantai holding charity event with the theme "World Earth Day"

The charity event for "World Earth Day" with the theme "Gathering in Hydoo for the dream, the dream of turning wastes to treasures, replacing wastes with the greens" jointly organized by the project company in Yantai was held at the plaza of Yantai Hydoo City. More than 400 people of around 200 families participated in the activities such as drawing hundred-meter long pictures and flying self-designed kites. The event aimed at arousing the awareness of protecting the earth, stimulating the resource development and reserving the environment.

4. 社區

4.1 社區投資

本集團致力構建推動和諧、安全及繁榮的企業與社區關係。集團視回饋社會為責任的擔當，也是其價值觀的塑造，更是社會正能量的傳遞。本集團制定有《捐贈管理制度》，將捐贈行為規範化，融入本集團的日常管理當中。2017年，本集團共計向社會捐款金額達人民幣8.3百萬元。集團積極履行作為一家企業公民於現實社區的責任，其中，本集團於慈善方面所作的部分貢獻如下：

玉林項目公司慰問困難群眾

玉林項目公司代表公司前往玉林市玉州區城蓮塘村對貧困戶及殘疾人士走訪慰問，給他們送去新春的祝福，送去大米、食用油等生活用品，並向他們致以新春的問候。

煙台項目公司開展「世界地球日」主題環保公益活動

由煙台項目公司聯手主辦的「相聚毅德，放飛夢想，變廢為寶，以廢換綠」世界地球日環保主題活動在煙台毅德城行銷中心前的廣場上開展，並吸引了近200個家庭、400多人前來參加。小朋友和家長們共同繪製百米長卷，畫出心中的綠色家園，還一同放飛自繪的風箏，放飛孩子們心中的小小夢想。地球是人類賴以生存的家園，「世界地球日」主題活動旨在喚起人類愛護地球、保護家園的意識，促進資源開發與環境保護的協調發展。

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Project company in Liuzhou supporting poverties in two village in Liujiang district

The signing ceremony for the event “Hundred Enterprises Supporting Hundred Villages” was held in the conference center in the People’s Government of Liujiang district with the aim of supporting hundreds of villages which are in poverty. The Liujiang district committee, the Liujiang government, poverty alleviation committee of the district, the federation of industry and commerce and finance bureau, as well as over a hundred enterprises had participated in the ceremony. At the ceremony, the project company in Liuzhou has engaged in supporting two villages namely Happy Village and World Village.

RMB500 thousand donation to Taihe county in supporting the environmental hygiene and family planning project

The Company has donated RMB500 thousand in supporting the construction of 10 service spots of environmental hygiene and family planning project in Taihe county. The signing ceremony of the project was held at the reception center of Jian city.

Targeted measures in poverty alleviation recording significant performance by the Group

The Group has actively participated in the “Ten-thousand Enterprises Supporting Ten-thousand Villages” event and hopes to provide support to the indigent. The Group has sponsored the photovoltaic poverty alleviation project which has generated RMB150 thousand revenue for 84 poor households (around RMB1,800 each). The sponsorship has recorded significant performance.

柳州項目公司扶助柳江區兩個貧困村

柳州市柳江區「百企業扶百村」企業結對幫扶貧困村發展集體經濟的簽約儀式在柳江區人民政府會議中心舉行。柳江區委、政府和區扶貧辦、工商聯、財政局、金融辦等有關部門及轄區內一百多家幫扶企業參加了簽約儀式。簽約儀式上柳州項目公司與洛滿鎮高興村、土博鎮世界村結成幫扶對子。

泰和縣人民幣50萬元慈善捐贈建設村級衛生計生項目

愛心村衛生計生服務室項目捐贈簽約儀式在吉安市泰和縣接待中心隆重舉行。為鄉村衛生計生服務工作獻上愛心，公司捐贈人民幣50萬元資助泰和縣建設贛商愛心村衛生計生服務室10個。

集團精準扶貧橋馬村發展成效顯著

集團積極參與「萬企幫萬村」行動，以社會力量的身份積極支持革命老區貧困群眾奉獻愛心。集團贊助的光伏扶貧項目，發電效益總共產生約合人民幣15萬元的收入，使橋馬村的84戶貧困戶每戶增收了約人民幣1,800元，此項精準扶貧愛心捐贈工作已取得顯著成效。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Project company in Lanzhou initiates the charity event of “dedicating your heart to build love to the others” for remote mountainous area

Project company in Lanzhou has donated RMB20 thousand for the event with the theme “dedicating your heart to build love to the others” which was successfully held in Lanzhou Trade Center. A total of more than RMB50 thousand, in which RMB34,619.08 was donated by the merchants of Lanzhou Hydoo City, has donated to the charity society of Yuchung county in supporting poor households who live in remote mountainous area.

蘭州項目公司開展「奉獻愛心，共築大愛」貧困山區募捐救助活動

以「奉獻愛心，共築大愛」為主題的榆中縣貧困山區捐贈儀式在蘭州毅德城順利舉行。在此次捐贈活動中，蘭州項目公司捐贈人民幣20,000元，蘭州毅德城業主聯盟商業協會共向業主籌集人民幣34,619.08元，共計人民幣5萬餘元捐款將全部捐贈於榆中縣慈善協會，用於資助榆中縣偏遠山區貧困群眾。

層面 Aspects	內容 Summary	詳情 Details
層面 A1: Aspect A1: 排放物	一般披露 General Disclosure 有關廢氣及溫室氣體排放、向水及土地排污、有害及無害廢棄物的產生等的：	有關更多詳情，請參閱第 63-71 頁 For more details, please refer to Page 63-71
Emission	Relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste: a) 政策；及 The policies; and b) 遵守對發行人有重大影響的相關法律及法規的資料 Compliance with relevant laws and regulations that have a significant impact on the issuer.	
層面 A2: Aspect A2: 資源使用	一般披露 General Disclosure 有效使用資源（包括能源、水及其他原材料）的政策	有關更多詳情，請參閱第 71-75 頁 For more details, please refer to Page 71-75
Use of Resources	Policies on the efficient use of resources, including energy, water and other raw materials.	
層面 A3: Aspect A3: 環境及天然資源	一般披露 General disclosure 減低發行人對環境及天然資源造成重大影響的政策	有關更多詳情，請參閱第 75-76 頁 For more details, please refer to Page 75-76
The Environment and Natural Resources	Policies on minimizing the issuer's significant impact on the environment and natural resources.	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

層面 Aspects	內容 Summary	詳情 Details
層面 B1: Aspect B1: 僱傭 Employment	一般披露 General Disclosure 有關以下各項的資料: Following information on: a) 政策; 及 The policies; and b) 遵守對發行人有重大影響的相關法律及法規 Compliance with relevant laws and regulations that have a significant impact on the issuer.	有關更多詳情, 請參閱第 77-85 頁 For more details, please refer to Page 77-85
層面 B2: Aspect B2: 健康與安全 Health and Safety	一般披露 General Disclosure 有關以下各項的資料: Information on: a) 政策; 及 The policies; and b) 遵守對發行人有重大影響的相關法律及法規 Compliance with relevant laws and regulations that have a significant impact on the issuer.	有關更多詳情, 請參閱第 85-86 頁 For more details, please refer to Page 85-86
層面 B3: Aspect B3: 發展及培訓 Development and Training	一般披露 General Disclosure 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動 Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	有關更多詳情, 請參閱第 81-83 頁 For more details, please refer to Page 81-83

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

層面 Aspects	內容 Summary	詳情 Details
層面 B4: Aspect B4: 勞工準則 Labor Standards	一般披露 General Disclosure 有關防止童工或強制勞工的: Relating to preventing child and forced labor: a) 政策; 及 The policies; and b) 遵守對發行人有重大影響的相關法律及法規的資料 Compliance with relevant laws and regulations that have a significant impact on the issuer.	有關更多詳情, 請參閱第 79-80 頁 For more details, please refer to Page 79-80
層面 B5: Aspect B5: 供應鏈管理 Supply Chain Management	一般披露 General Disclosure 管理供應鏈的環境及社會風險政策 Policies on managing environmental and social risks of the supply chain.	有關更多詳情, 請參閱第 87 頁 For more details, please refer to Page 87
層面 B6: Aspect B6: 產品責任 Product Responsibility	一般披露 General Disclosure 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的: Relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress: a) 政策; 及 The policies; and b) 遵守對發行人有重大影響的相關法律及法規的資料。 Compliance with relevant laws and regulations that have a significant impact on the issuer.	有關更多詳情, 請參閱第 88-90 頁 For more details, please refer to Page 88-90

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

層面 Aspects	內容 Summary	詳情 Details
層面 B7: Aspect B7: 反貪污 Anti-corruption	一般披露 General Disclosure 有關防止賄賂、勒索、欺詐及洗黑錢的: Relating to bribery, extortion, fraud and money laundering: a) 政策; 及 The policies; and b) 遵守對發行人有重大影響的相關法律及法規的資料 Compliance with relevant laws and regulations that have a significant impact on the issuer.	有關更多詳情, 請參閱第 91 頁 For more details, please refer to Page 91
層面 B8: Aspect B8: 社區投資 Community Investment	一般披露 General Disclosure 有關以社區參與來了解發行人營運所在社區需要和確保其業務活動會考慮社區利益的政策 Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	有關更多詳情, 請參閱第 92-94 頁 For more details, please refer to Page 92-94

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board hereby present this corporate governance report in the annual report of the Company for FY2017.

The Company recognises the value and importance of achieving high standard of corporate governance to enhance the corporate performance accountability and is committed to doing so. The Board is also committed to the principles of the CG Code. Save and except for the deviation disclosed in this annual report, the Directors are of the opinion that the Company has complied with the provisions set out in the CG Code during the Year and up to the date of this annual report. The Company will continue to review and enhance its corporate governance practice to ensure compliance with the CG Code.

THE BOARD OF DIRECTORS

Board Composition

The Board currently comprises seven Directors, including three executive Directors, one non-executive Director and three independent non-executive Directors. Brief biographical details of the Directors are set out in the section headed “Biographical Details of the Directors and Senior Management” on pages 114 to 125 of this annual report. The overall management and supervision of the Company’s operation and the function of formulating overall business strategies are vested in the Board.

During the Year and up to the date of this annual report, the Board has complied with the requirements of Rules 3.10 and 3.10A of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one independent non-executive Director having appropriate professional qualifications, or accounting or related financial management expertise, and the requirement that independent non-executive Directors represent at least one-third of the Board.

The Company has received annual confirmation from each independent non-executive Director pursuant to the requirements of the Listing Rules. The Company considers that each of the independent non-executive Directors is independent in accordance with the independence guidelines as set out in the Listing Rules. All the Directors, including the independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. Independent non-executive Directors are invited to serve on the audit committee of the Company (the “**Audit Committee**”), the remuneration committee of the Company (the “**Remuneration Committee**”) and the nomination committee of the Company (the “**Nomination Committee**”).

董事會謹此於本公司有關2017財政年度的年報內呈列本企業管治報告。

本公司意識到達致高企業管治標準以提高企業業績的問責制的價值及重要性，並會致力達成此目標。董事會亦承諾遵守企業管治守則。除及不包括本年報所披露的偏離外，董事認為本公司本年度及直至本年報刊發日期已遵守企業管治守則所載的條文。本公司將持續審核及加強其企業管治行為以確保遵守企業管治守則。

董事會

董事會成員

董事會現時由七名董事組成，包括三名執行董事、一名非執行董事及三名獨立非執行董事。有關董事的履歷詳情載於本年報第114至125頁「董事及高級管理層履歷」一節。董事會負責整體管理及監督本公司的營運，以及制定整體業務策略。

於本年度及直至本年報刊發日期，董事會已遵守上市規則第3.10及3.10A條有關至少委任三名獨立非執行董事且其中最少一名獨立非執行董事擁有適合專業資格或會計或相關財務管理專業知識及委任的獨立非執行董事最少佔董事會三分之一的規定。

本公司已根據上市規則的規定，接獲每名獨立非執行董事發出的年度確認書。根據上市規則所載獨立性指引，本公司認為各獨立非執行董事均屬獨立。所有董事（包括獨立非執行董事）均為董事會帶來了豐富而寶貴的業務經驗、知識及專業技巧，促進董事會高效及有效運作。獨立非執行董事獲邀出任本公司審核委員會（「**審核委員會**」）、本公司薪酬委員會（「**薪酬委員會**」）及本公司提名委員會（「**提名委員會**」）的成員。

The CG Code requires Directors to disclose to the Company, the number and nature of offices held in public companies or organisations and other significant commitments as well as their identity and the time involved. The Directors have agreed to disclose their commitments to the Company in a timely manner.

ROLE AND FUNCTION AND DELEGATION BY THE BOARD

The Board is responsible for and has general powers for the management and conduct of the business of the Company. It delegates day-to-day management of the Company to executive Directors and the senior management of the Company within the control and the authority framework set by the Board. The delegated functions and responsibilities are periodically reviewed by the Board.

The Board reserves for its decision all major matters of the Company, including approving and monitoring all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant financial and operational matters. Directors may seek independent professional advice in performing their duties at the Company's expense and are encouraged to consult the Company's senior management independently.

In addition, the Board has also delegated to the Audit Committee, the Remuneration Committee and the Nomination Committee various responsibilities as set out in their respective terms of reference. Further details of these committees are set out on pages 103 to 107 of this annual report.

All Directors shall ensure that they carry out duties in good faith, in compliance with applicable laws and regulations, and in the interest of the Company and its Shareholders at all times.

The Company has arranged appropriate liability insurance to indemnify its Directors in respect of legal actions against them.

Relationship between Directors

Save that Mr. Wang Jianli (the Chairman and executive Director) is the uncle of both Mr. Huang Dehong (an executive Director) and Mr. Wang Dewen (the chief executive officer of the Company and an executive Director), there are no financial, business, family or other material relationships among members of the Board.

企業管治守則規定董事須向本公司披露其於公眾公司或機構所擔任職位數目與性質及其他重大承擔，以及彼等的身份與所投入時間。董事同意適時披露彼等對本公司的承擔。

董事會職位及職務及授權

董事會負責並具有一般權力管理及經營本公司業務。其委派執行董事及高級管理層在董事會所設定的監控及職權框架內處理本公司日常管理事宜。董事會將定期審核轉授職能及責任。

董事會負責本公司所有重大事宜的決策，包括：批准及監察所有政策事宜、整體策略及預算、內部監控及風險管理制度、重大交易（特別是可能涉及利益衝突的交易）、財務資料、委任董事及其他重大財務及營運事宜。董事於履行彼等職責時可尋求獨立專業意見，費用由本公司承擔。本公司鼓勵董事向高級管理層進行獨立諮詢。

此外，董事會亦委派審核委員會、薪酬委員會及提名委員會執行彼等各自職權範圍所載的不同職責。有關該等委員會的進一步詳情載於本年報第103至107頁內。

全體董事須確保秉誠履行職責，遵守適用法例及法規，並於任何時候均以本公司及其股東的利益行事。

本公司已安排適當責任保險，就有關針對董事的法律訴訟向彼等提供彌償。

董事之間的關係

除王健利先生（主席兼執行董事）為黃德宏先生（執行董事）和王德文先生（本公司行政總裁兼執行董事）的叔叔外，董事會成員之間概無財務、業務、家族或其他重大關係。

CORPORATE GOVERNANCE REPORT

企業管治報告

CHANGES IN INFORMATION OF DIRECTORS AND SENIOR MANAGEMENT

The changes to the information of the Directors and senior management since the date of the 2016 annual report of the Company are set out on page 46 of the 2017 interim report of the Company dated 28 August 2017 (the “2017 Interim Report”). For details of the changes during the above period, please refer to the 2017 Interim Report.

The changes of the information of the Directors and senior management since the date of the 2017 Interim Report of Company and up to the date of this annual report are set out below pursuant to Rule 13.51(B) of the Listing Rules:

Name of Director/Senior Management 董事／高級管理層名稱	Changes 變更
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Mr. Ma Yi 馬禕先生	Mr. Ma Yi resigned on 31 December 2017 馬禕先生於2017年12月31日辭職
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Other than those disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules. There is no change to the information of Directors and senior management since the date of the 2017 Interim Report and up to the date of this annual report, and no other information is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

INDUCTION AND CONTINUOUS PROFESSIONAL DEVELOPMENT

Each appointed Director is provided with necessary induction and information to ensure that he has a proper understanding of the Company's operations and business as well as his responsibilities under relevant statutes, laws, rules and regulations. According to the records of the Company, all Directors have attended training sessions conducted by the Company's legal advisers as to Hong Kong laws on duties and obligations of directors of companies listed on the Stock Exchange including connected transactions and corporate governance. The Company also provides periodic legal updates and developments on the Listing Rules, the Hong Kong Companies Ordinance, news updates from the Stock Exchange and the Securities & Futures Commission of Hong Kong and other relevant legal and regulatory requirements to all of the Directors, as well as regular updates on the Company's performance, position and prospects to enable the Board as a whole and each Director to discharge their duties.

董事及高級管理層資料變更

自本公司2016年年報之日起，董事及高級管理層資料的變更已載列於日期為2017年8月28日的2017年中期報告（「2017年中期報告」）第46頁。上述期間的變化詳情，請參閱2017年中期報告。

根據上市規則第13.51(B)條，自本公司2017年中期報告之日起及直至本年報日期，董事及高級管理層資料的變更載列如下：

除上述所披露者外，概無根據上市規則第13.51B(1)條須予披露的其他資料。自本公司2017年中期報告之日起及直至本年報日期，董事及高級管理層資料概無變動，亦無根據上市規則第13.51B(1)條須予披露的其他資料。

入職及持續專業發展

本公司會向各新委任董事提供必要的入職培訓及資料，以確保其對本公司的營運及業務以及相關法規、法例、規則及規例規定的責任有適當了解。根據本公司紀錄，所有董事均已出席由本公司香港法律顧問舉辦有關聯交所上市公司董事職務及職責的培訓，包括關連交易及企業管治。本公司亦會定期向全體董事提供有關上市規則、香港公司條例的法律更新及發展、來自香港交易所及香港證券及期貨事務監察委員會的新聞及其他有關法律及監管要求，以及有關本公司表現、狀況及前景的定期更新，以確保董事會整體及各董事履行其職務。

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as the code of conduct of the Company for Directors' securities transactions. Having made specific enquiry to all Directors, all Directors have confirmed that they have complied with the required standard set out in the Model Code during the Year. Employees who are, or likely to be, in possession of unpublished inside information in relation to the Company or its shares are prohibited from dealing in the shares of the Company during the black-out period.

CORPORATE GOVERNANCE

The Board is of the opinion that the Company had complied with the code provisions as set out in the CG Code contained in Appendix 14 to the Listing Rules during the Year.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

Each of the Directors has entered into service contract or letter of appointment with the Company, which may be terminated in accordance with the respective terms of the service contracts or letters of appointment. For details, please refer to page 44 of this annual report.

None of the Directors has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

In accordance with Articles 16.2 and 16.3 of the articles of association of the Company (the "Articles"), any Director appointed by the Board or by an ordinary resolution either to fill a casual vacancy or as an addition to the Board, shall hold office only until the following annual general meeting of the Company and shall then be eligible for re-election at that meeting. At every annual general meeting, one-third of the Directors for the time being shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election at the annual general meeting.

The procedures and process of appointment, re-election and removal of Directors are set out in the Articles. The Nomination Committee is responsible for reviewing the Board composition and making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman and chief executive officer.

遵守證券交易標準守則

本公司已採用上市規則附錄十所載上市發行人董事進行證券交易的標準守則作為本公司董事進行證券交易的操守守則。經向全體董事作出具體查詢後，所有董事均已確認，彼等於本年度已遵從標準守則所規定的標準。任何擁有或可能擁有關於本公司或其股份未公開內幕消息的僱員，均不得於禁售期內買賣本公司股份。

企業管治

董事會認為本公司於本年度內符合上市規則附錄十四所載企業管治守則的守則條文。

委任及重選董事

各董事已與本公司訂立服務合約或聘書，並可根據各自服務合約或聘書的條款終止。詳情請參閱本年報的第44頁。

董事概無訂立本集團不可於一年內毋須作出補償(法定補償除外)而終止的服務合約。

本公司組織章程細則(「細則」)第16.2條及16.3條規定，獲董事會或由普通決議案委任以填補董事會臨時空缺或新加入董事會的任何董事任期均僅直至本公司下一屆股東週年大會為止，屆時將符合資格重選連任。每屆股東週年大會上須有三分之一董事輪值退任，惟各董事(包括按特定任期獲委任者)須至少每三年輪值退任一次。退任董事符合資格於股東週年大會上重選連任。

董事的委任、重選及罷免程序及過程載於細則。提名委員會負責審核董事會的組成成員並就委任或重新委任董事以及繼任董事(特別是主席及行政總裁)計劃的事宜向董事會作出建議。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD MEETINGS

The Company has adopted the practice of holding Board meetings at least four times a year at approximately quarterly intervals pursuant to code provision A.1.1 of the CG Code. Notice of not less than fourteen days are given for all regular board meetings to provide all Directors with an opportunity to attend, and include matters in the agenda for a regular meeting pursuant to code provision A.1.3 of the CG Code.

All Directors are provided with the meeting agenda and relevant information related to the agenda in advance before the meeting. They have access to the senior management and the company secretary of the Company at all time and may, upon reasonable request, seek independent professional advice at the Company's expense.

Minutes of the meetings are kept by the company secretary of the Company with copies circulated to all Directors for information and records. Minutes of the board meetings and committee meetings record sufficient details of the matters considered by the Board and the committees and the decisions reached, including any concerns raised by the Directors. Draft minutes of each Board meeting and committee meeting are sent to the Directors for comments within a reasonable time after the date on which the meeting was held. Minutes of board meetings are open for inspection for the Directors.

董事會會議

根據企業管治守則第A.1.1條，本公司已採用每年召開至少四次董事會會議的慣例，大約每季一次。根據企業管治守則第A.1.3條，董事會例行會議通告會於會議舉行前至少14日送呈全體董事，以向全體董事提供機會出席例行會議，通告須列入例行會議議程商討事項。

全體董事於會議舉行前均預先獲得會議議程及與議程相關的資料。彼等可隨時與本公司高級管理人員及公司秘書接洽，並可提出合理要求諮詢獨立專業意見，費用由本公司承擔。

會議記錄由本公司的公司秘書保存，副本將由全體董事傳閱，以供參考及記錄。董事會及委員會會議的會議記錄均充分載列董事會及委員會所考慮事項的詳情及所達成的決策，包括董事的任何提問。各董事會及委員會會議的會議記錄草擬本於會議舉行日期後一段合理時間內送呈董事審閱。董事會會議的會議記錄可供董事查閱。

CORPORATE GOVERNANCE REPORT

企業管治報告

Seven Board meetings and one general meeting were held during the Year. Individual attendance of the Directors is as follows:

於本年內，舉行了7次董事會會議及1次股東大會，出席會議的董事如下：

		No. of meetings attended/ No. of meetings held 出席會議次數／召開會議次數	
Directors 董事		Board Meetings 董事會會議	General Meeting 股東大會
Executive Directors	執行董事		
Mr. Wang Jianli (<i>Chairman and executive Director</i>)	王健利先生(主席兼執行董事)	6/7	1/1
Mr. Wang Dewen	王德文先生	6/7	1/1
Mr. Huang Dehong	黃德宏先生	5/7	1/1
Non-executive Director	非執行董事		
Mr. Yuan Bing	袁兵先生	6/7	0/1
Independent non-executive Directors	獨立非執行董事		
Mr. Zhao Lihua	趙立華先生	6/7	0/1
Mr. Wang Lianzhou	王連洲先生	1/7	1/1
Mr. Lam Chi Yuen Nelson	林智遠先生	6/7	0/1

BOARD COMMITTEES

The Board has established three committees, namely the Audit Committee, the Remuneration Committee and the Nomination Committee, to handle particular responsibilities of the Board and certain affairs of the Company. All board committees of the Company are established with defined written terms of reference which have been uploaded to the website of the Stock Exchange and that of the Company, and are provided with sufficient resources to discharge their duties.

董事委員會

董事會已成立三個委員會，即審核委員會、薪酬委員會及提名委員會，負責承擔董事會特定職責及處理本公司的若干事務。本公司所有董事委員會均訂有明確界定的書面職權範圍，相關職權範圍已上載至聯交所及本公司網站，並已獲提供足夠資源以履行其職責。

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDIT COMMITTEE

The Company established the Audit Committee on 27 September 2013 in compliance with Rule 3.21 and Rule 3.22 of the Listing Rules and with written terms of reference in compliance with the CG Code and Corporate Governance Report as set out in Appendix I 4 to the Listing Rules and the roles and the responsibilities delegated to the Audit Committee by the Board. The revised terms of reference have been adopted by the Board on 29 December 2015 to comply with the new CG Code which became effective on 1 January 2016. The primary duties of the Audit Committee are to review the financial information of the Company, to oversee the financial reporting process, risk management and internal control systems of the Group, to oversee the audit process, to make recommendation on the appointment, re-appointment and removal of external auditor and to perform other duties and responsibilities as assigned by the Board.

The Audit Committee consists of two independent non-executive Directors and one non-executive Director. The three members are Mr. Lam Chi Yuen Nelson, the chairman of the Audit Committee and an independent non-executive Director, Mr. Zhao Lihua, an independent non-executive Director, and Mr. Yuan Bing, a non-executive Director. During the Year, three Audit Committee meetings were held to, among other matters, (1) review and recommend the half-yearly and annual results to the Board for approval; (2) review the Group's financial controls, internal control and risk management systems; (3) review the Group's financial and accounting policies and practices; (4) review and consider the whistleblowing policy and system; (5) review the external auditor's independence and the objectivity and effectiveness of the audit process; and (6) review the terms of reference of the Audit Committee.

審核委員會

本公司遵照上市規則3.21條及3.22條於2013年9月27日成立審核委員會，其書面職權範圍符合上市規則附錄十四所載企業管治守則及企業管治報告及董事會授予審核委員會的職責與職務。董事會於2015年12月29日採納經修訂職權範圍，以符合於2016年1月1日生效的新企業管治守則。審核委員會的主要職責為審閱本公司的財務資料、監督本集團的財務申報過程、風險管理及內部監控體系、監督審核過程、就委任、重新委任及罷免外部核數師作出建議及履行董事會指派的其他工作及職責。

審核委員會由兩名獨立非執行董事及一名非執行董事組成。三名成員為：林智遠先生(審核委員會主席兼獨立非執行董事)、趙立華先生(獨立非執行董事)及袁兵先生(非執行董事)。於本年度內，舉行了3次審核委員會會議，以(其中包括)(1)審核半年度及年度業績，並呈交董事會批准；(2)審核本集團的財務監控、內部監控及風險管理制度；(3)審核本集團的財務及會計政策及實務；(4)審核及考慮舉報政策及制度；(5)審核外聘核數師是否獨立及審核流程是否客觀有效；及(6)審核審核委員會的職權範圍。

CORPORATE GOVERNANCE REPORT

企業管治報告

The attendance of the Directors at the Audit Committee meetings was as follows:

董事出席審核委員會會議的情況如下：

Directors 董事		Number of Attendance 出席次數
Mr. Lam Chi Yuen Nelson (<i>Committee Chairman</i>)	林智遠先生(委員會主席)	3/3
Mr. Yuan Bing	袁兵先生	3/3
Mr. Zhao Lihua	趙立華先生	3/3

REMUNERATION COMMITTEE

The Company established the Remuneration Committee on 27 September 2013 with written terms of reference in compliance with the CG Code and Corporate Governance Report as set out in Appendix I4 to the Listing Rules and the roles and the responsibilities delegated to the Remuneration Committee by the Board. The primary duties of the Remuneration Committee are to make recommendations to the policy and structure of the remuneration for Directors and senior management and to review and approve the compensation payable to Directors and members of senior management.

The Remuneration Committee comprises two independent non-executive Directors and one executive Director. The three members are Mr. Wang Lianzhou, the chairman of the Remuneration Committee and an independent non-executive Director, Mr. Lam Chi Yuen Nelson, an independent non-executive Director, and Mr. Wang Jianli, an executive Director. During the Year, two Remuneration Committee meetings were held to, among other matters, (1) determine the policy for the remuneration of Directors and senior management; (2) assess the performance of executive Directors; (3) approve the terms of executive Directors' service contracts; and (4) make recommendations to the Board on the remuneration packages of individual executive Directors, non-executive Directors, independent non-executive Directors and members of senior management.

薪酬委員會

本公司於2013年9月27日成立薪酬委員會，其書面職權範圍符合上市規則附錄十四所載企業管治守則及企業管治報告及董事會授予薪酬委員會的職責與職務。薪酬委員會的主要職責為就董事及高級管理層的薪酬政策及結構作出推薦意見，以及審核及批准應付董事及高級管理人員的報酬。

薪酬委員會由兩名獨立非執行董事及一名執行董事組成。三名成員為：王連洲先生(薪酬委員會主席兼獨立非執行董事)、林智遠先生(獨立非執行董事)及王健利先生(執行董事)。於本年度內，舉行了2次薪酬委員會會議，以(其中包括)(1)釐定有關董事及高級管理層薪酬政策；(2)評估執行董事的表現；(3)批准執行董事服務合約的條款；及(4)向董事會建議個別執行董事、非執行董事、獨立非執行董事及高級管理人員的薪酬待遇。

CORPORATE GOVERNANCE REPORT

企業管治報告

The attendance of the Directors at the Remuneration Committee meetings was as follows:

董事出席薪酬委員會會議的情況如下：

Directors 董事		Number of Attendance 出席次數
Mr. Wang Lianzhou (<i>Committee Chairman</i>)	王連洲先生(委員會主席)	0/2
Mr. Wang Jianli	王健利先生	2/2
Mr. Lam Chi Yuen Nelson	林智遠先生	2/2

The primary goal of the Group's remuneration policy for executive Directors is to enable the Company to retain and motivate executive Directors by linking their compensation with their individual performance. The remuneration package includes basic salary, performance and/or discretionary bonus, participation in the Pre-IPO Share Option Scheme and other benefits. Remuneration of the non-executive Director includes mainly the Director's fee, which is a matter for the Board to decide by reference to the duties and responsibilities of the non-executive Director. Remuneration of the independent non-executive Directors includes the Director's fee which is determined by the Board based on the duties and responsibilities of independent non-executive Directors and their participation in the Pre-IPO Share Option Scheme.

本集團對執行董事薪酬政策的主要目標是將執行董事的報酬與其個人表現掛鉤，以留任及激勵執行董事。薪酬組合包括基本薪金、績效及／或酌情花紅、參與首次公開售股前購股權計劃及其他福利。非執行董事的薪酬主要包括董事袍金，由董事會參考非執行董事的職務及職責而釐定。獨立非執行董事的薪酬包括董事袍金，由董事會參考獨立非執行董事的職務及職責以及彼等參與首次公開售股前購股權計劃的情況而釐定。

NOMINATION COMMITTEE

The Company established the Nomination Committee on 27 September 2013 with written terms of reference in compliance with the requirements of the CG Code and Corporate Governance Report as set out in Appendix 14 to the Listing Rules and the roles and the responsibilities delegated to the Nomination Committee by the Board. The primary duties of the Nomination Committee are to review the structure, size and composition of the Board and make recommendations to the Board on the appointment and removal of Directors. In the nomination procedures, the Nomination Committee makes reference to criteria including candidates' reputation, integrity, accomplishment, experience and professional and educational background.

提名委員會

本公司於2013年9月27日成立提名委員會，其書面職權範圍符合上市規則附錄十四所載企業管治守則及企業管治報告及董事會授予提名委員會的職責與職務。提名委員會的主要職責為審核董事會的架構、規模及組成，並就委任及罷免董事向董事會作出建議。於提名過程中，提名委員會參考的標準包括候選人的聲譽、誠信度、成就、經驗及專業與教育背景。

The Nomination Committee comprises two independent non-executive Directors and one executive Director. The three members are Mr. Zhao Lihua, the chairman of the Nomination Committee and an independent non-executive Director, Mr. Wang Lianzhou, an independent non-executive Director, and Mr. Wang Jianli, an executive Director. During the Year, two Nomination Committee meetings were held to, among other matters, (1) review the structure, size and composition of the Board and to review the diversity policy of the Board; (2) assess the independence of independent non-executive Directors; (3) review, consider and approve the nomination policy, and (4) make recommendations to the Board on the re-appointment of Directors.

The attendance of the directors at the Nomination Committee meetings was as follows:

Directors 董事		Number of Attendance 出席次數
Mr. Zhao Lihua (<i>Committee Chairman</i>)	趙立華先生(委員會主席)	2/2
Mr. Wang Jianli	王健利先生	2/2
Mr. Wang Lianzhou	王連洲先生	0/2

STRATEGIC REVIEW COMMITTEE

The Company established a strategic review committee (the “**Strategic Review Committee**”) in September 2013, as an additional corporate governance measure to evaluate any potential investment opportunities in Harbin presented to the Group. The Committee consists of one non-executive Director and three independent non-executive Directors.

The Strategic Review Committee is aware of the restrictions under the non-competition undertaking (“**Harbin NCU**”) entered into by Mr. Wong Choi Hing and Mr. Wang Dewen in favour of Harbin China South City Company Limited in 2012. The duties of the Strategic Review Committee include reviewing and assessing any investment opportunities in Harbin that are presented to the Company, at least once every six months, and identifying the steps to be taken in respect of such opportunities. Neither Mr. Wong Choi Hing nor Mr. Wang Dewen will participate in any review, assessment or the decision-making process by the Strategic Review Committee.

The Strategic Review Committee met on March 30 2017 and August 28 2017, and concluded that there was no potential investment opportunities in Harbin for the Group.

提名委員會由兩名獨立非執行董事及一名執行董事組成。三名成員為：趙立華先生(提名委員會主席兼獨立非執行董事)、王連洲先生(獨立非執行董事)及王健利先生(執行董事)。於本年度內，舉行了2次提名委員會會議，以(其中包括)(1)審核董事會的架構、人數及組成及董事會多元化政策；(2)評估獨立非執行董事的獨立性；(3)審核、考慮及批准提名政策；及(4)就重新委任董事向董事會提出建議。

董事出席提名委員會會議的情況如下：

策略審查委員會

本公司於2013年9月設立策略審查委員會(「**策略審查委員會**」)，作為額外企業管治措施以評估本集團於哈爾濱的潛在投資機遇。委員會由一名非執行董事及三名獨立非執行董事組成。

策略審查委員會知悉王再興先生與王德文先生於2012年簽訂的以哈爾濱華南城有限公司為受益人的不競爭承諾(「**哈爾濱不競爭承諾**」)的限制。策略審查委員會的職責包括審查及評估提呈予本公司有關於哈爾濱的任何投資機遇，至少每隔六個月進行一次，並就有關機遇訂訂措施。王再興先生及王德文先生將不參與策略審查委員會進行的任何審查、評估或決策。

策略審查委員會於2017年3月30日及2017年8月28日召開會議，表示本集團於哈爾濱並無任何潛在投資機會。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD DIVERSITY POLICY

The Board has adopted a board diversity policy with effect from 24 March 2014 and discussed all measurable objectives set for implementing the policy. The Company recognises and embraces the benefits of having a diverse Board with a view to enhancing its effectiveness and achieving a high standard of corporate governance. It endeavours to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), talents, skills, knowledge, length of service and other qualities of Directors. The ultimate decision of all Board appointments should be based on meritocracy and the likely contributions that the selected candidates will bring to the Board. The Nomination Committee has reviewed such board diversity policy in the Year.

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing corporate governance duties including:

- (a) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- (b) to review and monitor the training and continuous professional development of Directors and senior management;
- (c) to review and monitor the Company's policies and practices in relation to its compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors;
- (e) to develop, review and monitor the implementation of the shareholders' communication policy to ensure its effectiveness, and to make recommendation to the Board where appropriate to enhance shareholders' relationship with the Company; and
- (f) to review the Company's compliance with Appendix 14 to the Listing Rules (the CG Code).

董事會多元化政策

董事會自2014年3月24日起採納董事會多元化政策以及討論就實施該政策所制定之所有可量度目標。本公司認同及信奉董事會成員多元化可提高董事會效益並達致高企業管治標準。該政策致力於確保董事會於技巧、經驗及多元化的觀點方面達致平衡，以切合本公司之業務要求。候選人選舉將基於多元化的觀點，包括但不限於性別、年齡、文化及教育背景、經驗（專業或其他）、能力、技能、知識、服務時間以及其他董事所需的資質。董事會委任最終決定將取決於所選定候選人的能力及其可能為董事會帶來的貢獻。提名委員會已於本年度檢討該董事會多元化政策。

企業管治職能

董事會負責履行企業管治的職責，包括：

- (a) 制定及審核本公司的企業管治政策及常規並向董事會提出建議；
- (b) 審核及監察董事及高級管理人員培訓及持續專業發展；
- (c) 審核及監察本公司在遵守法律及監管規定方面的政策及常規；
- (d) 制定、審核及監察僱員及董事的操守準則及合規手冊（如有）；
- (e) 制定、審核及監察股東通訊政策的有效推行及提出有助鞏固本公司與股東的關係的建議；及
- (f) 審核本公司遵守上市規則附錄十四（企業管治守則）的情況。

DIRECTORS' AND AUDITOR'S RESPONSIBILITIES FOR FINANCIAL REPORTING IN RESPECT OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities for preparing the financial statements for FY2017 which give a true and fair view of the affairs of the Company and the Group and of the Group's results and cash flows. The Directors also acknowledge their responsibilities to ensure that the financial statements of the Group are published in a timely manner.

The management has provided to the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Company's consolidated financial statements, which are put to the Board for approval. The Company provides all members of the Board with updates on Company's performance, positions and prospects.

The Directors were not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Group's ability to continue as a going concern.

The statement by the auditors of the Company regarding their reporting responsibilities on the consolidated financial statements of the Company is set out in the Independent Auditor's Report on pages 126 to 136 of this annual report.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board is responsible for the risk management and internal control systems of the Group and for reviewing their effectiveness. The risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. A defined management structure with specified limits of authority and responsibilities is developed for safeguarding assets against unauthorized use or disposition, the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publications and the compliance of applicable laws, rules and regulations.

An internal audit department has been established to perform regular financial and operational reviews and recommend necessary actions to the relevant management. The works carried out by the internal audit department ensure risk management and internal control measures are in place and function properly as intended.

董事及核數師就財務報表的財務報告責任

董事確認彼等負責編製2017財政年度財務報表，該財務報表真實公平反映本公司及本集團的狀況及本集團的業績及現金流量。董事亦確認彼等負責確保本集團的財務報表及時公佈。

管理層已向董事會提供該等所需解釋及資料，讓董事會可以就提呈董事會批准的本公司合併財務報表作出知情評估。本公司向董事會全體成員提供有關本公司業績、狀況及前景的最新資料。

董事並不知悉有關任何可能對本集團的持續經營能力構成嚴重疑問的事件或情況之任何重大不確定因素。

本公司核數師有關其於合併財務報表的申報責任聲明載於本年報第126頁至136頁的獨立核數師報告。

風險管理及內部監控

董事會負責本集團的風險管理及內部監控體系並檢討其成效。風險管理及內部監控體系旨在管理而非消除未能達成業務目標的風險，而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。本公司已制定明確界定的管理架構，並訂明職權範圍及職責，以防止未經授權使用或處置資產、妥善存置會計記錄，以提供可靠財務資料供內部使用或刊發，並遵守適用法例、規則及法規。

已成立內部審核部門，以定期進行財務及經營審核，並向有關管理人員建議所需行動。內部審核部門所進行的工作乃為確保風險管理及內部監控措施合適進行，並按擬定功能正常運作。

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The results of the internal audit and reviews are reported to the executive Directors and the Audit Committee, who carried out annual review on the internal control and risk management systems for the Year, and they were satisfied with the effectiveness and the adequacy of such systems of the Group during the Year.

An information disclosure policy is in place to ensure potential inside information being captured and confidentiality of such information being maintained until consistent and timely disclosure is made in accordance with the Listing Rules. The policy regulates the handling and dissemination of inside information, which includes:

- Designated reporting channels from different operations informing any potential inside information to designated departments;
- Designated persons and departments determining further disclosure as required; and
- Designated persons being authorised to act as spokespersons and respond to external enquiries.

INDEPENDENT AUDITORS' REMUNERATION

The Group's independent auditors are KPMG. For FY2017, the remuneration paid and payable by the Group to the independent auditors in respect of audit and review services provided by them were as follows:

內部審核及審閱的結果會向本公司執行董事及審核委員會報告。執行董事及審核委員會於年內對本集團風險管理及內部監控系統進行年度審核，並信納本集團於本年度內有關係統屬有效及足夠。

本集團訂有信息披露制度，確保能掌握潛在內幕消息並加以保密，直至按上市規則作出一致且適時的披露為止。該制度規管處理及發放內幕消息的方式，其中包括以下各項：

- 特設匯報渠道，讓不同營運單位向指定部門匯報潛在內幕消息的信息；
- 指定人士及部門按需要決定進一步披露方式；及
- 指定人士為發言人，回應外界查詢。

獨立核數師酬金

本集團的獨立核數師為畢馬威會計師事務所。於2017財政年度，本集團向獨立核數師就彼等所提供審核及審閱服務已付及應付的酬金如下：

		RMB'000 人民幣千元
Audit and review services ⁽¹⁾	審核及審閱服務 ⁽¹⁾	3,850
Note:	附註：	
(1) Including fees for statutory audit of annual financial statements and review of interim financial report.	(1) 包括年度財務報表的法定審計費和中期財務報告的審閱服務費。	

COMPANY SECRETARY

Mr. Chan Sze Hon has been appointed as the company secretary of the Company with effect from 2 July 2017.

During the Year and up to the date of this annual report, Mr. Chan Sze Hon has undertaken not less than 15 hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules.

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONSHIP

The Company believes that effective communication with Shareholders and other investment community is essential. During the Year, the executive Directors, the chief financial officer and the head of investor relations of the Group held regular briefings, press conferences and analysts meetings of annual results, attended investor forums and participated in roadshows and conducted meetings with institutional investors and financial analysts in China, Hong Kong and overseas countries to keep them abreast of the Group's business and development. Investors can also communicate with the Company through email at ir@hydoo.com.cn.

Shareholders' meetings provide a useful forum for Shareholders to exchange views with the Board. Directors and the chief financial officer of the Group will attend Shareholders' meetings to answer the questions raised by Shareholders. Published documents together with the latest corporate information and news are available on the Company's website at www.hydoo.com.cn.

公司秘書

陳思翰先生已獲委任為本公司的公司秘書，自2017年7月2日起生效。

於本年度內及直至本年報刊發日期，陳思翰先生已遵照上市規則第3.29條進行了不少於15小時的相關專業培訓。

與股東的溝通及投資者關係

本公司認為，與股東及其他投資團體作出有效溝通乃至關重要。於本年度，本集團執行董事、首席財務官及投資者關係主管定期舉行簡報會、年度業績媒體大會及分析會議，出席投資者論壇、參與路演、舉辦與機構投資者的會議，並在中國、香港及海外國家進行財務分析，讓彼等能洞悉本集團的最新業務及發展。投資者亦可通過電郵 ir@hydoo.com.cn 與本公司聯絡。

股東會議提供有益論壇，供股東與董事會互相交流意見。董事及本集團首席財務官將出席股東大會解答股東提問。有關發佈文件連同最新公司資料及新聞，可瀏覽本公司網站 www.hydoo.com.cn。

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SHAREHOLDERS' RIGHTS

Convening of extraordinary general meeting

Besides the request of the Board, the extraordinary general meeting shall also be convened through the following measures:

- (a) on the written requisition of any two or more Shareholders who hold not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company as at the date of deposit of the requisition of the Company deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such principal office, the registered office, specifying the objects of the meeting and signed by such Shareholders; or
- (b) on the written requisition of any one Shareholder of the Company which is a recognized clearing house (or its nominee(s)) who holds not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company as at the date of deposit deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office, specifying the objects of the meeting and signed by the Shareholder.

Putting forward proposals

Shareholders may put forward proposals for consideration at a general meeting in accordance with the applicable laws and the Articles. If a Shareholder, who is entitled to attend and vote at the relevant general meeting, wishes to nominate a person (not being the nominating shareholder) to stand for election as a Director, he or she should give to the secretary of the Company notice in writing of the intention to propose a person for election as a Director and notice in writing by that person stating his or her willingness to be so elected, commencing no earlier than the day after the dispatch of the notice of the relevant general meeting and ending no later than seven days prior to the date of such general meeting.

As regards proposing a person for election as a Director, the procedures are available on the websites of the Company and the Stock Exchange.

股東權利

召開股東特別大會

除董事會要求外，亦可通過下列方式召開股東特別大會：

- (a) 應任何兩名或以上於遞交要求當日持有不少於十分之一附帶權利於本公司股東大會上表決的本公司實繳股本的股東的書面要求而召開，有關要求須送達本公司於香港的主要營業地點或(倘本公司不再設置該主要辦事處)註冊辦事處，當中列明大會的主要商議事項，並由該等股東簽署；或
- (b) 應任何一名作為認可結算所並於遞交要求當日持有不少於十分之一附帶權利於本公司股東大會上表決的本公司實繳股本的本公司股東(或其代理人)的書面要求而召開，有關要求須送達本公司於香港的主要營業地點或(倘本公司不再設置該主要辦事處)註冊辦事處，當中列明大會的主要商議事項，並由該股東簽署。

提出建議

股東可根據適用法律及細則在股東大會上提出建議，以供省覽。倘有權出席相關股東大會並於會上投票的股東有意提名任何人士(並非作出提名的股東)參選董事，應向公司秘書發出書面意向通知，表示建議該名人士參選董事，而該名人士亦應向公司秘書發出書面通知，表明願意參選，且有關通知須於有關股東大會通告寄發翌日起至相關股東大會指定舉行日期前七日止發出。

有關建議人士參選董事的流程可於本公司及聯交所網站查閱。

CORPORATE GOVERNANCE REPORT

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Enquiries to the Board

Shareholders who intend to put forward their enquiries about the Company to the Board could send their enquiries to the headquarters of the Company in Shenzhen at Level 42, Block E, China Resources Land Building, No.18 First Dachong Road, Nanshan District, Shenzhen, the PRC (email address: ir@hydoo.com.cn).

CHANGE IN CONSTITUTIONAL DOCUMENTS

During FY2017, there was no change in the constitutional documents of the Company.

向董事會提出查詢

股東可通過本公司在深圳的總部向董事會作出有關本公司的查詢，地址為中國深圳市南山區大沖一路18號華潤置地大廈E座42層，或發至下列電郵地址：ir@hydoo.com.cn。

組織章程文件更改

於2017財政年度，本公司的組織章程文件並無任何更改。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

EXECUTIVE DIRECTORS

Mr. Wang Jianli (王健利), aged 58, has been the Chairman of the Group and executive Director since 2014, and is primarily responsible for formulating the overall development and strategic plans of our Group. Mr. Wang has over 20 years' experience in the development and operation of large scale trade centers. As disclosed in the Company's prospectus dated 18 October 2013 (the "**Prospectus**"), since 1995, Mr. Wang Jianli, together with his siblings and their families (the "**Wang Family Group**"), has engaged in the development and operation of trade center projects. As one of the key family members, Mr. Wang Jianli was directly involved in the development and operation of a number of trade center projects. Except for the foregoing, Mr. Wang did not have any management role within the Group prior to the appointment of the positions. Mr. Wang has been a member of the 11th Jiangxi Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議江西省第十一屆委員會) (the "**Jiangxi CCPCC**") and a member of the 11th Jiangxi Federation of Industry & Commerce (江西省第十一屆工商業聯合會) ("**Jiangxi FIC**") since January 2013, an executive member of the 3rd Ji'an Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議吉安市第三屆委員會) ("**Ji'an CCPCC**") since September 2011 and the chairman of the Federation of Industry & Commerce of Ji'an City (吉安市工商業聯合會) since April 2008. Mr. Wang was also a member of each of the 9th and the 10th Jiangxi CCPCC and a member of each of the 9th and the 10th Jiangxi FIC from December 2002 to January 2013, and a member of the 2nd Ji'an CCPCC from December 2006 to September 2011. Mr. Wang has received numerous awards, including the outstanding member of the Committee of the Chinese People's Political Consultative Conference of Ji'an City for the year 2013 (2013 年度吉安市優秀市政協委員) in December 2013; an honorary citizen of Ji'an City (吉安市榮譽市民) in March 2005; and the outstanding contributor to the building of socialism with Chinese characteristics in Jiangxi Province (江西省優秀中國特色社會主義事業建設者獎章) in December 2004. Mr. Wang is the uncle of Mr. Wang Dwen, an executive Director and the chief executive officer of the Company, and Mr. Huang Dehong, an executive Director of the Company, and Mr. Wang Dekai, the chief operating officer of the Company.

執行董事

王健利先生，58歲，自2014年開始出任本集團主席兼執行董事，主要負責制定本集團的整體發展及戰略規劃。王先生擁有超過二十年的大型商貿物流中心開發及營運經驗。按本公司2013年10月18日招股章程(「**招股章程**」)所載，自1995年起，王健利先生及其兄弟姐妹及家屬(統稱為「**王氏家族集團**」)就開始從事商貿物流中心項目的開發和營運。作為家族核心成員之一，王健利先生直接參與了其中多個項目的開發及營運。除上述披露外，於擔任上述職務前，王先生並未於本集團擔任任何其他管職。自2013年1月至今，王先生擔任中國人民政治協商會議江西省第十一屆委員會委員並擔任江西省第十一屆工商業聯合會委員。2011年9月至今，王先生亦為中國人民政治協商會議吉安市第三屆委員會常務委員。2008年4月至今，王先生還擔任吉安市工商業聯合會主席。2002年12月至2013年1月期間，王先生亦曾擔任中國人民政治協商會議江西省第九屆和第十屆委員會委員，並曾擔任江西省第九屆和第十屆工商業聯合會委員。2006年12月至2011年9月期間，王先生亦曾擔任中國人民政治協商會議吉安市第二屆委員會委員。王先生獲得過多個獎項，包括於2013年12月被評為2013年度吉安市優秀市政協委員、於2005年3月被評為吉安市榮譽市民，並於2004年12月榮獲江西省優秀中國特色社會主義事業建設者獎章。王先生是本公司執行董事兼行政總裁王德文先生、本公司執行董事黃德宏先生及本公司首席運營官王德開先生的叔叔。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷

Mr. Wang Dewen (王德文), aged 39, has been an executive Director since 2015, and has been the chief executive officer of our Group since 2014. Mr. Wang Dewen is primarily responsible for the overall business operations and management of our Group. Mr. Wang Dewen has over nine years of experience in the development and operation of large scale trade centers. From October 2009 to December 2012, Mr. Wang Dewen served as the president of China South City Xi'an Company Limited (西安華南城有限公司), a subsidiary of China South City Holdings Limited, a company listed on the main board of the Stock Exchange (stock code: 1668). In this role, he was primarily responsible for project management and operation. From January 2008 to October 2009, he served as the chairman and general manager of Jingdezhen Howard Commercial and Trade Center Development Company Limited (景德鎮豪德貿易廣場開發有限公司) and was primarily responsible for project management and operation. He also served as the general manager of Shenzhen Howard Investment Co., Ltd. (深圳市豪德投資有限公司) from July 2006 to October 2009 and was primarily responsible for the company's management and operation. Prior to that, he served as the project manager of the investment banking department of China Great Wall Securities Company Limited (長城證券有限責任公司) from August 2004 to May 2005 and the analyst of research department of Guosen Securities Co., Ltd. (國信證券股份有限公司) from September 2003 and August 2004. Mr. Wang Dewen is the nephew of Mr. Wang Jianli, an executive Director and Chairman of the Group, and a cousin of Mr. Huang Dehong, an executive Director of the Company, and Mr. Wang Dekai, the chief operating officer of the Group.

Mr. Huang Dehong (黃德宏), aged 39, has been an executive Director since 2013, and is primarily responsible for the day to day management of the business of our Group. Mr. Huang has 11 years of experience in the trade center development and operations industry. He has been the director of Ningxiang Hydoo Guangcai Trade Center Development Company Limited since July 2009, the general manager of Ningxiang Hydoo Guangcai Trade Center Development Company Limited since December 2010 and the director and general manager of Wuzhou Hydoo Commercial and Trade Center Development Company Limited since April 2012. He was also the deputy general manager of Ningxiang Hydoo Guangcai Trade Center Development Company Limited from July 2009 to December 2010. From January 2006 to June 2009, he served as the executive deputy general manager of Shuozhou Howard Commercial and Trade Center Development Company Limited (朔州豪德貿易廣場開發有限公司), and was responsible for assisting the general manager with the company's operations and management. Mr. Huang graduated from Sun Yat-sen University with a diploma in law in June 1998. Mr. Huang is the nephew of Mr. Wang Jianli, an executive Director and Chairman of the Group, and a cousin of Mr. Wang Dewen, an executive Director and chief executive officer of the Company and Mr. Wang Dekai, the chief operating officer of the Group.

王德文先生，39歲，自2015年開始出任執行董事，自2014年開始出任本集團行政總裁。王德文先生主要負責本集團的整體業務營運及管理。王德文先生擁有逾九年的大型商貿物流中心開發及營運經驗。自2009年10月至2012年12月，王德文先生為西安華南城有限公司（為聯交所主板上市公司華南城控股有限公司（股份代號：1668）的附屬公司）總裁，主要負責項目經營管理工作。自2008年1月至2009年10月，彼為景德鎮豪德貿易廣場開發有限公司董事長兼總經理，主要負責項目經營管理工作。彼亦於2006年7月至2009年10月擔任深圳市豪德投資有限公司總經理，並主要負責公司的經營管理工作。此前，彼於2004年8月至2005年5月擔任長城證券有限責任公司投資銀行部項目經理，並於2003年9月至2004年8月擔任國信證券股份有限公司研究部分析員。王德文先生是本集團執行董事兼主席王健利先生的侄子、本公司執行董事黃德宏先生及本集團首席運營官王德開先生的堂弟。

黃德宏先生，39歲，自2013年開始出任執行董事，主要負責本集團業務的日常管理。黃先生擁有十一年的商貿物流中心開發及營運行業經驗。彼自2009年7月起擔任寧鄉毅德光彩貿易廣場開發有限公司董事，自2010年12月起擔任寧鄉毅德光彩貿易廣場開發有限公司總經理，及自2012年4月起擔任梧州毅德商貿物流城開發有限公司董事兼總經理。自2009年7月至2010年12月，彼亦曾為寧鄉毅德光彩貿易廣場開發有限公司副總經理。自2006年1月至2009年6月，彼曾擔任朔州豪德貿易廣場開發有限公司常務副總經理，負責協助總經理進行公司營運及管理。黃先生於1998年6月畢業於中山大學，獲得法律專業文憑。黃先生是本集團執行董事兼主席王健利先生的侄子，本公司執行董事兼行政總裁王德文先生的堂兄和本集團首席運營官王德開先生的堂弟。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷

NON-EXECUTIVE DIRECTORS

Mr. Yuan Bing (袁兵), aged 49, has been a non-executive Director since 2011, and is primarily responsible for providing strategic advice and guidance on the business and operations of our Group. Mr Yuan had more than 8 years of private equity investment experiences, prior to which Mr. Yuan had gained more than 14 years of experience in the investment banking industry and has extensive knowledge in corporate financing, listings and mergers and acquisitions transactions. Mr. Yuan joined Hony Capital in April 2009 and has served as managing director of the investment department of its Hong Kong office since January 2010. Mr. Yuan has been a non-executive director of Haichang Holdings Ltd. (海昌控股有限公司) since August 2012, whose shares are listed on the Main Board of the Stock Exchange (stock code: 2255). Prior to joining Hony Capital, Mr. Yuan served as managing director of the direct investment department of Morgan Stanley Asia Limited from October 2006 to 2009. Before that, Mr. Yuan served as managing director of the PRC enterprises corporate financing department of Morgan Stanley Asia Limited from April 2004 to June 2006. Mr. Yuan also served as the vice president of Credit Suisse First Boston (Hong Kong) Limited from September 2001 to March 2004. Mr. Yuan received a bachelor of arts degree in English from Nanjing University in July 1990. He also obtained a master's degree in international relations in June 1993 and a juris doctorate's degree in June 1998 from Yale University.

非執行董事

袁兵先生，49歲，自2011年開始出任非執行董事，主要負責就本集團的業務及營運提供策略性意見及指引。袁先生擁有逾八年的私募股權直接投資經驗，之前擁有逾十四年的投資銀行業經驗，並擁有豐富的企業融資、上市及併購交易知識。袁先生於2009年4月加入Hong Capital Fund 2008, L.P.，自2010年1月起擔任其香港辦事處投資部董事總經理。袁先生自2012年8月起擔任海昌控股有限公司（其股份於聯交所主板上市，股份代號：2255）非執行董事。加入弘毅投資前，袁先生曾於2006年10月至2009年擔任摩根士丹利亞洲有限公司直接投資部董事總經理。此前，袁先生曾於2004年4月至2006年6月擔任摩根士丹利亞洲有限公司中國企業融資部董事總經理。袁先生亦曾於2001年9月至2004年3月擔任Credit Suisse First Boston (Hong Kong) Limited副總裁。袁先生於1990年7月獲得南京大學英語專業文學學士學位。彼亦於1993年6月獲得耶魯大學國際關係專業碩士學位，並於1998年6月獲得該校法律專業博士學位。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Zhao Lihua (趙立華), aged 75, has been an independent non-executive Director since 2014. He graduated from Hunan University in 1965 majoring in physics. Mr. Zhao was a professor and a tutor of doctorate candidates of Hunan University (湖南大學). He was a visiting scholar of the University of Wisconsin-Madison in the United States from August 1979 to August 1981. He was a visiting professor of the University of Hanover in Germany in 1989 and the vice president of Hunan University from March 1992 to March 2000. He served as the chairman of the board of Hebei Huda Technology & Education Development Co., Ltd. (河北湖大科技教育發展股份有限公司) from March 2000 to October 2002 and the chief supervisor of Sinose General Insurance Co., Ltd. (華安財產保險股份有限公司) from July 2003 to June 2011. Mr. Zhao has been an independent non-executive director of China Glass Holdings Limited (中國玻璃控股有限公司) since June 2011, whose shares are listed on the Growth Enterprise Market of the Stock Exchange (stock code: 3300). He was formerly an independent non-executive director of China Fiberglass Co., Ltd. (中國玻纖股份有限公司) from July 2003 to April 2011, whose shares are listed on the Shanghai Stock Exchange (stock code: 600176).

Mr. Wang Lianzhou (王連洲), aged 78, has been an independent non-executive Director since 2013. He acted as an independent director of Great Wall Fund Management Co., Ltd. (長城基金管理有限公司), Beijing Tongrentang Co., Ltd. (北京同仁堂股份有限公司) (a company listed on Shanghai Stock Exchange with stock code: 600085), and China Asset Management Co., Ltd. (華夏基金管理有限公司). He also acted as the independent supervisor of Baoying Fund Management Co., Ltd. (寶盈基金管理有限公司), and the president of the Trust and Fund Institution of the People's University of China. He previously worked at finance and economy committee of National People's Congress ("NPC Finance and Economy Committee") (全國人大財政經濟委員會) and was responsible for coordinating the work between the NPC Finance and Economy Committee and the relevant departments of the PRC central government and to launch the legislation on economic matters. He successively served as the vice chief and the chief of the finance group of the NPC Finance and Economy Committee office, the deputy director of the office and economic law office, the director and bureau-level inspector of research institute. He also served as the group leader in drafting the Securities Law, Trust Law, and Investment Fund Law of China, consistently dedicating to the construction of legal system for capital market.

獨立非執行董事

趙立華先生，75歲，自2014年開始出任獨立非執行董事。趙先生於1965年畢業於湖南大學物理專業。曾任湖南大學教授兼博士生導師。趙先生自1979年8月至1981年8月為美國威斯康辛大學麥迪森分校訪問學者。趙先生1989年被聘為德國漢諾威大學客座教授，並自1992年3月至2000年3月任湖南大學副校長。趙先生自2000年3月至2002年10月任河北湖大科技教育發展股份有限公司董事長，並自2003年7月至2011年6月任華安財產保險股份有限公司監事長。趙先生自2011年6月起任中國玻璃控股有限公司(股份代號：3300，其股份於聯交所創業板上市)獨立非執行董事。趙先生曾於2003年7月至2011年4月任中國玻纖股份有限公司(股份代號：600176，其股份於上海證券交易所上市)獨立非執行董事。

王連洲先生，78歲，自2013年開始出任獨立非執行董事。彼曾擔任長城基金管理有限公司、北京同仁堂股份有限公司(上海證券交易所上市的公司，股份代號：600085)及華夏基金管理有限公司獨立董事。彼亦曾擔任寶盈基金管理有限公司獨立監事，以及中國人民大學信託與基金研究所所長。彼曾任職於全國人民代表大會財政經濟委員會(「全國人大財政經濟委員會」)，負責協調全國人大財政經濟委員會與中國中央政府有關部門的工作，及頒佈有關經濟立法。彼曾先後擔任全國人大財政經濟委員會辦公室財金組副組長及組長、辦公室副主任及經濟法室副主任、研究室主任及正局級巡視員。彼亦曾為中國《證券法》、《信託法》及《投資基金法》起草工作小組組長，為資本市場的法律制度構建作出持續貢獻。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Mr. Lam Chi Yuen Nelson (林智遠), aged 49, has been an independent non-executive Director since 2013. He has extensive experience in professional accountancy in Hong Kong. Currently, he is the chairman of Nelson CPA Limited. He has been appointed as a non-official non-executive director of the Urban Renewal Authority Board of Hong Kong SAR since May 2013. He has been the independent non-executive director of China Resources Cement Holdings Limited, a company listed on the Stock Exchange (stock code: 1313), since August 2008. He has also been appointed as a member of the Financial Reporting Review Panel since July 2013 and a member of the Air Transport Licensing Authority since August 2013. Mr. Lam is a practicing fellow member of the Hong Kong Institute of Certified Public Accountants, a fellow member of the Association of Chartered Certified Accountants and a member of several professional bodies in Australia, the USA and the United Kingdom, including CPA Australia, the American Institute of Certified Public Accountants and the Institute of Chartered Accountants of England and Wales. He is also a CFA charter holder and a fellow member of the Hong Kong Institute of Directors. Mr. Lam received a bachelor of business administration degree in accounting from the Hong Kong Baptist University (formerly known as Hong Kong Baptist College) in January 1992, a master of business administration degree from the Hong Kong University of Science and Technology in November 1998 and a master of science degree in finance from the Chinese University of Hong Kong in November 2001.

林智遠先生，49歲，自2013年開始出任獨立非執行董事。彼擁有豐富的香港專業會計經驗。目前，林先生為遠景會計師事務所有限公司的主席。彼自2013年5月起獲委任為香港特別行政區市區重建局董事會非執行董事(非官方成員)彼自2008年8月起擔任聯交所上市公司華潤水泥控股有限公司(股份代號：1313)的獨立非執行董事。彼亦分別自2013年7月及2013年8月起獲委任為財務匯報審核委員團成員及空運牌照局成員。林先生為香港會計師公會執業資深會計師、英國特許公認會計師公會資深會員以及澳洲、美國及英國多個專業機構(包括澳洲註冊會計師公會、美國註冊會計師公會及英格蘭及威爾斯特許會計師公會)會員。彼亦為特許金融分析師特許資格持有人及香港董事學會資深會員。林先生於1992年1月獲得香港浸會大學(前稱香港浸會學院)工商管理學士(會計)學位，於1998年11月獲得香港科技大學工商管理碩士學位，及於2001年11月獲得香港中文大學財務學理學碩士學位。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷

SENIOR MANAGEMENT

Mr. Wang Dewen (王德文), aged 39, has been an executive Director since 2015, and has been the chief executive officer of our Group since 2014. For details of Mr. Wang Dewen's biographical details, please refer to the disclosure as set out in the section headed "Biographical Details of Directors and Senior Management - Executive Directors" in this annual report.

Mr. Wang Dekai (王德開), aged 41, has been the chief operating officer of our Group since 2014, and is primarily responsible for the daily operation and management of the Group. Mr. Wang has approximately 17 years of experience in the development and operation of large scale trade and logistics centers. From February 2000 to May 2006, he served as the chairman and the general manager of Henan Xinyang Commercial and Trade Center Development Company Limited (河南信陽貿易廣場開發有限公司), and was primarily responsible for the company's management and operation. From June 2006 to October 2009, he served as the chairman and the deputy general manager of Liaoning Chaoyang Howard Commercial and Trade Center Development Company Limited (遼寧朝陽豪德貿易廣場開發有限公司), and was primarily responsible for project management and operation. From November 2009 to July 2012, he also served as the chairman and general manager of Jining Howard Lunan Modern Trade Center Development Company Limited (濟寧豪德魯南現代物流城開發有限公司), and was responsible for project management and operation. From August 2012 to July 2014, he served as the general manager of Mianyang Western Trade Center Development Company Limited (綿陽西部現代物流城開發有限公司), and was responsible for project management and operation. Mr. Wang Dekai is the nephew of Mr. Wang Jianli, the Chairman and an executive Director of the Group, a cousin of Mr. Wang Dewen, an executive Director and the chief executive officer of the Company, and Mr. Huang Dehong, an executive Director of the Company.

高級管理層

王德文先生，39歲，自2015年開始出任執行董事，自2014年開始出任本集團行政總裁。其履歷詳情請參閱本年報「董事及高級管理層履歷－執行董事」一節。

王德開先生，41歲，自2014年開始出任為本集團首席運營官，主要負責本集團的日常運營和管理工作。王德開先生擁有近十七年的大型商貿物流中心開發及營運經驗。彼自2000年2月至2006年5月擔任河南信陽貿易廣場開發有限公司主席兼總經理，主要負責公司的經營管理工作；自2006年6月至2009年10月擔任遼寧朝陽豪德貿易廣場開發有限公司主席兼副總經理，主要負責項目營運及管理工作；自2009年11月至2012年7月擔任濟寧豪德魯南現代物流城開發有限公司主席兼總經理，負責項目營運及管理工作；及自2012年8月至2014年7月擔任綿陽西部現代物流城開發有限公司總經理，負責項目營運及管理。王德開先生是本集團主席兼執行董事王健利先生的侄子、本公司執行董事兼行政總裁王德文先生及本公司執行董事黃德宏先生的堂兄。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Mr. Jia Xinjiang (賈信江), aged 63, has been the vice president of our Group since 2014, and is primarily responsible for the overall financial operations of our Group. He has also been appointed as the president of Shenzhen Qianhai Hydo Finance Holding Company Limited since June 2015, and is primarily responsible for the overall business operations and management of the finance affairs. Mr. Jia is a senior economist. He obtained bachelor degrees in science of Marxist Basic Theory from Jiangxi University (江西大學) and in finance from the Economics Department of Zhengzhou University (鄭州大學), and a master degree in finance from Hunan College of Finance and Economics (湖南財經學院). Mr. Jia has 36 years of experience in management and operations of banking business, including 21 years of experience in the Central Bank and 15 years of experience in commercial banks. He has a deep understanding of China's financial markets, and is familiar with China's monetary credit policy and financial regulations, as well as the methods of managing commercial bank business, risk-management and internal control. Prior to joining our Group, Mr. Jia served as the director of corporate banking department of Ping An Bank Company Limited (a joint-stock commercial bank whose shares are listed on the Shenzhen Stock Exchange (stock code: 000001), hereinafter referred to as "**Ping An Bank**") from September 2012 to September 2013, and was responsible for the corporate banking business of its Chengdu branch, Chongqing branch, Kunming branch, Wuhan branch and Haikou branch. From May 2007 to September 2012, Mr. Jia served as both the director of corporate banking department of Ping An Bank and the general manager of Ping An Bank's management department in Shenzhen, and was responsible for the overall operations of business department in Ping An Bank's business in the southern part of China. From May 2005 to May 2007, Mr. Jia served as the deputy president of the Shenzhen branch of China CITIC Bank Corporation Limited (a joint-stock commercial bank whose shares are listed on both the Stock Exchange (stock code: 0998) and Shanghai Stock Exchange (stock code: 601998)), and was responsible for corporate banking, credit operations and foreign exchange business. From April 2004 to May 2005, Mr. Jia served as the deputy president of the Guangzhou branch of China Everbright Bank Co., Ltd. (a joint commercial bank whose shares are listed on both the Stock Exchange (stock code: 6818) and Shanghai Stock Exchange (stock code: 601818), hereinafter referred to as "**CCB**"), and was responsible for corporate banking, asset management and operation management. From September 1998 and April 2004, Mr. Jia served as the deputy president of the Shenzhen branch of CCB, and was responsible for credit management, risk review, corporate banking, retail business and integrated management. From February 1993 to September 1998, Mr. Jia held several positions in the Jiangxi branch of People's Bank of China, including the assistant to president and

賈信江先生，63歲，自2014年開始出任為本集團副總裁，主要負責本集團的整體財務事務。彼自2015年6月起獲委任為深圳市前海毅德金融控股有限公司總裁，主要負責整體業務營運及管理財務事宜。賈先生為高級經濟師，持有江西大學政治系馬列基礎理論專業、鄭州大學經濟系金融專業學士學位以及湖南財經學院金融學碩士學位。賈先生擁有三十六年的銀行經營管理工作經驗，其中，中央銀行管理工作二十一年，商業銀行管理工作十五年，對中國的金融市場具備深刻的理解與認知，熟悉國家貨幣信貸政策和金融法規，熟悉商業銀行業務經營管理的方法以及風險管理技術和內控手段。加入本集團前，賈先生曾於2012年9月至2013年9月擔任平安銀行股份有限公司（於深圳證券交易所上市的股份制商業銀行（股份代號：000001），以下簡稱「**平安銀行**」）總行公司業務總監，負責主管成都分行、重慶分行、昆明分行、武漢分行和海口分行的公司銀行業務。賈先生亦曾於2007年5月至2012年9月擔任平安銀行總行公司業務總監兼深圳管理部總經理，負責主管平安銀行華南地區事業部全面工作。自2005年5月至2007年5月，賈先生擔任中信銀行股份有限公司（同時於聯交所（股份代號：0998）及上海證券交易所（股份代號：601998）上市的股份制商業銀行）深圳分行常務副行長，負責主管公司業務、信貸業務和外匯業務。自2004年4月至2005年5月，賈先生擔任中國光大銀行股份有限公司（同時於聯交所（股份代號：6818）及上海證券交易所（股份代號：601818）上市的股份制商業銀行，以下簡稱「**光大銀行**」）廣州分行常務副行長，負責主管公司業務、資產管理和運營管理。自1998年9月至2004年4月，賈先生擔任光大銀行深圳分行常務副行長，負責主管信貸管理、風險審查、公司業務、零售業務和綜合管理。自1993年2月

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷

deputy president, and was responsible for foreign exchange management, financing planning management and issuance of currency management. From October 1977 to February 1993, Mr. Jia held several positions in the Shangrao district branch of People's Bank of China, including deputy president and president, and was responsible for financing planning, credit management, integrated management and the overall management.

Mr. Chan Sze Hon (陳思翰), aged 44, has been the chief financial officer of our Group since 2014 and the company secretary of our Company since 2 July 2017. He is primarily responsible for the overall financial affairs of our Group and the secretarial matters of the Company. Mr. Chan is a certified public accountant of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Mr. Chan holds a Bachelor of Arts Degree in Accountancy from City University of Hong Kong and a Master Degree in Corporate Finance from The Hong Kong Polytechnic University. He has about 20 years of experience in accounting and financial management and had worked for Deloitte Touche Tohmatsu in Hong Kong for over 8 years. Prior to joining the Company, Mr. Chan had held various positions with companies listed on the Stock Exchange. From October 2012 to June 2014, Mr. Chan was the chief financial officer and company secretary of Wuzhou International Holdings Limited (stock code: 1369). From 2009 to 2012, Mr. Chan has been an executive director, company secretary and chief financial officer of Fantasia Holdings Group Co., Limited (stock code: 1777). Mr. Chan was the independent non-executive director of each of BLU SPA Holdings Limited, currently known as SuperRobotics Limited (stock code: 8176) and China Mining Resources Group Limited (stock code: 340) from 2007 to 2012 and 2007 to 2011, respectively. From 2007 to 2012, Mr. Chan also served as an independent non-executive director of ERA Information & Entertainment Limited, currently known as ERA Mining Machinery Limited, a company whose shares were listed on the Stock Exchange and delisted in 2012. Mr. Chan was an executive director, chief financial officer and company secretary of Greater China Holdings Limited, currently known as Greater China Financial Holdings Limited (stock code: 431) from 2005 to 2008, and later re-designated as a non-executive director from 2008 to 2015. Prior to that, Mr. Chan worked in Deloitte Touche Tohmatsu from 1995 to 2004, where he held various positions such as staff accountant, senior accountant and manager.

至1998年9月，賈先生就職於中國人民銀行江西省分行，曾擔任行長助理、副行長職務，負責外匯管理、計劃資金管理和貨幣發行管理工作。自1977年10月至1993年2月，賈先生就職於中國人民銀行上饒地區分行，曾擔任副行長、行長職務，負責計劃資金、信貸管理、綜合管理以及主持全面工作。

陳思翰先生，44歲，自2014年開始出任本集團首席財務官及自2017年7月2日出任本公司的公司秘書。彼主要負責本集團的整體財務事宜及本公司秘書事項。陳先生為香港會計師公會執業會計師與英國特許公認會計師公會資深會員持有香港城市大學會計學文學士學位及香港理工大學企業金融學碩士學位。陳先生擁有約二十年的會計與財務管理經驗，並曾於香港德勤•關黃陳方會計師行任職逾八年。加入本公司前，陳先生曾在多間聯交所上市公司任職。於2012年10月至2014年6月，陳先生在五洲國際控股有限公司(股份代號：1369)擔任首席財務官及公司秘書。於2009年至2012年，陳先生在花樣年控股集團有限公司(股份代號：1777)擔任執行董事、公司秘書及首席財務官。於2007年至2012年與2007年至2011年，陳先生曾分別在富麗花•譜控股有限公司(現稱超人智能有限公司，股份代號：8176)及中國礦業資源集團有限公司(股份代號：340)擔任獨立非執行董事。於2007年至2012年，陳先生亦在年代資訊影視有限公司(現稱年代煤礦機電設備製造有限公司，曾為聯交所上市公司，於2012年退市)擔任獨立非執行董事。於2005年至2008年，陳先生曾擔任大中華實業控股有限公司(現稱大中華金融控股有限公司)(股份代號：431)的執行董事、首席財務官及公司秘書，並自2008年起至2015年改任非執行董事。此前，於1995年至2004年，陳先生則任職德勤•關黃陳方會計師行，歷任會計員、資深會計師與經理。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Mr. Huang Wenbin (黃文濱), aged 54, has been the vice president of the Group since 2011, and is primarily responsible for sales and marketing management of the Group. Mr. Huang has 23 years of experience in sales and marketing. Prior to joining the Group, Mr. Huang was the vice general manager of Hong Kong Howard Group Company Limited from February 2005 to November 2011, and was principally in charge of the sales and marketing of trade center projects. Mr. Huang was also the deputy general manager of Jining Hydoo Logistics Center Development Company Limited from May 2010 to November 2011, and was responsible for sales and marketing of the Jining Trade Center. Concurrently, Mr. Huang served as deputy general manager of China South City Xi'an Company Limited (西安華南城有限公司) in charge of marketing from January 2010 to October 2011, and was responsible for sales and marketing management. Mr. Huang served as the deputy general manager of Jingdezhen Howard Trade Center Development Company Limited (景德鎮豪德貿易廣場開發有限公司) from January 2001 to June 2005. He also acted as the deputy general manager/general manager of Jiangxi Howard Group Bioengineering Industrial Co., Ltd. (江西豪德集團生物工程實業有限公司) from November 1998 to December 2000 and the deputy general manager of Ganzhou Lifa Metal Products Company Limited (贛州利發金屬製品有限公司) from March 1994 to November 1998.

Mr. Zhao Yande (趙彥德), aged 41, has been a vice president of the Group since 2011, and a general manager of the Ganzhou project of our Group since December 2012. From November 2011 to November 2012, Mr. Zhao served as the vice president of construction management of the Company and was primarily responsible for the overall construction management of the Group. Mr. Zhao has more than 17 years of experience in construction management. Prior to joining the Group, he was also the deputy general manager of Jining Hydoo Logistics Center Development Company Limited from February 2010 to November 2011 and was responsible for construction management of the Jining Trade Center. Concurrently, Mr. Zhao acted as the deputy general manager of construction in China South City Xi'an Company Limited (西安華南城有限公司) from October 2009 to October 2011, and was responsible for managing the construction of the entire project. From November 2008 to October 2009, Mr. Zhao acted as the deputy general manager of construction in Jingdezhen Howard Trade Center Development Company Limited (景德鎮豪德貿易廣場開發有限公司), and was responsible for

黃文濱先生，54歲，自2011年開始出任本集團副總裁，主要負責本集團銷售及營銷管理。黃先生擁有二十三年銷售及營銷經驗。加入本集團前，黃先生曾於2005年2月至2011年11月擔任香港豪德集團有限公司副總經理，主要負責商貿物流中心項目的銷售及營銷。黃先生亦於2010年5月至2011年11月擔任濟寧毅德物流城開發有限公司副總經理，負責濟寧商貿物流中心的銷售及營銷。同時，黃先生亦曾於2010年1月至2011年10月擔任西安華南城有限公司營銷事務副總經理，負責銷售及營銷管理。黃先生曾於2001年1月至2005年6月擔任景德鎮豪德貿易廣場開發有限公司副總經理。彼亦於1998年11月至2000年12月擔任江西豪德集團生物工程實業有限公司副總經理／總經理，並於1994年3月至1998年11月曾擔任贛州利發金屬製品有限公司副總經理。

趙彥德先生，41歲，自2011年開始出任本集團副總裁，並自2012年12月起出任本集團贛州項目總經理。2011年11月至2012年11月，趙先生為本公司工程管理副總裁，主要負責本集團的整體施工管理。趙先生擁有逾十七年施工管理經驗。加入本集團前，趙先生曾於2010年2月至2011年11月擔任濟寧毅德物流城開發有限公司副總經理，負責濟寧商貿物流中心的施工管理。同時，趙先生亦曾於2009年10月至2011年10月擔任西安華南城有限公司工程部副總經理，負責整體項目施工管理。自2008年11月至2009年10月，趙先生曾擔任景德鎮豪德貿易廣場開發有限公司工程部副總經理，負責整體項目施工管理。趙先生曾於2006年5月至

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷

managing the construction of the entire project. From May 2006 to November 2008, Mr. Zhao worked for Shenzhen China Overseas Construction Limited (深圳中海建築工程有限公司), and was responsible for managing the construction of the Futian Shangri-La Hotel, Kerry Plaza and Zhuhai Silver Bay projects. From July 2000 to May 2006, Mr. Zhao worked for China State Construction International Holdings Ltd., and was responsible for managing the reconstruction of Kowloon Hospital, the 101 Area project and other projects. Mr. Zhao received a bachelor's degree in construction management from Chongqing University in July 2000, and a master of science degree in project management from the Hong Kong Polytechnic University in December 2007.

Mr. Chen Zhongmin (陳忠民), aged 63, has been the vice president of the Group since 2011, and is primarily responsible for the overall project plan and architectural design management of the Group. Mr. Chen has more than ten years of experience in city planning, architectural design, commercial real estate development and operations management. Prior to joining our Group, Mr. Chen acted as the chief planner of Hong Kong Howard Group Company Limited from April 2007 to November 2011, and was responsible for site selection, design and planning of all the projects of the group. Concurrently, Mr. Chen acted as the executive deputy general manager of Jining Hydoo Logistics Center Development Company Limited from February 2010 to November 2011 and was responsible for the daily management of the company and the design of Jining Trade Centre. From April 2006 to April 2007, he was the general manager of Shenzhen Minghao Investment Company Limited (深圳市銘豪投資公司), and was responsible for the property development and operations of the project companies, especially Muyang project. From August 2002 to February 2006, he successively served as the deputy general manager of Quanying Weiye (Beijing) Investment Management Company Limited (全贏偉業(北京)投資管理有限公司), the general manager of Henan Luohe Quanying Weiye Estate Company Limited (河南漯河全贏偉業置業有限公司) and the deputy general manager, executive deputy general manager and general manager of Henan Pingdingshan Trade Center Development Company Limited (河南平頂山貿易廣場開發有限公司), and was responsible for project development. Mr. Chen was the director and architect of the design department of Jiangxi Ganzhou Architecture Design Institute, the director of Ganzhou City Planning and Survey Design Institute, the director of Ganzhou City Planning Bureau, a member of the Management Committee of China Association of City Planning and vice president of the Jiangxi Association of City Planning. Mr. Chen was granted the title of senior engineer in city planning by the Professional Title Reform Leading Group (職稱改革領導小組) of Jiangxi province in September 1997. Mr. Chen graduated from Jiangxi Normal University (江西師範大學) with a diploma in arts in February 1977.

2008年11月任職於深圳中海建築工程有限公司，負責福田香格里拉大酒店、嘉里建設廣場及珠海銀海灣項目的施工管理。於2000年7月至2006年5月，趙先生曾任職於中國建築國際集團有限公司，負責九龍醫院重建、101區項目及其他項目管理。趙先生於2000年7月獲得重慶大學建設管理專業學士學位，並於2007年12月獲得香港理工大學項目管理專業理學碩士學位。

陳忠民先生，63歲，自2011年開始出任本集團副總裁，主要負責本集團的整體項目規劃及建築設計管理。陳先生擁有逾十年城市規劃、建築設計、商業房地產開發及營運管理經驗。加入本集團前，陳先生曾於2007年4月至2011年11月擔任香港豪德集團有限公司首席規劃師，負責該集團所有項目的選址、設計及規劃。同時，陳先生曾於2010年2月至2011年11月擔任濟寧毅德物流城開發有限公司常務副總經理，負責該公司的日常管理及濟寧商貿物流中心的設計。自2006年4月至2007年4月，他曾擔任深圳市銘豪投資公司總經理，負責物業開發及項目公司營運，尤其是沐陽新世界項目。自2002年8月至2006年2月，他曾先後擔任全贏偉業(北京)投資管理有限公司副總經理、河南漯河全贏偉業置業有限公司總經理以及河南平頂山貿易廣場開發有限公司副總經理、常務副總經理及總經理，負責項目開發。陳先生曾擔任江西省贛州市建築設計院設計管理主任兼建築師、贛州市城市規劃勘測設計院院長、贛州市城市規劃局局長、中國城市規劃協會管理委員會委員及江西省城市規劃協會副會長。陳先生於1997年9月獲江西省職稱改革領導小組授予城市規劃高級工程師稱號。陳先生於1977年2月畢業於江西師範大學，獲得文學文憑。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Mr. Zhou Zhiyuan (周志元), aged 45, has been the vice president of the Group since 2012, and is primarily responsible for the construction and cost management of the Group. Mr. Zhou has nine years of experience in construction management. From December 2010 to December 2012, he served as the general manager of the planning and construction management department of Kaisa Group Holdings Ltd. (佳兆業集團控股有限公司), responsible for project development, planning and operation and the construction management of the group. During the same period, he concurrently served as the general manager of Tajian Construction Engineering Co., Ltd. (泰建建築工程有限公司) under the group. He also served as the deputy general manager of Liyu Construction Design Company (麗雨建築設計公司) under the group, responsible for decoration, landscape design and management from June 2012 to December 2012. From March 2010 to November 2010, he served as the deputy general manager of Changsha Kaifu Wanda Plaza Investment Company Limited (長沙開福萬達廣場投資有限公司), in charge of the construction work. From July 2007 to February 2010, he successively served as the chief of general housing management center and project general manager of Dongguan Vanke Real Estate Co., Ltd (東莞萬科房地產有限公司), and was responsible for its project development and construction management. From July 2004 to July 2007, he served as the construction manager of Guangdong Century City Group Company Limited (廣東世紀城集團有限公司), in charge of its project development and construction management. Mr. Zhou received a bachelor of science degree in water conservancy and hydropower engineering construction from Tsinghua University in July 1995.

Mr. Xiao Junxian, aged 67, has been the vice president of the Group since 2017 and is primarily responsible for the Group's risk control and management affairs. Mr. Xiao is a senior economist. He has served as the special assistant to the chairman of the Group from November 2012 to March 2017. He has more than five years of experience in risk control management in the Group. Prior to joining the Group, Mr. Xiao served as vice president of Hong Kong Howard Group Co., Ltd. from November 2006 to November 2012. He was mainly responsible for the preliminary investigation of new projects and the communication and coordination with the government. Mr. Xiao has thirty years of experience in banking management and risk review. From November 2001 to November 2006, Mr. Xiao served as the general auditor of the Bank of China Shaoguan and Qingyuan Branch (in Guangdong Province, the provincial office). From November 1997 to November 2001, Mr. Xiao served as the general auditor of the Bank of China Jieyang Branch. From November 1991 to November 1997, Mr. Xiao served as the bank president of Jiedong branch of the Bank of China Jieyang branch. From November 1981 to November 1991, Mr. Xiao served as the bank president of Jiexi County Branch of Bank of China Jieyang Branch.

周志元先生，45歲，自2012年開始出任本集團副總裁，主要負責本集團的工程及成本管理。周先生擁有九年施工管理經驗。自2010年12月至2012年12月，他曾擔任佳兆業集團控股有限公司規劃及施工管理部總經理，負責該集團項目開發、規劃以及營運及施工管理。同期，彼還出任該集團旗下泰建建築工程有限公司總經理。彼亦於2012年6月至2012年12月擔任該集團旗下麗雨建築設計公司副總經理，負責裝飾、景觀設計及管理。自2010年3月至2010年11月，他曾擔任長沙開福萬達廣場投資有限公司副總經理，負責施工工作。自2007年7月至2010年2月，他曾先後擔任東莞萬科房地產有限公司普通住房管理中心主管及項目總經理，負責項目開發及施工管理。自2004年7月至2007年7月，他曾擔任廣東世紀城集團有限公司施工經理，負責項目開發及施工管理。周先生於1995年7月獲得清華大學水利水電工程建築專業理學學士學位。

肖俊賢先生，67歲，自2017年開始出任本集團副總裁，主要負責本集團的風險控制管理事務。肖先生為高級經濟師。彼自2012年11月起至2017年3月擔任本集團主席特別助理，在本集團擁有逾五年風險控制管理經驗。加入本集團前，肖先生曾於2006年11月至2012年11月擔任香港豪德集團有限公司副總裁，主要負責新項目的前期考察以及與政府的溝通協調工作。肖先生擁有三十年的銀行經營管理、風險審查工作經驗。自2001年11月至2006年11月，肖先生擔任中國銀行韶關、清遠分行總稽核(廣東省省行派駐)。自1997年11月至2001年11月，肖先生擔任中國銀行揭陽分行總稽核。自1991年11月至1997年11月，肖先生擔任中國銀行揭陽分行揭東區支行行長。自1981年11月至1991年11月，肖先生擔任中國銀行揭陽分行揭西縣支行行長。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷

Mr. Wang Xiangui (王顯貴), aged 60, has been the director of the project development department of the Group since 2010, and is primarily responsible for project development of the Group. Mr. Wang has more than 20 years of experience in project development of trade centers. From January 2010 to November 2010, Mr. Wang served as the manager of project development department of Hong Kong Hydoo Group Investment Company Limited and was responsible for the project development of the company. From August 1995 to November 2010, he was the manager of project development department of Hong Kong Howard Group Company Limited, and was responsible for the project development. He was awarded the title of the outstanding entrepreneur with social responsibility of Weifang city in December 2010.

王顯貴先生，60歲，自2010年開始出任本集團項目拓展部總監，主要負責本集團的項目開發。王先生擁有逾二十年商貿物流中心項目開發經驗。自2010年1月至2010年11月，王先生曾擔任香港毅德集團投資有限公司項目開發部經理，負責該公司的項目開發。自1995年8月至2010年11月，他曾擔任香港豪德集團有限公司項目開發部經理，負責項目開發。彼於2010年12月獲授濰坊市最具社會責任感優秀企業家稱號。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



Independent auditor's report to the shareholders of Hydoo International Holding Limited

(Incorporated in the Cayman Islands with limited liability)

Opinion

We have audited the consolidated financial statements of Hydoo International Holding Limited (the “Company”) and its subsidiaries (the “Group”) set out on pages 137 to 295, which comprise the consolidated statement of financial position as at 31 December 2017, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement 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 2017 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board (“IASB”) 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 (“HKSA”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (“the Code”) together with any ethical requirements that are relevant to our audit of the financial statements in the Cayman Islands, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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 judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

致毅德國際控股有限公司列位股東的獨立核數師報告

(於開曼群島註冊成立的有限公司)

意見

本核數師(以下簡稱「我們」)已審核列載於第137至295頁的毅德國際控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的合併財務報表，此財務報表包括於2017年12月31日的合併財務狀況表與截至該日止年度的合併損益表、合併損益及其他全面收益表、合併權益變動表和合併現金流量表，以及合併財務報表附註，包括主要會計政策概要。

我們認為，該等合併財務報表已根據國際會計準則理事會頒布的《國際財務報告準則》真實而中肯地反映了貴集團於2017年12月31日的合併財務狀況及截至該日止年度的合併財務表現及合併現金流量，並已遵照香港《公司條例》的披露要求妥為擬備。

意見的基礎

我們已根據香港會計師公會頒布的《香港審核準則》進行審核。我們在該等準則下承擔的責任已在本報告「核數師就審核合併財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒布的《專業會計師道德守則》(以下簡稱「守則」)以及與我們對開曼群島合併財務報表的審核相關的道德要求，我們獨立於貴集團，並已履行這些道德要求以及守則中的其他專業道德責任。我們相信，我們所獲得的審核憑證能充足及適當地為我們的審核意見提供基礎。

關鍵審核事項

關鍵審核事項是根據我們的專業判斷，認為對本期合併財務報表的審核最為重要的事項。這些事項是在我們審核整體合併財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

Transfer of inventories to investment properties and valuation of investment properties 轉撥存貨到投資物業及投資物業的估值	
<i>Refer to note 11 to the consolidated financial statements and the accounting policies on page 156.</i> 請參閱合併財務報表附註11及第156頁的會計政策。	
The key audit matter 關鍵審核事項	How the matter was addressed in our audit 我們於審核時如何處理關鍵審核事項
As at 31 December 2017, the Group held a portfolio of investment properties located in Jiangxi, Guangxi, Shandong and Hunan provinces in Mainland China with an aggregate fair value of RMB2,260 million which accounted for 15% of the Group's total assets at that date. The investment properties principally comprise commercial trade logistics centres. 於2017年12月31日，貴集團持有位於中國內地江西、廣西、山東及湖南省的投資物業組合，總值為人民幣22.6億元，佔貴集團資產總值的15%。投資物業主要包括商業貿易物流中心。 During the year ended 31 December 2017, the Group transferred inventories, which principally comprised commercial trade logistics centres and shops, with an aggregate carrying value of RMB351 million to investment properties. Management is required to exercise judgement in determining if the relevant criteria as set out in the prevailing accounting standards have been met in order to transfer inventories to investment properties. Such judgements are principally qualitative in nature. 截至2017年12月31日止年度，貴集團以存貨轉撥到投資物業的主要包括商業貿易物流中心及商舖，其總賬面值為人民幣3.51億元。管理層需要對存貨轉撥到投資物業是否符合現行會計準則中規定的相關標準作出判斷。這些判斷主要是定性的。 The net changes in fair value of investment properties recorded in the consolidated statement of profit or loss represented 54% of the Group's profit before taxation for the year ended 31 December 2017, including an amount of RMB384 million which arose from the fair value gain upon the transfer of inventories to investment properties. 於合併損益表中所錄得投資物業公允值淨變動相當於貴集團截至2017年12月31日止年度之除稅前溢利之54%，包括於人民幣3.84億元，於存貨轉撥到投資物業時產生的公允值收益。	Our audit procedures assess the transfer of inventories to investment properties and the valuation of investment properties included the following: 我們對評估存貨轉撥到投資物業及投資物業的估值採取的審核程序包括： - challenging management's criteria for determining the change in use of the properties transferred from inventories to investment properties by inspecting the lease agreements for the properties, property management contracts and other relevant documentation and inspecting management's business plans for these properties; - 通過檢查物業的租賃協議、物業管理合同和其他相關文件以及檢查管理層對這些物業的業務計劃，挑戰管理層確定從存貨轉撥到投資物業用途變化的準則； - conducting site visits to investment properties transferred from inventories, on a sample basis, to observe the leasing activities of the respective properties and assess the change in use of the properties as asserted by management; - 對從存貨轉撥到投資物業的項目進行實地視察，以抽樣方式觀察各項物業的租賃活動，並評估管理層聲稱的物業用途變化； - obtaining and inspecting the valuation reports prepared by the external property valuers engaged by management and on which the directors' assessment of the fair values of investment properties was based; - 取得並檢查由管理層委聘的外部物業估值師所編製且作為董事對投資物業公允值作出評估的基準的估值報告； - assessing the external property valuers' qualifications, experience and expertise in the properties being valued and considering their objectivity and independence; - 評估外部物業估值師對所估值物業的資歷、經驗和專業知識，並考慮其客觀性和獨立性；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

The key audit matter 關鍵審核事項	How the matter was addressed in our audit 我們於審核時如何處理關鍵審核事項
The fair values of the investment properties as at 31 December 2017 were assessed by the directors based on independent valuations prepared by a firm of qualified external property valuers. The determination of these fair values involves significant judgement and estimation, particularly in relation to selecting the appropriate valuation methodology, capitalisation rates, market rents and average market price of the comparable properties. 投資物業於2017年12月31日的公允值乃由董事基於一間合資格外部物業估值師編製的獨立估值而評估。對該等公允值的確定涉及重大判斷及估計，特別與選用適當的估值方法、資本化比率、可資比較物業的市場租金及平均市價有關。 We identified the transfer of inventories to investment properties and the valuation of investment properties as a key audit matter because of the exercise of management judgement in assessing if the criteria for the transfer of inventories to investment properties were met and because of the inherent risks involved in estimating the valuations of investment properties, particularly in light of the current economic circumstances and various property market cooling measures introduced by local governments in various cities across Mainland China. 我們識別出存貨轉撥到投資物業及投資物業的估值作為關鍵審核事項，因為在評估是否符合將存貨轉撥到投資物業的標準時，以及由於估計投資物業的估值涉及的固有風險，特別是鑑於當前的經濟環境和地方政府在中國內地各個城市推出的各種房地產市場降溫措施，管理層需要行使判斷。	• with the assistance of our internal property valuation specialists, discussing with the external property valuers their valuation methodology and the key estimates and assumptions adopted in their valuations; • 在我們的內部物業估值專家協助下，與外部物業估值師討論他們的估值方法以及估值採用的主要估計和假設； • challenging the key estimates and assumptions (including capitalisation rates, prevailing market rents and comparable market transactions) adopted in the valuations, on a sample basis, by comparison with available market data and/or government produced market statistics; and • 通過與現有市場數據和或政府編製的市場統計數據進行比較，質疑估值中採用的主要估計和假設(包括資本化比率、現行市場租金和可比較市場交易)；及 • comparing tenancy information, including committed rents and occupancy rates, provided by the Group to the external property valuers with underlying contracts and related documentation, on a sample basis. • 通過抽樣的方式，將租賃信息，包括承諾的租金和入住率，與貴集團提供給外部物業估值師的基本合同和相關文件進行對比。

Assessing the net realisable value of inventories 評估存貨的可變現淨值	
Refer to note 20 to the consolidated financial statements and the accounting policies on page 193. 請參閱合併財務報表附註20及第193頁的會計政策。	
The key audit matter 關鍵審核事項	How the matter was addressed in our audit 我們於審核時如何處理關鍵審核事項
As at 31 December 2017, the aggregate carrying value of the Group's properties held for development ("PHD"), properties under development ("PUD") and completed properties held for sale (together "inventories") totalled RMB 8,234 million. These principally comprise shops and commercial trade logistics centres in Lanzhou, Jining, Heze and Ganzhou. 於2017年12月31日，貴集團的持作發展物業（「持作發展物業」）、在建物業（「在建物業」）及待售已完工物業（統稱「存貨」）的總賬面值合共為人民幣82.34億元。該等存貨主要包括於蘭州、濟寧、荷澤及贛州的商舖及商業貿易物流中心。 Inventories are stated at the lower of cost and net realisable value. The calculation of the net realisable value for each property development project at the financial reporting date is performed by management. 存貨以成本與可變現淨值的較低者列值。各個物業開發項目於財政報告日的可變現淨值由管理層計算。 The calculation of the net realisable value of inventories involves significant management judgement and estimation in preparing the updated estimations of the costs to complete each property development project for PHD and PUD as well as in assessing the expected future selling prices for each property development project (with reference to recent sales transactions in nearby locations and the rates of new property sales) and the estimated future selling costs (including price discounts which may be required to stimulate sales). 編製持作發展物業及在建物業各個物業開發項目竣工成本的最新估計，以及評估各個物業開發項目的預期未來售價（參考毗鄰地段近期的銷售交易及新物業銷售比率）及估計未來銷售成本（包括促進銷售可能需要的價格折扣）時，計算存貨的可變現淨值涉及重大管理層判斷及估計。	Our audit procedures to assess the net realisable value of inventories included the following: 我們評估存貨的可變現淨值採取的審核程序包括： • assessing the design, implementation and operating effectiveness of key internal controls over the preparation and monitoring of management budgets and forecasts of construction and other costs for each property development project; • 評估就編製及監察各個物業開發項目的預算管理、建築及其他成本的預測進行的主要內部控制，在設計、實施和運作上的有效性； • conducting site visits to property development sites, on a sample basis, and discussing with management the progress of each property development project and the development budgets reflected in the latest forecasts for each property development project; • 以抽樣方式對物業開發用地進行實地視察，並與管理層討論各個物業開發項目的進度及反映於各個物業開發項目最新預測的發展預算； • evaluating the valuation methodologies and challenging the key estimates and assumptions adopted in the valuations, including expected future selling prices, by comparing expected future selling prices to, where available, recently transacted prices for similar properties and the prices of comparable properties located in the nearby vicinity of each development; • 透過將預期未來銷售價格與在適用情況下所獲近期類似物業的交易價格及位於各個發展項目類近地區的可比較物業價格作比較，評估估值方法，並對估值中採用的主要估計及假設（包括預期未來銷售價格）提出質疑；

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The key audit matter 關鍵審核事項	How the matter was addressed in our audit 我們於審核時如何處理關鍵審核事項
We identified assessing the net realisable value of inventories of the Group as a key audit matter because of the inherent risks involved in estimating net realisable values, particularly in light of the current economic circumstances and various property market cooling measures introduced by local governments in various cities across Mainland China. 由於估計可變現淨值涉及的固有風險，特別是現時中國內地各個城市的經濟狀況及當地政府推行的各項樓市降溫措施，故我們確定評估貴集團存貨的可變現淨值屬關鍵審核事項。	• comparing the estimated construction costs to complete each property development project with the Group's latest budgets and comparing the costs incurred to 31 December 2017 with budgets as at 31 December 2016 to assess the accuracy of management's forecasting and budgeting process; and • 將完成各個物業開發項目的估計建設成本與本集團的最新預算進行比較，並將截至2017年12月31日產生的成本與2016年12月31日的預算進行比較，以評估管理層在預測及預算過程的準確性；及 • performing sensitivity analyses to determine the extent of changes in key estimates and assumptions that, either individually or collectively, would be required for inventories to be materially misstated and considering the likelihood of such a movement in those key estimates and assumptions arising and the potential for management bias in their selection. • 進行敏感性分析，以確定主要估計將導致存貨發生重大錯報的變動程度，並考慮該等重要估計及假設出現變動的可能性和選擇上出現管理偏差的潛在性。

Accounting for government grants 政府補助的會計處理	
<i>Refer to note 29 to the consolidated financial statements and the accounting policies on page 185.</i> 請參閱合併財務報表附註29及第185頁的會計政策。	
The key audit matter 關鍵審核事項	How the matter was addressed in our audit 我們於審核時如何處理關鍵審核事項
Government grants are initially recognised by the Group as a deferred income in the consolidated statement of financial position when an amount is received and are subsequently recognised or amortised in profit or loss on a systematic basis when there is reasonable assurance that the Group will comply with the specific conditions attached to the government grants. 在收到政府補貼金額時，貴集團在合併財務狀況表中初始確認為遞延收入，並且在有合理保證貴集團將遵守貴集團附加於政府補貼的具體條件時，則根據系統的方法確認或攤銷於損益中。 During the year ended 31 December 2017, deferred income in respect of government grants recognised in profit or loss amounted to RMB221 million and unamortised deferred income amounted to RMB716 million as at 31 December 2017. 截至2017年12月31日止年度，就政府補貼於損益確認的遞延收入為數人民幣221百萬元，而於2017年12月31日，未攤銷遞延收入為數人民幣716百萬元。 The Group is required to fulfil the requirements agreed with the local governments when conducting the related infrastructure construction and there is a risk that if the agreed criteria are not met, the respective local governments may request recourse or reclamation of the grants already advanced. 貴集團在進行相關基礎設施建設時，必須滿足與地方政府達成的要求，並且存在如果未達到協定準則的風險，各地方政府可以要求追溯或填補已經發放的補貼。 We identified accounting for government grants as a key audit matter because of its significance to the consolidated financial statements and because of the exercise of management judgement in assessing whether the conditions attached to the government grants are met, particularly in interpreting the fulfilment of conditions which are not clearly stated in the respective agreements. 我們識別出政府補貼的會計處理為關鍵審核事項，是因為其對合併財務報表的重要性，以及由於在評估政府補貼的附帶條件是否得到滿足時由管理層行使判斷，特別是在解釋各自協議中未明確規定的條件時。	Our audit procedures to assess the accounting for government grants included the following: 我們評估政府補助的會計處理採取的審核程序包括： • inspecting the agreements signed between the Group and the local governments and identifying the specific conditions attached to the respective government grants; • 檢查貴集團與地方政府之間簽訂的協議，並確定各政府補貼所附的具體條件； • performing physical inspection of the relevant projects and assessing whether the conditions attached to the respective government grants had fulfilled or not at the reporting date; • 對相關項目進行實地視察，並在報告日評估各政府補貼附帶的條件是否已達到； • obtaining confirmations from the respective local governments in respect of the fulfilment by the Group of the criteria set out in the respective agreements; • 獲得各地方政府確認關於貴集團履行各協議中規定的相關條件； • assessing whether the government grants had been properly recognised in accordance with the requirements of the prevailing accounting standards with reference to the terms in the respective agreements, the fulfilment of conditions as set out in these agreements and assessing management's interpretation of the fulfilment of the conditions; and • 通過參照相關協議中的條款，查看協議條款的履行情況，評估管理層對履行條件的解釋，以評估政府補貼是否已根據現行會計準則的要求得到適當確認；及 • re-calculating the amount of government grants recognised in profit or loss for the current year and comparing our calculations with the amounts recorded by the Group. • 重新計算本年度在損益中確認的政府補貼金額，並將我們的計算與貴集團記錄的金額進行比較。

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Provision for land appreciation tax ("LAT") in Mainland China 中國內地土地增值稅(「土地增值稅」)撥備	
<i>Refer to note 6 to the consolidated financial statements and the accounting policies on page 177 to 180.</i> 請參閱合併財務報表附註6及第177至180頁的會計政策。	
The key audit matter 關鍵審核事項	How the matter was addressed in our audit 我們於審核時如何處理關鍵審核事項
LAT in Mainland China is one of the main components of the Group's taxation charge. 中國內地的土地增值稅是貴集團稅務支出的主要組成部分之一。 LAT is levied on sale of properties, at progressive rates ranging from 30% to 60% based on the appreciation of land value. At the end of each financial reporting period, management estimates the provision for LAT based on its understanding and interpretation of the relevant tax rules and regulations, the estimated total sales of properties less total deductible expenditure, which includes lease charges for land use rights, property development costs, borrowing costs and development expenditure. When the LAT is subsequently determined, the actual payments may be different from the estimates. 貴集團銷售開發的房地產需要就土地增值額按照超率累進稅率30%-60%繳納土地增值稅。在每個財務期末，管理層需要對土地增值稅的計提金額進行估算，在作出估算的判斷時，主要考慮的要素包括相關稅務法律法規的規定和解釋，預計的銷售房地產取得的收入減去預計可扣除的土地成本、房地產開發成本、利息費用、開發費用等。貴集團在土地增值稅匯算清繳時，實際應付稅金可能與貴集團預估的金額存在差異。 We identified provision for LAT in Mainland China as a key audit matter because of its significance to the consolidated financial statements and because the estimated provisions for LAT are based on management's judgement and interpretation of complicated tax laws and regulations. 由於土地增值稅的計提對合併財務報表的重要性，且管理層作出估計時的判斷包括對相關稅務法律法規和實務做法的理解等要素，因此我們將土地增值稅的計提識別為貴集團關鍵審核事項。	Our audit procedures to assess the provision for LAT in Mainland China included the following: 我們評估中國內地土地增值稅撥備採取的審核程序包括： • assessing the design, implementation and operating effectiveness of management's key internal controls over the calculation of the estimated LAT provisions; • 評估管理層關於計算估計土地增值稅撥備的關鍵內部控制的設計、實施和運營有效性； • engaging our internal taxation specialists to evaluate the Group's LAT provisions as at 31 December 2017 which involved challenging management's assumptions and judgements based on our experience, knowledge and understanding of the practices of the application of the relevant tax laws by the various local tax bureaus; • 聘請內部稅務專家評估貴集團於2017年12月31日的土地增值稅撥備，包括根據我們的經驗、知識和對各地方稅務局應用相關稅法常規的理解，對管理層的假設和判斷提出質疑； • evaluating management's assumptions and judgments based on our assessment of the value of the estimated sales of properties and the deductible expenditure; and • 根據我們對物業估計銷售價值和可扣除開支的評估，質疑管理層的假設及判斷；及 • re-calculating the provision for LAT of the Group and comparing our calculations with the amounts recorded by the Group. • 重新計算貴集團的土地增值稅撥備，並將我們的計算與貴集團記錄的金額進行比較。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

Information other than the consolidated financial statements and auditor's report thereon

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

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

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

Responsibilities of the directors for the consolidated financial statements

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

合併財務報表及其核數師報告以外的信息

董事需對其他信息負責。其他信息包括刊載於年報內的全部信息，但不包括合併財務報表及我們的核數師報告。

我們對合併財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對合併財務報表的審核，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與合併財務報表或我們在審核過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事就合併財務報表須承擔的責任

董事須負責根據國際會計準則理事會頒布的國際財務報告準則及香港《公司條例》的披露要求擬備真實而中肯的合併財務報表，並對其認為為使合併財務報表的擬備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。

在擬備合併財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，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。

審核委員會協助董事履行監督貴集團的財務報告過程的責任。

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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. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

核數師就審核合併財務報表承擔的責任

我們的目標，是對合併財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們是僅向整體股東報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

合理保證是高水平的保證，但不能保證按照《香港審核準則》進行的審核，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響合併財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審核準則》進行審核的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致合併財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對這些風險，以及獲取充足和適當的審核憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審核相關的內部控制，以設計適當的審核程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

- 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.
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審核憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意合併財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審核憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 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.
- 評價合併財務報表的整體列報方式、結構和內容，包括披露，以及合併財務報表是否中肯反映交易和事項。
- 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.
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審核憑證，以便對合併財務報表發表意見。我們負責貴集團審核的方向、監督和執行。我們為審核意見承擔全部責任。

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

除其他事項外，我們與審核委員會溝通了計劃的審核範圍、時間安排、重大審核發現等，包括我們在審核中識別出內部控制的任何重大缺陷。

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

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

The engagement partner on the audit resulting in this independent auditor's report is Wong Chun Pong.

KPMG

Certified Public Accountants

8th Floor, Prince's Building

10 Chater Road

Central, Hong Kong

29 March 2018

從與審核委員會溝通的事項中，我們確定哪些事項對本期合併財務報表的審核最為重要，因而構成關鍵審核事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審核項目合夥人是黃振邦。

畢馬威會計師事務所

執業會計師

香港中環

遮打道10號

太子大廈8樓

2018年3月29日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

合併損益表

for the year ended 31 December 2017
截至2017年12月31日止年度
(Expressed in Renminbi)
(以人民幣列示)

		Note	2017	2016
		附註	RMB'000 人民幣千元	RMB'000 人民幣千元
Revenue	收益	3	1,792,421	2,335,777
Cost of sales	銷售成本		(1,076,609)	(1,049,861)
Gross profit	毛利		715,812	1,285,916
Other income	其他收入	4	491,800	21,988
Selling and distribution expenses	銷售開支		(147,277)	(149,754)
Administrative and other operating expenses	行政及其他經營開支		(461,682)	(552,229)
Profit from operations before fair value gain on investment properties	投資物業公允值收益前經營利潤		598,653	605,921
Fair value gain on investment properties	投資物業公允值收益	11	387,870	326,451
Profit from operation after fair value gain on investment properties	投資物業公允值收益後經營利潤		986,523	932,372
Share of loss of an associate	分佔聯營企業虧損	14	(300)	—
Share of loss of joint ventures	分佔合營企業虧損	15	(2,943)	(1,492)
Fair value change on embedded derivative component of the convertible notes	可轉股票據的嵌入式衍生部分的公允值變動		—	(668)
Gain on early redemption of convertible notes	提前贖回可轉股票據產生之收益		—	14,391
Finance income	財務收入	5(a)	5,722	8,299
Finance costs	融資成本	5(a)	(275,021)	(240,439)
Profit before taxation	除稅前利潤	5	713,981	712,463
Income tax	所得稅	6(a)	(458,726)	(357,315)
Profit for the year	年內利潤		255,255	355,148

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

合併損益表

for the year ended 31 December 2017
截至2017年12月31日止年度
(Expressed in Renminbi)
(以人民幣列示)

		Note	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
		附註		
Attributable to:	以下各方應佔：			
Equity shareholders of the Company	本公司權益股東		245,573	350,280
Non-controlling interests	非控股權益		9,682	4,868
Profit for the year	年內利潤		255,255	355,148
Earnings per share	每股盈利			
Basic (RMB cents)	基本(人民幣分)	9	6.1	8.7
Diluted (RMB cents)	攤薄(人民幣分)	9	6.1	8.7

The notes on pages 147 to 295 form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in note 32(b).

第147至295頁所載附註屬於該等財務報表的一部分。本年度應付本公司權益股東股息的詳情載於附註32(b)。

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

合併損益及其他全面收益表

for the year ended 31 December 2017
截至2017年12月31日止年度
(Expressed in Renminbi)
(以人民幣列示)

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Profit for the year	年內利潤	255,255	355,148
Other comprehensive income for the year (after tax and reclassification adjustments)	年內其他全面收入(經稅項及重新分類調整後)		
Item that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益的項目：		
Exchange differences on translation of financial statements of subsidiaries outside the Mainland China	換算中國境外子公司的財務報表的匯兌差額	78,671	(51,230)
Other comprehensive income for the year	年內其他全面收入	78,671	(51,230)
Total comprehensive income for the year	年內全面收入總額	333,926	303,918
Attributable to:	以下各方應佔：		
Equity shareholders of the Company	本公司權益股東	324,244	299,050
Non-controlling interests	非控股權益	9,682	4,868
Total comprehensive income for the year	年內全面收入總額	333,926	303,918

The notes on pages 147 to 295 form part of these financial statements.

第147至295頁所載附註屬於該等財務報表的一部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

合併財務狀況表

at 31 December 2017
於2017年12月31日
(Expressed in Renminbi)
(以人民幣列示)

		Note	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
		附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	10	457,896	472,958
Investment properties	投資物業	11	2,259,900	1,520,800
Intangible assets	無形資產	12	19,555	2,956
Goodwill	商譽	13	2,252	3,631
Interest in an associate	於聯營企業權益	14	3,700	—
Interest in joint ventures	於合營企業權益	15	146,451	149,394
Other financial assets	其他金融資產	16	84,731	180,131
Deferred tax assets	遞延稅項資產	17(b)	148,399	247,050
Finance lease receivable	融資租賃應收款項	19	19,155	26,672
			3,142,039	2,603,592
Current assets	流動資產			
Inventories	存貨	20	8,234,259	9,180,960
Prepaid tax	預付稅項	17(a)	95,437	105,321
Other financial assets	其他金融資產	16	13,548	—
Other current assets	其他流動資產	21	371,000	—
Trade and other receivables, prepayments and deposits	貿易及其他應收款項、預付款項 及定金	22	1,088,503	1,550,738
Pledged and restricted cash	已抵押及受限制現金	23	857,666	1,045,848
Cash and cash equivalents	現金及現金等值物	24	1,000,443	965,685
			11,660,856	12,848,552

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

合併財務狀況表

at 31 December 2017
於2017年12月31日
(Expressed in Renminbi)
(以人民幣列示)

		Note	2017	2016
		附註	RMB'000 人民幣千元	RMB'000 人民幣千元
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	25	4,152,778	4,084,024
Bank loans and other borrowings	銀行貸款及其他借貸	26	1,201,859	1,308,053
Senior notes	優先票據	27	1,042,899	—
Corporate bonds	公司債券	28	6,665	—
Current tax liabilities	即期稅項負債	17(a)	869,706	1,066,635
Deferred income	遞延收入	29	716,672	860,994
			7,990,579	7,319,706
Net current assets	流動資產淨值		3,670,277	5,528,846
Total assets less current liabilities	總資產減流動負債		6,812,316	8,132,438
Non-current liabilities	非流動負債			
Bank loans and other borrowings	銀行貸款及其他借貸	26	861,770	1,477,510
Senior notes	優先票據	27	390,964	1,519,351
Corporate bonds	公司債券	28	259,770	9,674
Deferred income	遞延收入	29	3,132	3,804
Deferred tax liabilities	遞延稅項負債	17(b)	77,419	14,815
			1,593,055	3,025,154
NET ASSETS	資產淨值		5,219,261	5,107,284

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

合併財務狀況表

at 31 December 2017
於2017年12月31日
(Expressed in Renminbi)
(以人民幣列示)

		Note	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
		附註		
Capital and reserves	股本及儲備	32		
Share capital	股本		31,825	31,825
Reserves	儲備		5,159,765	4,852,252
Total equity attributable to equity shareholders of the Company	本公司權益股東應佔權益總額		5,191,590	4,884,077
Non-controlling interests	非控股權益		27,671	223,207
TOTAL EQUITY	權益總額		5,219,261	5,107,284

Approved and authorised for issue by the board of directors on 29 March 2018.

於2018年3月29日獲董事會批准及授權刊發。

Wang Jianli

王健利

Chairman and Executive Director

主席兼執行董事

Wang Dewen

王德文

Executive Director and Chief Executive Officer

執行董事兼行政總裁

The notes on pages 147 to 295 form part of these financial statements.

第147至295頁所載附註屬於該等財務報表的一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

合併權益變動表

for the year ended 31 December 2017
截至2017年12月31日止年度
(Expressed in Renminbi)
(以人民幣列示)

Attributable to equity shareholders of the Company													
本公司權益股東應佔													
Note	Share capital	Share premium	Share statutory reserve	PRC statutory reserve	Capital reserve	Reserve - transaction with non-controlling interests	Equity settled share-based payment reserve	Capital redemption reserve	Exchange reserve	Retained profits	Total	Non-controlling interests	Total equity
附註	股本	股份溢價	中國法定儲備	資本儲備	資本贖回儲備	儲備－與非控股權益的交易	以股份支付為基礎的儲備	資本贖回儲備	匯兌儲備	保留利潤	總計	非控股權益	權益總額
	32(c)	32(d)(i)	32(d)(ii)	32(d)(v)	32(d)(iv)	32(d)(vi)	32(d)(iii)						
	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
Balance at 1 January 2016	31,825	1,029,736	383,115	1,435,617	(51,866)	12,794	120	21,213	1,774,137	4,636,691	201,889	4,838,580	
Changes in equity for 2016													
Profit for the year	—	—	—	—	—	—	—	—	350,280	4,868	355,148		
Other comprehensive income	—	—	—	—	—	—	—	(51,230)	—	(51,230)	—	(51,230)	
Total comprehensive income	—	—	—	—	—	—	—	(51,230)	350,280	4,868	303,918		
Dividends approved in respect of the previous year	—	(51,470)	—	—	—	—	—	—	—	(51,470)	—	(51,470)	
Capital injection by non-controlling interests	—	—	—	—	—	—	—	—	—	—	20,300	20,300	
Contribution to non-controlling interests	—	—	—	—	—	—	—	—	—	—	(3,850)	(3,850)	
Equity settled share-based transaction	—	—	—	—	—	(194)	—	—	—	(194)	—	(194)	
Appropriation to PRC statutory reserve	—	—	82,181	—	—	—	—	—	(82,181)	—	—	—	
Balance at 31 December 2016	31,825	978,266	465,296	1,435,617	(51,866)	12,600	120	(30,017)	2,042,236	4,884,077	223,207	5,107,284	

for the year ended 31 December 2017
截至2017年12月31日止年度
(Expressed in Renminbi)
(以人民幣列示)

The notes on pages 147 to 295 form part of these financial statements.
第147至295頁所載附註屬於該等財務報表的一部分。

CONSOLIDATED CASH FLOW STATEMENT

合併現金流量表

for the year ended 31 December 2017
截至2017年12月31日止年度
(Expressed in Renminbi)
(以人民幣列示)

		Note	2017	2016
		附註	RMB'000 人民幣千元	RMB'000 人民幣千元
Operating activities	經營活動			
Cash generated from operations	經營業務所得現金	24(b)	606,442	39,220
PRC tax paid	已付中國稅項		(353,543)	(322,107)
Net cash generated from/(used in)	經營活動所得／(所用)現金淨額			
operating activities			252,899	(282,887)
Investing activities	投資活動			
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		992	230
Proceeds from disposal of other non-current financial assets	出售其他非流動金融資產所得款項		280,000	2,000
Net proceeds from repayment of prepaid investment cost	償還預付投資成本所得款項淨額		424,285	—
Payment for purchase of property, plant and equipment	購買物業、廠房及設備付款		(19,369)	(35,389)
Payment for purchase of other financial assets	購買其他金融資產付款		(20,647)	(58,245)
Net proceeds for disposal of wealth management products	出售理財產品所得款項淨額		4,036	547
Payment for purchase of intangible assets	購買無形資產付款		(9,717)	(104)
Dividends received	已收股息		—	131
Interest received	已收利息		5,722	8,299
Payment for purchase of wealth management products	購買理財產品付款		(371,000)	—
Net cash inflow from disposal of subsidiaries	出售子公司所得淨現金流入	24(d)	83,841	—
Payment for investment in a joint venture	投資合營企業的付款		—	(500)
Payment for investment in an associate	投資聯營企業的付款		(4,000)	—
Net cash generated from/(used in)	投資活動所得／(所用)			
investing activities	現金淨額		374,143	(83,031)

The notes on pages 147 to 295 form part of these financial statements.

第147至295頁所載附註屬於該等財務報表的一部分。

CONSOLIDATED CASH FLOW STATEMENT

合併現金流量表

for the year ended 31 December 2017
截至2017年12月31日止年度
(Expressed in Renminbi)
(以人民幣列示)

	Note	2017	2016
	附註	RMB'000 人民幣千元	RMB'000 人民幣千元
Financing activities	融資活動		
Proceeds from new bank loans and other borrowings	新增銀行貸款及其他借貸所得款項	24(c) 832,344	1,754,473
Repayment of bank loans and other borrowings	償還銀行貸款及其他借貸	24(c) (1,554,278)	(1,372,076)
Interest and other borrowing costs paid	已付利息及其他借貸成本	24(c) (340,784)	(406,556)
Net proceeds/(payment) of pledged deposits for loans	抵押貸款淨收益/(付款)	249,259	(368,490)
Net cash payment for acquisition of additional interest in subsidiaries from non-controlling interests	從非控股權益收購子公司額外權益的淨現金付款	(23,395)	—
Redemption of convertible notes	贖回可轉股票據	—	(798,344)
Dividends paid	已付股息	32(b)(ii) —	(51,470)
Capital return to non-controlling interests	資本回報予非控股權益	—	(3,850)
Capital injection by non-controlling interests to subsidiaries	非控股權益對子公司注資	6,250	20,300
Net proceeds from the issue of senior notes	發行優先票據所得款項淨額	—	826,379
Net proceeds from the issue of corporate bonds	發行公司債券所得款項淨額	24(c) 256,360	9,565
Net cash used in financing activities	融資活動所用現金淨額	(574,244)	(390,069)
Net increase/(decrease) in cash and cash equivalents	現金及現金等值物增加/(減少)淨額	52,798	(755,987)
Cash and cash equivalents at 1 January	於1月1日的現金及現金等值物	24 965,685	1,688,923
Effect of foreign exchange rate changes	外匯匯率變動的影響	(18,040)	32,749
Cash and cash equivalents at 31 December	於12月31日的現金及現金等值物	24 1,000,443	965,685

The notes on pages 147 to 295 form part of these financial statements.

第147至295頁所載附註屬於該等財務報表的一部分。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，均以人民幣列示)

I SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable International Financial Reporting Standards ("IFRSs"), which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards ("IASs") and Interpretations issued by the International Accounting Standards Board ("IASB") and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Significant accounting policies adopted by the Group are disclosed below.

The IASB has issued certain new and revised IFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 1(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

I 重大會計政策

(a) 合規聲明

此等財務報表已根據國際會計準則理事會(「國際會計準則理事會」)所頒佈之所有適用國際財務報告準則(「國際財務報告準則」)(此統稱包括所有適用的個別國際財務報告準則、國際會計準則(「國際會計準則」)及詮釋)及香港公司條例披露規定編製。此等財務報表亦符合香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)之適用披露規定。本集團所採納的重大會計政策載於下文。

國際會計準則理事會已頒佈若干新訂及經修訂的國際財務報告準則，該等準則於本集團及本公司當前會計期間首次生效或可提早採納。附註1(c)載列在與該等財務報表所呈列與本集團當前及過往會計期間有關的範圍內，因首次採用該等變更而導致會計政策任何變更的資料。

NOTES TO THE FINANCIAL STATEMENTS

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(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，均以人民幣列示)

I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2017 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in an associate and joint ventures.

These financial statements are presented in Renminbi ("RMB") rounded to the nearest thousand. The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- derivative financial instruments (see note I(h)); and
- investment properties (see note I(i)).

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

I 重大會計政策(續)

(b) 財務報表的編製基準

截至2017年12月31日止年度的合併財務報表涵蓋本公司及其各子公司(統稱「本集團」)及本集團於聯營企業和合營企業之權益。

該等財務報表以人民幣呈列，約整至最接近千元計算。按下文會計政策所述，編製財務報表時以歷史成本作為計量基準，惟以下資產及負債按公允值列賬：

- 衍生金融工具(附註I(h))；及
- 投資物業(附註I(i))。

管理層在編製符合國際財務報告準則的財務報表時，須作出對政策的應用及資產、負債、收入及支出的呈報金額造成影響的判斷、估計及假設。估計及相關假設根據過往經驗及於所有情況下視為合理的多種其他因素作出，其結果成為管理層在無法依循其他途徑即時得知資產及負債的賬面值時作出判斷的依據。實際結果可能有別於該等估計。

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(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，均以人民幣列示)

I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(b) Basis of preparation of the financial statements (Cont'd)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 2.

(c) Changes in accounting policies

The IASB has issued several new IFRSs and amendments to IFRSs that are first effective for the current accounting period of the Group. None of these impact on the accounting policies of the Group. However, additional disclosure has been included in note 24(c) to satisfy the new disclosure requirements introduced by the amendments to IAS 7, Statement of cash flows: Disclosure initiative, which require entities 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.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

I 重大會計政策(續)

(b) 財務報表的編製基準(續)

管理層持續審核該等估計及相關假設。倘會計估計的修訂僅對作出修訂的期間產生影響，則有關修訂會在該期間內予以確認；倘該項修訂對當前及未來期間均有影響，則在作出修訂的期間及未來期間均予以確認。

管理層在採用國際財務報告準則時所作出對財務報表有重大影響之判斷及估計不確定因素之主要來源於附註2討論。

(c) 會計政策的變動

國際會計準則理事會已頒佈多項於本集團當前會計期間首次生效的新訂國際財務報告準則及國際財務報告準則修訂。該等修訂概不影響本集團的會計政策。然而，附註24(c)已包括額外披露以滿足國際會計準則第7號修訂所引入的新披露規定，該現金流量表：披露計劃，要求實體提供披露，使財務報表使用者能夠評估融資活動產生的負債變動，包括因現金流量及非現金變動而產生的變動。

本集團並無應用於當前會計期間尚未生效的任何新訂準則或詮釋。

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(Expressed in Renminbi unless otherwise indicated)

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(d) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

I 重大會計政策(續)

(d) 子公司及非控股權益

子公司是由本集團控制的實體。倘本集團因參與一家公司的業務而可有權獲得可變回報，且能藉對該公司行使權力而影響該等回報時，則視為本集團對該公司擁有控制權。評估本集團是否有權力時，僅考慮本集團及其他各方持有的實質權利。

於子公司的投資自控制權開始日期起至控制權終止日期止計入合併財務報表。集團內公司間的結餘、交易及現金流量以及集團內公司間交易所產生的任何未變現利潤，在編製合併財務報表時均全數抵銷。集團內公司間交易所產生的未變現虧損則僅在並無出現減值跡象的情況下以與抵銷未變現收益相同的方法予以抵銷。

非控股權益指本公司並非直接或間接應佔的子公司權益，且本集團並未同意與該等權益持有人增訂條款而導致本集團整體須就該等權益符合金融負債定義承擔合約責任。對各業務合併而言，本集團可選擇以公允值或按非控股權益所佔子公司可識別資產淨值的比例計量任何非控股權益。

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(除另有指明外，均以人民幣列示)

I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(d) Subsidiaries and non-controlling interests (Cont'd)

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with notes I (p), (q) or (r) depending on the nature of the liability.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note I (g)) or, when appropriate, the cost on initial recognition of an investment in an associate and joint venture (see note I (e)).

In the Company's statement of financial position, investment in a subsidiary is stated at cost less impairment losses (see note I (m)).

I 重大會計政策(續)

(d) 子公司及非控股權益(續)

非控股權益於合併財務狀況表的權益內與本公司權益股東應佔權益分開呈列。本集團業績的非控股權益在合併損益表及合併損益及其他全面收益表賬面呈列為年內損益總額及全面收入總額在非控股權益與本公司權益股東之間的分配。非控股權益持有人的貸款及對該等持有人所負的其他合約責任視乎負債性質，根據附註 I (p)、(q) 或 (r) 於合併財務狀況表中呈列為金融負債。

倘本集團於子公司的權益變動並未導致失去控制權，則入賬列作股權交易，而合併權益內控股及非控股權益的金額會就此作出調整，以反映相關權益的變動，但商譽不會作出調整且不會確認損益。

當本集團失去對一間子公司的控制權，則入賬列作出售該子公司的全部權益，因此產生的收益或虧損會於損益確認。於失去控制權之日在該前子公司保留的任何權益按公允值確認，且有關金額視為初步確認金融資產時的公允值(見附註 I (g))，或(如適用)初步確認於聯營企業及合營企業投資時的成本(見附註 I (e))。

在本公司的財務狀況表內，於子公司的投資按成本減減值虧損列賬(見附註 I (m))。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(e) Associates and joint ventures

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

A joint venture is an arrangement whereby the Group or Company and other parties contractually agree to share control of the arrangement, and have rights to the net assets of the arrangement.

An investment in an associate or a joint venture is accounted for in the consolidated financial statements under the equity method. Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see notes I(f) and (m)). Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated statement of profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of profit or loss and other comprehensive income.

I 重大會計政策(續)

(e) 聯營企業及合營企業

聯營企業是指集團或公司對其管理層(包括參與財務和經營政策決策)有重大影響力，但不包括控制權或共同控制權的實體。

合營企業是一項安排，據此，本集團或本公司與其他方在合約上協定分享此項安排的控制權，並有權擁有其淨資產。

於聯營企業或合營企業的投資以權益法於合併財務報表入賬。根據權益法，投資初步按成本列賬，其後就本集團應佔該被投資公司的可識別資產淨值的收購日期公允值超出投資成本的任何部分(如有)作出調整。其後，就本集團應佔該被投資公司的資產淨值的收購後變動及與投資相關的任何減值虧損(見附註 I(f) 及 (m)) 作出調整。收購日期超出成本的任何部分、本集團年內應佔被投資公司的收購後稅後業績及任何減值虧損於合併損益表內確認，而本集團應佔被投資公司的其他全面收入的收購後稅後項目則於合併損益及其他全面收益表內確認。

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(除另有指明外，均以人民幣列示)

I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(e) Associates and joint ventures (Cont'd)

When the Group's share of losses exceeds its interest in the associate or the joint venture, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate or the joint venture.

Unrealised profits and losses resulting from transactions between the Group and its associates and joint venture are eliminated to the extent of the Group's interest in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

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 that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence or joint control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note I(g)).

I 重大會計政策(續)

(e) 聯營企業及合營企業(續)

當本集團應佔一間聯營企業或合營企業的虧損超出其於該企業的權益時，本集團的權益扣減至零並會終止確認進一步虧損，但本集團產生法定或推定責任或代表被投資公司付款則除外。就此而言，本集團的權益為以權益法入賬的投資賬面值，連同實質上屬本集團於聯營企業或合營企業投資淨額一部分的長期權益。

本集團與聯營企業及合營企業進行交易產生的未變現利潤及虧損將以本集團於被投資公司的權益為限予以對銷，除非該未變現虧損證明已轉讓資產出現減值，在此情況下，則即時於損益內確認相關虧損。

當本集團不再對聯營企業有重大影響或對合營企業擁有共同控制權時，則按出售於被投資公司的全部權益入賬，所產生之收益或虧損於損益中確認。任何於喪失重大影響或共同控制權當日在前被投資公司保留的權益按公允值確認及該金額被視為於初步確認金融資產的公允值(見附註I(g))。

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(除另有指明外，均以人民幣列示)

I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(f) Goodwill

Goodwill represents the excess of

- (i) the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the Group's previously held equity interest in the acquiree; over
- (ii) the net fair value of the acquiree's identifiable assets and liabilities measured as at the acquisition date.

When (ii) is greater than (i), then this excess is recognised immediately in profit or loss as a gain on a bargain purchase.

Goodwill is stated at cost less accumulated impairment losses. Goodwill arising on a business combination is allocated to each cash-generating unit, or Groups of cash generating units, that is expected to benefit from the synergies of the combination and is tested annually for impairment (see note I(m)).

On disposal of a cash generating unit during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

I 重大會計政策(續)

(f) 商譽

商譽指(i)超過(ii)的差額：

- (i) 所轉讓對價的公允值、於被收購公司的任何非控股權益金額及本集團先前於被收購公司持有的股本權益公允值的總和；
- (ii) 被收購公司的可識別資產及負債於收購當日計量的公允淨值。

當(ii)較(i)為大，則該超出數額即時在損益表內確認為議價收購的收益。

商譽按成本減累計減值虧損列賬。來自業務合併的商譽將分配至預期可受惠於合併協同效益的現金產生單位或現金產生單位組合，並會每年進行減值測試(見附註I(m))。

年內出售現金產生單位時，已將所購入商譽的任何應佔金額計入出售損益內。

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(除另有指明外，均以人民幣列示)

I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(g) Other investments in equity securities

The Group's policies for investments in equity securities, other than investments in subsidiaries, associates and joint ventures, are as follows:

Investments in equity securities are initially stated at fair value, which is their transaction price unless it is determined that the fair value at initial recognition differs from the transaction price and that fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets. Cost includes attributable transaction costs, except where indicated otherwise below. These investments are subsequently accounted for as follows, depending on their classification:

Investments in securities which are not held for trading are classified as available-for-sale securities. At the end of each reporting period the fair value is remeasured, with any resultant gain or loss being recognised in other comprehensive income and accumulated separately in equity in the fair value reserve. As an exception to this, investments in equity securities that do not have a quoted price in an active market for an identical instrument and whose fair value cannot otherwise be reliably measured are recognised in the statement of financial position at cost less impairment losses (see note I(m)). Dividend income from equity securities is recognised in profit or loss in accordance with the policies set out in note I(w)(vi).

When the investments are derecognised or impaired (see note I(m)), the cumulative gain or loss recognised in equity is reclassified to profit or loss. Investments are recognised/derecognised on the date the Group commits to purchase/sell the investments or they expire.

I 重大會計政策(續)

(g) 於股本證券的其他投資

本集團對股本證券的投資(除對子公司、聯營企業及合營企業的投資外)政策如下：

股本證券的投資初步按公允值列賬，有關公允值為交易價，除非確定初步確認的公允值與交易價有所不同及於活躍市場上就相同資產或負債的報價可證明該公允值，或公允值乃根據評估技術(從可觀察市場獲取的數據)計算。成本包括應佔交易成本，但下文另有所指者除外。該等投資(視乎分類)隨後按下列方式列賬：

不屬於持作買賣的證券投資分類為可供出售證券。公允值於各報告期末重新計量，所產生的任何收益或虧損於其他全面收入內確認，並另行累積計入公允值儲備的權益。在例外情況下，當股本證券投資於活躍市場並無相同工具的報價且公允值無法可靠計量時，則按成本減減值虧損於財務狀況表確認(見附註I(m))。股本證券股息收入按附註I(w)(vi)所載政策於損益內確認。

當終止確認投資或投資出現減值時(見附註I(m))，於權益內確認的累計收益或虧損重新分類至損益。在本集團承諾購買／出售投資或投資到期當日確認／終止確認有關投資。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(h) Derivative financial instruments

Derivative financial instruments are recognised initially at fair value. At the end of each reporting period the fair value is remeasured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

(i) Investment property

Investment properties are land and/or buildings which are owned or held under a leasehold interest (see note 1(l)) to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property.

Investment properties are stated at fair value, unless they are still in the course of construction or development at the end of the reporting period and their fair value cannot be reliably measured at that time. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in profit or loss. Rental income from investment properties is accounted for as described in note 1(w)(ii).

I 重大會計政策(續)

(h) 衍生金融工具

衍生金融工具初步按公允值確認，於各報告期末重新計量公允值。重新計量公允值的收益或虧損即時於損益確認。

(i) 投資物業

投資物業是指為賺取租金收入及／或為資本增值而以租賃權益(見附註1(l))擁有或持有的土地及／或建築物，當中包括就當前尚未確定未來用途持有的土地及正在建造或開發以供日後用作投資物業的物業。

投資物業按公允值列賬，除非於報告期末仍在建造或開發且不能可靠確定公允值。投資物業公允值的變動，或報廢或處置投資物業所產生的任何收益或虧損均於損益中確認。投資物業的租金收入按照附註1(w)(ii)所述方式入賬。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Property, plant and equipment

Items of property, plant and equipment are stated in the consolidated statement of financial position at cost less accumulated depreciation and impairment losses (see note I(m)).

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (see note I(y)).

Construction in progress is transferred to property, plant and equipment when it is ready for its intended use. No depreciation is provided against construction in progress.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in the consolidated statement of profit or loss on the date of retirement or disposal.

I 重大會計政策(續)

(j) 物業、廠房及設備

物業、廠房及設備項目按成本減累計折舊及減值虧損(見附註 I(m))於合併財務狀況表內列賬。

自建物業、廠房及設備項目的成本包括材料成本、直接勞工成本以及拆卸及搬遷項目與恢復項目所在地原貌的初步估計成本(如有關)及適當比例的間接生產成本及借貸成本(見附註 I(y))。

當在建工程可作擬定用途時，轉為物業、廠房及設備。在建工程不計提折舊。

報廢或出售物業、廠房及設備項目所產生的收益或虧損按出售所得款項淨額與該項目賬面值的差額釐定，並於報廢或出售當日的合併損益表確認。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Property, plant and equipment (Cont'd)

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

		Years	Estimated residual value as a percentage of costs
		年期	估計剩餘價值佔成本百分比
Buildings	樓宇	20 - 40	5%
Motor vehicles	汽車	4	5%
Office equipment	辦公設備	3 - 5	5%

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

I 重大會計政策(續)

(j) 物業、廠房及設備(續)

折舊是採用直線法按估計可使用年期撇銷物業、廠房及設備項目的成本並扣除其估計剩餘價值(如有)計算，詳情如下：

倘物業、廠房及設備項目各部分的可使用年期不同，該項目的成本按合理基準於各部分之間分配，且各部分單獨折舊。資產的可使用年期及其剩餘價值(如有)均每年進行審閱。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(k) Intangible assets (other than goodwill)

Intangible assets that are acquired by the Group are stated at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see note I(m)(ii)).

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. The following intangible asset with finite useful life is amortised from the date it is available for use and its estimated/contracted useful life is as follows:

Software	5-10 years
Franchises granted	15 years

Both the period and method of amortisation are reviewed annually.

(l) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

I 重大會計政策(續)

(k) 無形資產(商譽除外)

本集團所收購的無形資產以成本減累計攤銷(當估計可使用年期有限時)及減值虧損(見附註I(m)(ii))列賬。

具有有限可使用年期的無形資產攤銷按資產估計可使用年期於損益內以直線法攤銷。以下具有有限可使用年期的無形資產於其可供使用當日起攤銷，其估計／合約可使用年期如下：

軟件	5-10年
授予特許經營權	15年

攤銷期間及方法均每年進行審核。

(l) 租賃資產

倘本集團釐定一項安排賦予於一段協定期間內使用一項指定資產或多項資產的權利，並以付款或系列付款作為交換，則該項安排(包括交易或系列交易)為或包含一項租賃。本集團經評估該項安排的實際內容後作出相關決定，並不會考慮該項安排是否屬租賃的法定形式。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(I) Leased assets (Cont'd)

(i) Classification of assets leased to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, with the following exceptions:

- property held under operating leases that would otherwise meet the definition of an investment property is classified as investment property on a property-by-property basis and, if classified as investment property, is accounted for as if held under a finance lease; and
- land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee.

I 重大會計政策(續)

(I) 租賃資產(續)

(i) 租賃予本集團的資產分類

租賃予本集團的資產分類對於本集團根據租約持有的資產，倘租賃使所有權的絕大部分風險及回報轉移至本集團，有關資產便會劃歸為以融資租賃持有。倘租賃不會使所有權的絕大部分風險及回報轉移至本集團，則劃歸為經營租賃，但下列情況除外：

- 經營租賃持有但在其它方面均符合投資物業定義的物業，會按照每項物業的基準劃歸為投資物業。如果劃歸為投資物業，其入賬方式會如同以融資租賃持有一樣；及
- 就經營租賃持作自用的土地而言，倘於租賃開始時，其公允值無法與位於其上的樓宇的公允值分開計量，則作為融資租賃持有入賬，除非該樓宇亦根據一項經營租賃清楚持有。就以上目的而言，租賃開始日期是本集團首次簽訂租賃或從前承租人接手的時間。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(I) Leased assets (Cont'd)

(ii) Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term except where the property is classified as an investment property (see note I(i)), property under development for sale and completed property held for sale (see note I(n)).

If a sale and leaseback transaction results in an operating lease, and it is clear that the transaction is established at fair value, any profit or loss shall be recognised immediately. If the sale price is below fair value, any profit or loss shall be recognised immediately except that, if the loss is compensated for by future lease payments at below market price, it shall be deferred and amortised in proportion to the lease payments over the period for which the asset is expected to be used. If the sale price is above fair value, the excess over fair value shall be deferred and amortised over the period for which the asset is expected to be used.

I 重大會計政策(續)

(I) 租賃資產(續)

(ii) 經營租賃支出

倘本集團根據經營租賃使用持有的資產，根據租賃作出的付款會在租期所涵蓋的會計期間內，分期等額自損益扣除，倘有其他基準更能反映租賃資產所產生的收益模式則除外。所收取的租賃獎勵於損益內確認為所作出租賃淨付款總額的組成部分。或然租金在其產生的會計期間自損益扣除。

根據經營租賃所持土地的收購成本按直線法在租期內攤銷，但分類為投資物業(附註I(i))、待售在建物業及待售已完工物業(附註I(n))的物業除外。

倘售後租回交易引致經營租賃，且該交易明顯按公允值設立，則須即時確認任何損益。倘售價低於公允值，則須即時確認任何損益，倘以低於市價的未來租賃付款補償虧損，則有關損益須遞延並按租賃付款的比例在預期使用資產期間攤銷。倘售價高於公允值，則超過公允值的差額須遞延並在預期使用資產期間攤銷。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(I) Leased assets (Cont'd)

(iii) Assets leased out under finance leases

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.

When the Group is a lessor under finance leases, an amount representing the minimum lease payment receivables and initial direct costs is included in the statement of financial position as loans and accounts receivable. Any unguaranteed residual value is also recognised at the inception of the lease. The difference between the sum of the minimum lease payment receivables, initial direct costs, the unguaranteed residual value and their present value is recognised as unearned finance income. Unearned finance income is recognised over the period of the lease using the effective interest rate method.

I 重大會計政策(續)

(I) 租賃資產(續)

(iii) 融資租賃租出資產

融資租賃租出資產轉讓資產擁有權之絕大部分風險與回報之租賃列為融資租賃。所有權最終未必會轉讓。

倘本集團作為融資租賃出租人時，應收最低租賃款額與初始直接成本之款項於財務狀況表列作貸款及應收款項。未擔保餘值亦於租賃生效時確認。應收最低租賃款額、初始直接成本及無擔保餘值之總和與其現值兩者間之差額確認為未實現融資收益。未實現融資收益於租賃期間使用實際利率法確認。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(m) Impairment of assets

(i) *Impairment of investments in equity securities and other receivables*

Investment in equity securities and other current and non-current receivables that are stated at cost or amortised cost or are classified as available-for-sale securities are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of an investment in equity securities below its cost.

I 重大會計政策(續)

(m) 資產減值

(i) *股本證券的投資及其他應收款項的減值*

按成本或攤銷成本入賬的股本證券的投資及其他即期及非即期應收款項或分類為可供出售證券於各報告期末審核，以釐定是否存在減值的客觀證據。減值的客觀證據包括引起本集團注意到有關下列一項或多項虧損事件的可觀察數據：

- 債務人陷入重大財務困難；
- 違反合約，如欠付或拖延償還利息或本金；
- 債務人可能破產或進行其他財務重組；
- 科技、市場、經濟或法律環境出現重大變動，對債務人有不利影響；及
- 股本證券投資的公允價值嚴重或長期下跌至低於成本。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(m) Impairment of assets (Cont'd)

(i) *Impairment of investments in equity securities and other receivables (Cont'd)*

If any such evidence exists, any impairment loss is determined and recognised as follows:

- For investments in associates and joint ventures accounted for under the equity method in the consolidated financial statements (see note I(e)), the impairment loss is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with note I(m)(ii). The impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount in accordance with note I(m)(ii).

I 重大會計政策(續)

(m) 資產減值(續)

(i) *股本證券的投資及其他應收款項的減值(續)*

倘存在任何該等證據，則按以下方式釐定及確認任何減值虧損：

- 就根據權益法於合併財務報表入賬之聯營企業及合營企業之投資(見附註I(e))而言，減值虧損乃根據附註I(m)(ii)透過比較投資之可收回金額與其賬面值計量。倘按附註I(m)(ii)用作釐定可收回金額之估計出現有利變動時，則撥回減值虧損。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(m) Impairment of assets (Cont'd)

(i) Impairment of investments in equity securities and other receivables (Cont'd)

- For trade and other current receivables and other financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where these financial assets share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective Group.
- If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

I 重大會計政策(續)

(m) 資產減值(續)

(i) 股本證券的投資及其他應收款項的減值(續)

- 對於貿易及其他即期應收款項及其他按攤銷成本列賬的金融資產，倘貼現的影響屬重大，減值虧損以資產之賬面值與以金融資產原實際利率(即初步確認該等資產時所計算的實際利率)貼現的估計未來現金流量現值的差額計量。如該等金融資產具備類似風險特徵，例如類似逾期情況及並未單獨被評估為減值，則對該等資產進行集體評估。集體評估減值的金融資產的未來現金流量，是根據與整個組別信貸風險特徵類似的資產的過往虧損經驗作出。
- 倘減值虧損金額在其後期間減少，且客觀上與確認減值虧損後發生的事件有關，則減值虧損會通過損益撥回。減值虧損的撥回不得導致資產的賬面值超過以往年度並無確認減值虧損而應釐定的數額。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(m) Impairment of assets (Cont'd)

(i) *Impairment of investments in equity securities and other receivables (Cont'd)*

- For available-for-sale securities, the cumulative loss that has been recognised in the fair value reserve is reclassified to profit or loss. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in profit or loss.

Impairment losses recognised in profit or loss in respect of available-for-sale equity securities are not reversed through profit or loss. Any subsequent increase in the fair value of such assets is recognised in other comprehensive income.

I 重大會計政策(續)

(m) 資產減值(續)

(i) *股本證券的投資及其他應收款項的減值(續)*

- 就可供出售證券而言，已確認於公允值儲備的累計虧損重新分類至損益。確認至損益的累計虧損金額為收購成本(減任何本金還款及攤銷)與現時公允值的差額減過往確認於損益的資產的任何減值虧損。

有關可供出售股本證券於損益內確認的減值虧損並未通過損益撥回。該等資產的公允值的任何其後增加於其他全面收入確認。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(m) Impairment of assets (Cont'd)

(i) *Impairment of investments in equity securities and other receivables (Cont'd)*

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade debtors and bill receivables included within trade and other receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade debtors and bill receivables directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in the consolidated statement of profit or loss.

I 重大會計政策(續)

(m) 資產減值(續)

(i) *股本證券的投資及其他應收款項的減值(續)*

減值虧損從相應資產中直接撇銷，但因包含在貿易及其他應收款項中的貿易應收賬款及應收票據的可收回性被視為難以預料而並非微乎其微，就其確認的減值虧損除外。在此情況下，呆賬的減值虧損以撥備賬記錄。當本集團確認能收回貿易應收賬款的機會微乎其微時，則視為不可收回金額會直接從貿易應收賬款及應收票據中撇銷，而在撥備賬中就該債務保留的任何金額會被撥回。倘之前計入撥備賬的款項在其後收回，則有關款項於撥備賬撥回。撥備賬的其他變動及其後收回先前直接撇銷的款項均於合併損益表中確認。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(m) Impairment of assets (Cont'd)

(ii) Impairment of other assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- intangible assets;
- goodwill; and
- investments in subsidiaries in the Company's statement of financial position.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, the recoverable amount is estimated annually whether or not there is any indication of impairment.

I 重大會計政策(續)

(m) 資產減值(續)

(ii) 其他資產減值

本集團會在各報告期末審核內部及外界資料，以識別是否有跡象顯示下列資產(除商譽外)可能出現減值或過往確認的減值虧損已不再存在或可能已減少：

- 物業、廠房及設備；
- 無形資產；
- 商譽；及
- 在本公司的財務狀況表內對子公司投資。

若存在上述任何跡象，則會估計有關資產的可收回金額。此外，就商譽而言，每年估計可收回金額，不論是否有減值跡象。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(m) Impairment of assets (Cont'd)

(ii) Impairment of other assets (Cont'd)

— Calculation of recoverable amount

The recoverable amount of an asset is the greater of its 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. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

I 重大會計政策(續)

(m) 資產減值(續)

(ii) 其他資產減值(續)

— 計算可收回金額

資產可收回金額為其公允價值減處置成本與使用價值兩者中的較高者。在評估使用價值時，估計未來現金流量會使用可反映當時市場對貨幣時間值及資產特定風險的評估的稅前貼現率，貼現至其現值。倘資產所產生現金流入並非基本上獨立於其他資產所產生者，則以能獨立產生現金流入的最小資產組別(即現金產生單位)釐定可收回金額。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(m) Impairment of assets (Cont'd)

(ii) Impairment of other assets (Cont'd)

— Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

— Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

I 重大會計政策(續)

(m) 資產減值(續)

(ii) 其他資產減值(續)

— 確認減值虧損

當資產或其所屬現金產生單位的賬面值超過其可收回金額時，減值虧損於損益確認。就現金產生單位確認的減值虧損，會首先分配以減少分配予該現金產生單位(或該組單位)的任何商譽的賬面值，然後按比例減少該單位(或該組單位)內其他資產的賬面值，但資產賬面值不會減至低於其個別的公允值減處置成本(如可計量)或使用價值(如能釐定)。

— 撥回減值虧損

有關非商譽資產，倘用作釐定可收回金額的估計出現有利變化，則會撥回減值虧損。商譽的減值虧損不會撥回。

減值虧損的撥回僅限於過往年度並未確認減值虧損而應釐定的資產賬面值。所撥回減值虧損在確認撥回的年度計入損益。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(m) Impairment of assets (Cont'd)

(iii) *Interim financial reporting and impairment*

Under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the Group is required to prepare an interim financial report in compliance with IAS 34, *Interim financial reporting*, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see notes I (m)(i) and (ii)).

Impairment losses recognised in an interim period in respect of goodwill, available-for-sale equity securities carried at cost are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates. Consequently, if the fair value of an available-for-sale equity security increases in the remainder of the annual period, or in any other period subsequently, the increase is recognised in other comprehensive income and not profit or loss.

I 重大會計政策(續)

(m) 資產減值(續)

(iii) 中期財務報告及減值

根據香港聯合交易所有限公司證券上市規則，本集團須按國際會計準則第34號中期財務報告編製財政年度首六個月的中期財務報告。本集團於中期期末採用與財政年度年末相同的減值測試、確認及撥回標準(見附註I (m)(i)及(ii))。

於中期期間就商譽、按成本列賬的可供出售股本證券確認的減值虧損不會於其後期間撥回(即使在與該中期期間相關的財政年度年末時並無或只有少數減值虧損需要確認的情況下)。因此，可供出售股本證券的公允值倘於同一年度餘下期間或在任何其他其後的期間有所增加，則該增加須於其他全面收入而非於損益中確認。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(n) Inventories

Inventories in respect of property development activities are carried at the lower of cost and net realisable value. Cost and net realisable values are determined as follows:

- Properties held for future development for sale and properties under development for sale

The cost of properties held for future development for sale and properties under development for sale comprises specifically identified cost, including the acquisition cost of land use right, aggregate cost of development, materials and supplies, wages and other direct expenses, an appropriate proportion of overheads and borrowing costs capitalised (see note 1(y)). Net realisable value represents the estimated selling price less estimated costs of completion and costs to be incurred in selling the property.

- Completed properties held for sale

In the case of completed properties developed by the Group, cost is determined by apportionment of the total development costs for that development project, attributable to the unsold properties. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

The cost of completed properties held for sale comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

I 重大會計政策(續)

(n) 存貨

有關物業開發活動的存貨以成本及可變現淨值兩者中的較低者入賬。成本及可變現淨值按下述方式釐定：

- 待售未來待開發物業及待售在建物業

待售未來待開發物業及待售在建物業的成本包含已明確識別的成本，包括土地使用權的收購成本，發展、物料和供應品總成本、工資及其他直接支出，以及適當比例之間接費用及資本化借貸成本(見附註1(y))。可變現淨值為估計售價減估計完工成本及出售物業所產生的成本後的金額。

- 待售已完工物業

待售已完工物業本集團已完工物業的成本按未售物業所佔該開發項目總開發成本分攤計算。可變現淨值為估計售價減出售物業所產生的成本。

待售已完工物業的成本包括所有購買成本、轉換成本以及將存貨運往現時位置及達至現狀所產生的其他成本。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(n) Inventories (Cont'd)

— Other inventories

Other inventories mainly include low-value consumption goods and goods for sale. They are carried at the lower of cost and net realisable value. Cost is calculated using the weighted average cost formula and comprises all costs of purchase. When inventories are consumed or sold, the carrying amount of inventories is recognised as an expense in the year in which the consumption occurs or the revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs.

(o) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost less allowance for impairment of doubtful debts (see note I(m)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.

I 重大會計政策(續)

(n) 存貨(續)

— 其他存貨

其他存貨主要包括低值易耗品及待售品。其他存貨按成本及可變現淨值兩者中的較低者入賬。成本利用加權平均成本公式計算，並包括所有購買成本。存貨消耗或出售時，其賬面值於消耗發生或收益確認當年確認為支出。將任何存貨撇減至可變現淨值的金額及所有存貨虧損於撇減或虧損發生期內確認為支出。

(o) 貿易及其他應收款項

貿易及其他應收款項初步按公允值確認，其後按攤銷成本減呆賬減值撥備(見附註I(m))入賬，但作為支付予關聯方的無固定還款期或貼現影響並不重大的免息貸款的應收款項除外。在此情況下，該等應收款項按成本減呆賬減值撥備入賬。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(p) Convertible notes

Convertible notes which do not contain an equity component are accounted for as follows:

At initial recognition the derivative component of the convertible notes is measured at fair value based on the presented as part of derivative financial instruments (see note I(h)). The equity component is initially recognised as the derivative component is recognised as a whole and the fair value of the liability component. Transaction costs that relate to the issue of the convertible note are allocated to the liability and derivative components in proportion to the allocation of proceeds.

The portion of the transaction costs relating to the liability component is recognised initially as part of the liability. The portion relating to the derivative component is recognised immediately in profit or loss.

The derivative component is subsequently remeasured in accordance with note I(h). The liability component is subsequently carried at amortised cost. The interest expense recognised in profit or loss on the liability component is calculated using the effective interest method.

If the note is converted, the carrying amounts of the derivative and liability components are transferred to share capital and share premium as consideration for the shares issued. If the note is redeemed, any difference between the amount paid and the carrying amounts of both components is recognised in profit or loss.

(q) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

I 重大會計政策(續)

(p) 可轉股票據

不含權益部分的可轉股票據的會計處理方法如下：

於初始確認時，可轉股票據的衍生部分按公允值計量，並呈列為衍生金融工具的一部分(請參閱附註I(h))。權益部分初步確認為衍生部分確認為全部及負債部分的公允值。有關發行可轉股票據的交易成本按所得款項的比例分配至負債及衍生部分。

有關負債部分的交易成本初步確認為負債部分，而有關衍生部分的交易成本則即時於損益中確認。

衍生部分其後根據附註I(h)重新計量。負債部分其後按攤銷成本入賬。負債部分於損益中確認的利息開支按實際利率法計算。

倘票據獲轉換，衍生及負債部分的賬面值轉撥至股本及股份溢價，作為所發行股份的代價。倘票據獲贖回，衍生及負債部分的已付金額與賬面值間的任何差額於損益確認。

(q) 計息借貸

計息借貸初步按公允值減應佔交易成本確認。於初步確認後，計息借貸按攤銷成本入賬，最初確認金額與贖回價值之間的任何差額(連同任何應付利息及費用)會在借貸期間內以實際利率法於損益確認。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(r) Trade and other payables

Trade and other payables are initially recognised at fair value. Trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(s) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(t) Employee benefits

(i) *Short term employee benefits and contributions to defined contribution retirement plans*

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

Obligation for contributions to defined contribution retirement plans pursuant to the relevant labour rules and regulations in the People's Republic of China (the "PRC") are recognised as an expense in profit or loss as incurred, except to the extent that they are included in properties for sale not yet recognised as an expense.

I 重大會計政策(續)

(r) 貿易及其他應付款項

貿易及其他應付款項初步按公允值確認。貿易及其他應付款項其後按攤銷成本列賬，除非貼現影響並不重大，在此情況下，則按成本入賬。

(s) 現金及現金等值物

現金及現金等值物包括銀行存款及現金、存放於銀行及其他金融機構的活期存款，以及短期且流動性極高的投資，該等投資可隨時變現為已知現金數額及無重大價值轉變的風險，於購入後三個月內到期。

(t) 僱員福利

(i) *短期僱員福利及定額供款退休計劃供款*

薪金、年度獎金、帶薪年假、定額供款退休計劃及非貨幣福利的成本已於僱員提供合營企業服務的年度內計提。若延遲付款或結算及其影響屬重大，該等款項將按現值入賬。

除已計入待售物業而尚未確認為支出者外，根據中華人民共和國(「中國」)相關勞動法規及規例向定額供款退休計劃作出供款的責任在產生時於損益確認為支出。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(t) Employee benefits (Cont'd)

(ii) Equity settled share-based payment

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in the equity settled share-based payment reserve within equity. The fair value is measured at grant date using the binomial option pricing model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the equity settled share-based payment reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the equity settled share-based payment reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the equity settled share-based payment reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits).

I 重大會計政策(續)

(t) 僱員福利(續)

(ii) 以權益結算以股份為基礎的付款

向僱員所授購股權的公允價值確認為僱員成本，並於權益的以權益結算以股份為基礎的付款儲備作出相應增加。公允價值是於授出日期使用二項式期權定價模式並計及所授出購股權的條款及條件計量。倘僱員須在無條件享有購股權前符合歸屬條件，則購股權的估計公允價值總額經考慮購股權的歸屬可能性後於歸屬期內攤分。

歸屬期內會審閱預期將歸屬的購股權數目。除非原僱員開支合資格確認為資產，否則對過往年內已確認累計公允價值所作出的任何調整，均在審閱年度自損益扣除／計入損益，並對以權益結算以股份為基礎的付款儲備作出相應調整。於歸屬日期，會對確認為開支的數額作出調整，以反映所歸屬購股權的實際數目（並對以權益結算以股份為基礎的付款儲備作出相應調整），但僅因未能達成與本公司股份市價有關的歸屬條件而遭失效的購股權則除外。權益金額於以權益結算以股份為基礎的付款儲備確認，直至購股權獲行使（屆時會轉撥至股本溢價）或購股權屆滿（屆時會直接撥入保留利潤）為止。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(t) Employee benefits (Cont'd)

(iii) Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises restructuring costs involving the payment of termination benefits.

(u) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

I 重大會計政策(續)

(t) 僱員福利(續)

(iii) 終止福利

終止福利於本集團不再能夠取消提供該等福利時及其確認涉及支付終止福利的重組成本時(以較早者為準)確認。

(u) 所得稅

年度所得稅包括即期稅項及遞延稅項資產與負債變動。即期稅項及遞延稅項資產與負債變動均在損益確認，但倘該等項目與於其他全面收益表或直接於權益確認的項目有關，則有關稅項分別於其他全面收益表或直接於權益確認。

即期稅項為年度應課稅收入的預期應付稅項，採用於報告期末已生效或實質已生效的稅率計算，同時考慮就過往年度應付稅項作出的任何調整。

遞延稅項資產及負債分別由可抵扣和應稅暫時差異產生，即財務報告所呈報資產及負債的賬面值與其稅基之間的差異。遞延稅項資產亦會因未動用稅項虧損及未動用稅項抵免而產生。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(u) Income tax (Cont'd)

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

I 重大會計政策(續)

(u) 所得稅(續)

除若干有限例外情況外，所有遞延稅項負債及所有遞延稅項資產均於日後可能有應課稅利潤用以抵銷可動用資產時確認。可支持確認源自可扣稅暫時性差額的遞延稅項資產的日後應課稅利潤，包括該等源自撥回現有應課稅暫時性差額者，但該等差額須與相同稅務機關及相同應課稅實體有關，並預期於撥回可扣減暫時性差額的同一期間或源自遞延稅項資產的稅項虧損可撥回或結轉的期間撥回。在評定現有應課稅暫時性差額是否支持確認因未動用稅項虧損及抵免產生的遞延稅項資產時採用相同的標準，即倘該等暫時性差額與相同稅務機關及相同應課稅實體有關，並預期於可使用稅項虧損或抵免期間內撥回，則會考慮確認遞延稅項資產。

確認遞延稅項資產及負債的有限例外情況為不可就稅務目的扣減的商譽、不影響會計或應課稅利潤的資產或負債的初步確認(前提是他們不屬於業務合併的一部分)所產生的暫時性差額，以及有關投資子公司的暫時性差額(如屬應課稅差額可以由本集團控制轉回時間，而且在可預見的未來不大可能轉回的差額，或如屬可扣減差額，則僅限於很可能在未來轉回的差額)。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(u) Income tax (Cont'd)

Where investment properties are carried at their fair value in accordance with the accounting policy set out in note I(i), the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

I 重大會計政策(續)

(u) 所得稅(續)

凡投資物業之公允值按附註 I(i) 所載的會計政策計量，其遞延稅項的確認以用於報告日期之資產出售的賬面值的稅率為準，除非該物業是可折舊的，並存在於某商業模式，其目的是隨著時間的推移消耗實質上附於該物業的所有經濟利益，而不是通過出售。在所有其他情況下，已確認的遞延稅項按預期變現或清償資產及負債賬面值的方式，以報告期末已頒佈或實質已頒佈的稅率計算。遞延稅項資產及負債並未貼現。

遞延稅項資產的賬面值會於各報告期末審閱，並扣減至不再可能取得足夠應課稅利潤以動用有關稅務利益為止。任何減幅會於可能取得足夠應課稅利潤時撥回。

分派股息所產生的額外所得稅於確認支付相關股息的責任時確認。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(u) Income tax (Cont'd)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

I 重大會計政策(續)

(u) 所得稅(續)

即期稅項結餘與遞延稅項結餘及其變動單獨呈列，且不予抵銷。即期稅項資產與即期稅項負債以及遞延稅項資產與遞延稅項負債只會在本集團有法定執行權以即期稅項資產抵銷即期稅項負債，並在符合下列附帶條件的情況下，方可相互抵銷：

- 如屬即期稅項資產及負債，本集團計劃按淨額基準結算，或同時變現該資產及清償該負債；或
- 如屬遞延稅項資產及負債，倘他們與相同稅務機關就以下其中一項徵收的所得稅有關：
 - 相同應課稅實體；或
 - 不同應課稅實體，計劃在預期有重大金額的遞延稅項負債或資產須予清償或可收回的各未來期間，按淨額基準變現即期稅項資產及清償即期稅項負債，或同時變現即期稅項資產及清償即期稅項負債。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(v) Financial guarantees issued, provisions and contingent liabilities

(i) Financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the “holder”) for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Group issues a financial guarantee, the fair value of the guarantee is initially recognised as deferred income within trade and other payables. The fair value of financial guarantees issued at the time of issuance is determined by reference to fees charged in an arm's length transaction for similar services, when such information is obtainable, or is otherwise estimated by reference to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

I 重大會計政策(續)

(v) 已發出財務擔保、撥備及或然負債

(i) 已發出財務擔保

財務擔保指要求發行人(即擔保人)支付指定款項以向擔保受益人(「持有人」)賠償因指定債務人未能根據債務工具之條款支付到期款項而導致持有人蒙受損失的合約。

本集團發出財務擔保時，該擔保的公允值初步確認為貿易及其他應付款項內的遞延收入。已發出財務擔保於發出時的公允值乃參照在正常交易中就類似服務所收取的費用(當該等資料可得時)釐定，或通過比較在有擔保下貸款人收取的實際利率與假設沒有擔保下估計貸款人應收取的利率(如該等資料能可靠估計)，參照利率差額作出估計。倘就發出有關擔保已收或應收對價，則有關對價根據適用於該類別資產的本集團政策確認。倘並無該等已收或應收對價，則於初步確認任何遞延收入時即時於損益確認開支。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(v) Financial guarantees issued, provisions and contingent liabilities (Cont'd)

(i) Financial guarantees issued (Cont'd)

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with note I(v)(ii) if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (ii) the amount of that claim on the Group is expected to exceed the amount currently carried in trade and other payables in respect of that guarantee i.e. the amount initially recognised, less accumulated amortisation.

(ii) Other provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

I 重大會計政策(續)

(v) 已發出財務擔保、撥備及或然負債(續)

(i) 已發出財務擔保(續)

初步確認為遞延收入的擔保金額，作為已發出財務擔保的收入於擔保期內在損益攤銷。此外，倘(i)擔保持有人有可能要求本集團履行有關擔保，及(ii)對本集團提出的申索款額預期超過現時就該擔保於貿易及其他應付款項所列金額(即初步確認的金額)減累計攤銷，則根據附註I(v)(ii)確認撥備。

(ii) 其他撥備及或然負債

當本集團或本公司須就過往事件承擔法定或推定責任，且履行責任可能須流出經濟利益並可作出可靠估計時，便會就尚未確定時間或金額的其他負債確認撥備。倘貨幣的時間價值重大，則按預計履行該責任所需支出的現值計提撥備。

倘不大可能需要流出經濟利益，或有關數額無法可靠估計，則該責任披露為或然負債，但倘流出經濟利益的可能性極低則除外。須視乎一宗或多宗未來事件是否發生才能確定存在與否的可能責任亦披露為或然負債，但倘流出經濟利益的可能性極低則除外。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(w) 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 arising from sale of properties is recognised when the significant risks and rewards of ownership have been transferred to the buyers. The Group considers that the significant risks and rewards of ownership are transferred when the construction of relevant properties have been completed and the properties have been delivered to the buyers.

Revenue from sale of properties excludes business tax or other sales related taxes and is after deduction of any trade discounts. Deposits and instalments received on properties sold prior to the date of revenue recognition are included in the statement of financial position as receipts in advance under trade and other payables.

(ii) Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

I 重大會計政策(續)

(w) 收益確認

收益按已收或應收對價的公允值計量。倘經濟利益可能流入本集團且收益及成本(視情況而定)能可靠計量，則收益於損益確認如下：

(i) 銷售物業

銷售物業所得收益於所有權的重大風險及回報已轉至買方時確認。本集團認為，當相關物業竣工並交付予買方時，所有權的重大風險及回報即視為轉移。

銷售物業所得收益不包括營業稅或其他銷售相關稅項，為扣除任何貿易折扣後所得者。在收益確認當日就出售物業所收定金及分期付款作為預收款項和貿易及其他應付款項計入財務狀況表。

(ii) 經營租賃的租金收入

經營租賃的應收租金收入在租期所涵蓋的期間內，以等額分期款項於損益確認，但倘有其他基準更清楚地反映使用租賃資產所產生之收益模式則除外。獲授的租賃優惠於損益確認為應收租賃淨付款總額的組成部分。或然租金在產生的會計期間確認為收入。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(w) Revenue recognition (Cont'd)

(iii) Service fee income

Service fee income in relation to property management service, advertising service and other ancillary services are recognised when such services are provided to customers.

(iv) Sale of goods

Revenue is recognised when goods are delivered at the customers' premises which is taken to be the point in time when the customer has accepted the goods and the related risks and rewards of ownership. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

(v) Finance lease income

Finance lease income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts through the expected life of the net investment of the finance lease or a shorter period, when appropriate, to the net carrying amount of the net investment of the finance lease.

(vi) Dividends

Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.

I 重大會計政策(續)

(w) 收益確認(續)

(iii) 服務費收入

有關物業管理服務、廣告服務及其他配套服務的服務費收入於向客戶提供該等服務時確認。

(iv) 銷售貨品

銷售貨品收益在貨品及時送達客戶場地且客戶接納貨品及其所有權相關的風險及回報時確認。收益不包括增值稅或其他銷售稅，並已扣除任何貿易折扣。

(v) 融資租賃收入

融資租賃收入，按應計基準以實際利率法按融資租賃的投資淨額在預計可使用年期或更短期間(如適用)估計在日後收取的現金貼現至融資租賃投資淨值的賬面淨值之實際利率確認。

(vi) 股息

來自非上市投資的股息收入於股東收取付款的權利確立時確認。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(w) Revenue recognition (Cont'd)

(vii) Interest income

Interest income is recognised as it accrues using the effective interest method.

(viii) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of assets are initially recognised as deferred income and subsequently deducted from the carrying amount of assets and consequently are effectively recognised in profit or loss when the inventories are sold or transferred to investment properties upon meeting the relevant conditions, if any, attaching to them.

(x) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

I 重大會計政策(續)

(w) 收益確認(續)

(vii) 利息收入

利息收入使用實際利率法於產生時確認。

(viii) 政府補助

倘可合理保證本集團能收取政府補助且符合有關補貼所附條件，則政府補助初步於財務狀況表確認。補償本集團所涉開支的補助於開支產生期間有系統地於損益確認為收入。補償本集團資產成本的補助初步確認為遞延收入，其後自資產賬面值扣除，最終於符合所附條件（如有）而出售或轉移存貨至投資物業時於損益有效確認。

(x) 外幣換算

年內外幣交易按交易日期現行的匯率換算。以外幣計值的貨幣資產及負債按報告期末現行的匯率換算。匯兌收益及虧損於損益確認。

以外幣計值並按歷史成本計量的非貨幣資產及負債按交易日期現行的匯率換算。以外幣計值並按公允值計量的非貨幣資產及負債按計量公允值當日現行的匯率換算。

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I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(x) Translation of foreign currencies (Cont'd)

The results of foreign operations are translated into RMB at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into RMB at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

(y) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

I 重大會計政策(續)

(x) 外幣換算(續)

海外經營業績按交易日期現行匯率的近似匯率換算為人民幣。財務狀況表項目按各報告期末的收市匯率換算為人民幣。所產生的匯兌差額於其他全面收入確認，並於權益的外匯儲備內單獨累計。

出售境外業務時，有關境外業務匯兌差額的累計金額於確認出售損益時自權益重新分類至損益。

(y) 借貸成本

購置、興建或生產需要長時間籌備以作擬定用途或出售的資產直接相關的借貸成本資本化為該資產的部分成本。其他借貸成本於產生期間支銷。

當產生資產開支與借貸成本且正進行籌備資產以作擬定用途或出售的必要工作時，則開始將借貸成本資本化為合資格資產成本一部分。當籌備合資格資產以作擬定用途或出售的必要工作絕大部分中斷或完成時，會暫停或終止將借貸成本資本化。

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(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，均以人民幣列示)

I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(z) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or the Group's parent.

(b) An entity is related to the Group if any of the following conditions applies:

(i) The entity and the Group are members of the same Group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

I 重大會計政策(續)

(z) 關聯方

(a) 倘屬以下人士，則該人士或該人士的近親家庭成員與本集團有關聯：

(i) 對本集團擁有控制權或共同控制權；

(ii) 對本集團擁有重大影響力；或

(iii) 為本集團或本集團母公司的主要管理層成員。

(b) 倘實體符合以下條件，則與本集團有關聯：

(i) 該實體與本集團屬同一集團的成員公司(即各母公司、子公司及同系子公司彼此間有關連)。

(ii) 一間實體為另一間實體的聯營企業或合營企業(或該其他實體所屬集團的公司的聯營企業或合營企業)。

(iii) 兩間實體均為同一第三方的合營企業。

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(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，均以人民幣列示)

I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(z) Related parties (Cont'd)

- (b) An entity is related to the Group if any of the following conditions applies: (Cont'd)
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a Group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

I 重大會計政策(續)

(z) 關聯方(續)

- (b) 倘實體符合以下條件，則與本集團有關聯：(續)
- (iv) 一間實體為第三方實體的合營企業，而另一實體亦為同一第三方實體的聯營企業。
- (v) 該實體為本集團或與本集團有關聯的實體就僱員福利而設的離職後福利計劃。
- (vi) 該實體受(a)所定義人士控制或受共同控制。
- (vii) 於(a)(i)所定義人士對該實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。
- (viii) 該實體或該實體所屬集團的任何成員公司向該集團或集團母公司提供主要管理層成員服務。

一名人士的近親家庭成員指預期在與實體的交易中可影響該人士或受該人士影響的家庭成員。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，均以人民幣列示)

I SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(aa) Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

I 重大會計政策(續)

(aa) 分部報告

本集團為分配資源予本集團各項業務及各個地區以及評估各項業務及各個地區的業績，會定期向本集團大多數高級行政管理層提供財務資料。從該等資料中可找出於合併財務報表呈列的經營分部及各分部項目金額。

個別重大經營分部不會於財務申報時匯總，除非該等分部擁有相若的經濟特性，且其產品及服務性質、生產流程性質、客戶類型或類別、用以分銷產品或提供服務的方法以及監管環境的性質均相若。倘個別不重大經營分部擁有大部分該等特徵，則可能會匯總。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，均以人民幣列示)

2 ACCOUNTING JUDGEMENT AND ESTIMATES

(a) Critical accounting judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has made the following accounting judgement:

Classification between inventories, owner-occupied properties and investment properties

The Group develops property projects with an initial intention to be held for sale and retains a portion of properties held for own use. Judgement is made by management in determining whether a property is designated as a property held for sale, owner-occupied property or investment properties. The Group considers its intention for holding the properties at the early development stage of the related properties. During the course of development, the related properties under development are accounted for as (1) properties under development included in current assets if the properties are intended for sale after their completion; (2) owner-occupied properties included in properties, plant and equipment if the properties are intended for own use; and (3) investment properties under development if the properties are intended to be held to earn rentals and/or for capital appreciation.

2 會計判斷及估計

(a) 應用本集團會計政策時所作重大會計判斷

在應用本集團會計政策時，管理層曾作出以下會計判斷：

存貨、自有物業及投資物業的分類

本集團開發物業項目的基本目的為持作出售並保留部分所持有物業作自用。管理層在決定某項物業指定作持作出售物業、自用物業或投資物業時須作出判斷。本集團在有關物業開發初期即考慮持有物業的目的。在開發過程中，相關在建物業會按以下方式入賬：(1) 如物業在完成後擬作出售，則計入流動資產中的在建物業；(2) 如物業擬作自用，則計入物業、廠房及設備中的自用物業；及(3) 如物業擬持有以賺取租金收入及／或資本增值，則計入在建投資物業。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，均以人民幣列示)

2 ACCOUNTING JUDGEMENT AND ESTIMATES (Cont'd)

(b) Sources of estimation uncertainty

Notes 11, 31 and 33 contain information about the assumptions and their risk factors relating to valuation of investment property, fair value of share options granted and financial instruments. Other key sources of estimation uncertainty are as follows:

(i) *Recognition of government grants*

Government grants are initially recognised by the Group as a deferred income in the consolidated statement of financial position when an amount is received and are subsequently recognised or amortised in profit or loss on a systematic basis when there is reasonable assurance that the Group will comply with the specific conditions attached to the government grants. The Group is required to fulfil the requirements agreed with the local governments when conducting the related infrastructure construction and the Group assesses whether the conditions attached to the government grants are met based on management's best estimates, particularly in interpreting the fulfilment of conditions which are not clearly stated in the respective agreements.

2 會計判斷及估計(續)

(b) 估計不確定因素的來源

有關投資物業估值、已授出購股權的公允值及金融工具的公允值的假設及其風險因素的資料載於附註11、31及33。估計不確定因素的其他主要來源如下：

(i) 政府補助確認

本集團於收到政府補助時在合併財務狀況表初步確認為遞延收入，其後合理確定本集團將滿足接受政府補助的條件時按系統基準在損益內確認或攤銷。本集團於進行相關基礎設施建設時須符合與地方政府協定之規定，本集團根據管理層的最佳估計，評估是否已滿足政府補助的附帶條件，尤其是在相關協定並無明確說明履行條件的情況。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

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2 ACCOUNTING JUDGEMENT AND ESTIMATES (Cont'd)

(b) Sources of estimation uncertainty (Cont'd)

(ii) Provision for PRC Land Appreciation Tax ("PRC LAT")

As explained in note 6(a), the Group has estimated, made and included in tax provision for PRC LAT according to the requirements set forth in the relevant PRC tax laws and regulations. The actual PRC LAT liabilities are subject to the determination by the tax authorities upon completion of the property development projects and the tax authorities might disagree with the basis on which the provision for PRC LAT is calculated. Significant judgment is required in determining the level of provision, as the calculation of which depends on the ultimate tax determination. Given the uncertainties of the calculation basis of PRC LAT as interpreted by the local tax bureau, the actual outcomes may be higher or lower than those estimated at the end of the reporting period. Any increase or decrease in the actual outcomes/estimates will impact the income tax provision in the period in which such determination is made.

2 會計判斷及估計(續)

(b) 估計不確定因素的來源(續)

(ii) 中國土地增值稅(「中國土地增值稅」)撥備

誠如附註6(a)所述，本集團已根據相關中國稅務法律法規所載規定，估計、作出及在稅項內計入中國土地增值稅撥備。實際的中國土地增值稅負債須待物業開發項目完工後，由稅務當局釐定，而稅務當局可能不同意本集團計算中國土地增值稅撥備的基準。由於中國土地增值稅撥備視乎最終稅額計算而定，故釐定撥備水平時須作出重大判斷。鑑於當地稅務局所詮釋的中國土地增值稅計算基準並不確定，實際結果可能會高於或低於報告期末所估計者。實際結果／估計的任何增減均會影響作出有關計算期間的所得稅撥備。

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2 ACCOUNTING JUDGEMENT AND ESTIMATES (Cont'd)

(b) Sources of estimation uncertainty (Cont'd)

(iii) Inventories

As explained in note 1(n), the Group's land held for future development, properties under development and completed properties held for sale are stated at the lower of cost and net realisable value. Based on the Group's recent experience and the nature of the subject property, the Group makes estimates of the selling price, the costs of completion in case for properties under development, and the costs to be incurred in selling the properties.

If there is an increase in costs to completion or a decrease in net sales value, provision for completed properties held for sale, properties held for future development and under development for sale may be resulted. Such provision requires the use of judgment and estimates. Where the expectation is different from the original estimate, the carrying value and provision for properties in the periods in which such estimate is changed will be adjusted accordingly.

Given the volatility of the PRC property market and the distinctive nature of individual properties, the actual outcomes in terms of costs and revenue may be higher or lower than estimated at the end of the reporting period. Any increase or decrease in the provision would affect profit or loss in future years.

2 會計判斷及估計(續)

(b) 估計不確定因素的來源(續)

(iii) 存貨

誠如附註1(n)所釋，本集團未來待開發土地、在建物業及待售已完工物業按成本與可變現淨值兩者中的較低數額列賬。根據本集團近期經驗及有關物業的性質，本集團就售價、在建物業的竣工成本及出售該物業的成本作出估計。

倘竣工成本增加或淨銷售額減少，則可能須就待售已完工物業、待售未來待開發物業及待售在建物業作出撥備。該等撥備需要運用判斷及估計。倘預期異於最初估計，則該等物業的賬面值及撥備於有關估計變動期間將相應予以調整。

鑑於中國物業市場波動及個別物業獨特性質使然，成本及收益的實際結果可能會高於或低於報告期末所估計者。撥備的任何增減均會影響未來年度的損益。

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2 ACCOUNTING JUDGEMENT AND ESTIMATES (Cont'd)

(b) Sources of estimation uncertainty (Cont'd)

(iv) *Impairment for trade and other receivables*

The Group estimates impairment losses for trade and other receivables resulting from the inability of the customers to make the required payments. The Group bases the estimates on the aging of the trade and other receivable balance, customer creditworthiness, and historical write-off experience. If the financial condition of the customers were to deteriorate, actual provisions would be higher than estimated.

(v) *Recognition of deferred tax assets*

Deferred tax assets are recognised and measured based on the expected manner of realisation or settlement of the carrying amount of the assets, using tax rates enacted or substantively enacted at the end of the reporting period. In determining the carrying amounts of deferred tax assets, expected taxable profits are estimated which involves a number of assumptions relating to the operating environment of the Group and require a significant level of judgment exercised by the Directors. Any change in such assumptions and judgment would affect the carrying amounts of deferred tax assets to be recognised and hence the net profit in future years.

2 會計判斷及估計(續)

(b) 估計不確定因素的來源(續)

(iv) *貿易及其他應收款項減值*

本集團會對因客戶未能作出所需付款所產生的貿易及其他應收款項的減值虧損作出估計。本集團根據貿易及其他應收款項結餘的賬齡、客戶信譽及過往撇銷經驗作出估計。倘客戶的財務狀況惡化，則實際撇銷金額將高於預期。

(v) *遞延稅項資產確認*

遞延稅項資產按報告期末已頒佈或實質頒佈的稅率，根據預期變現或結算資產賬面值的方式確認及計量。釐定遞延稅項資產賬面值時，預期應課稅利潤的估計涉及多項有關本集團經營環境的假設，需要董事行使重大程度的判斷。該等假設及判斷的任何變動將影響將予確認的遞延稅項資產賬面值，從而影響未來年度淨利。

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2 ACCOUNTING JUDGEMENT AND ESTIMATES (Cont'd)

(b) Sources of estimation uncertainty (Cont'd)

(vi) *Recognition of construction costs on properties under development*

Development costs of properties are recorded as properties under development during construction stage and will be transferred to profit or loss upon the recognition of the sale of the properties. Before the final settlement of the development costs and other costs relating to the sale of the properties, these costs are accrued by the Group based on management's best estimates. Any variations on the development costs upon final settlement will impact cost of sales included in profit or loss in future years.

(vii) *Determining the deferred taxation on investment properties*

The Group has leased out certain of the completed properties to third parties whereby the directors consider that such arrangement is not temporary. In the circumstance, the Group has decided to treat those properties as investment properties (and reclassifying them from completed properties held for sale to investment properties) because it is the Group's intention to hold these properties in long-term for rental income and/or capital appreciation.

2 會計判斷及估計(續)

(b) 估計不確定因素的來源(續)

(vi) *在建物業建設成本的確認*

物業開發成本於工程階段入賬列為在建物業，並將於確認物業銷售後轉撥至損益。於最終結算開發成本及有關物業銷售的其他成本前，該等成本由本集團按管理層的最佳估計累計。於最終結算後開發成本的任何變動將影響計入日後年度損益的銷售成本。

(vii) *釐定投資物業之遞延稅項*

本集團已向第三方租出若干已完工物業，據此董事認為該等安排並非臨時性安排。在此情況下，本集團決定將該等物業視為投資物業（並將其自待售已完工物業重新歸類為投資物業），乃因本集團擬將該等物業用作長期租金收入及／或資本升值。

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(除另有指明外，均以人民幣列示)

2 ACCOUNTING JUDGEMENT AND ESTIMATES (Cont'd)

(b) Sources of estimation uncertainty (Cont'd)

(vii) *Determining the deferred taxation on investment properties (Cont'd)*

Under IAS 12, deferred tax is required to be measured with reference to the tax consequences that would follow the manner in which the entity expects to recover the carrying amount of the assets in question. In this regard, IAS 12 has a rebuttable presumption that the carrying amount of investment property carried at fair value under IAS 40, Investment property, will be recovered through sale. This presumption is rebutted on a property-by-property basis if the investment property in question 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.

In this connection, the Group has reviewed its investment property portfolio on a regular basis and has concluded that as at 31 December 2017, the Group has determined that each of these properties are held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time and consequently the presumption in IAS 12 is rebutted for these properties. As a result, the Group has continued to measure the deferred tax relating to these other properties using the tax rate that would apply as a result of recovering their value through use.

2 會計判斷及估計(續)

(b) 估計不確定因素的來源(續)

(vii) *釐定投資物業之遞延稅項(續)*

根據國際會計準則第12號，遞延稅項須按企業預期收回有關資產賬面值之方式可能產生之稅務後果計量。就此而言，國際會計準則第12號引入一項可予駁回之假設：根據國際會計準則第40號投資物業，以公允值列賬之投資物業之賬面值將通過出售收回。此假設以單獨物業為基礎可被反駁，假如該投資物業是可以折舊及以一種業務模式持有，而該模式的目的為旨在假以時日消耗該投資物業大部分經濟收益，而非經出售。

就此而言，本集團已定期審核投資物業組合並得出結論，於2017年12月31日，本集團已確定持有各項物業所奉行之業務模式均為旨在假以時日消耗投資物業所包含之絕大部分經濟利益，故就該等物業駁回國際會計準則第12號中之假設。因此，本集團繼續採用將在透過使用而收回價值之情況下適用之稅率就該等其他物業計量遞延稅項。

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(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，均以人民幣列示)

3 REVENUE AND SEGMENT REPORTING

The principal activities of the Group are development, sales and operation of commercial trade and logistics centres and residential properties in the PRC.

Revenue represents income from sales of properties, property management services income and rental income net of sales related taxes and is after deduction of any trade discounts.

The amounts of each significant category of revenue recognised in revenue during the year are as follows:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Sales of properties	物業銷售	1,697,273	2,226,617
Rental income	租金收入	23,901	45,130
Property management services	物業管理服務	49,664	42,092
Others	其他	21,583	21,938
		1,792,421	2,335,777

The Group's customer base is diversified and none of the customers of the Group with whom transactions have exceeded 10% of the Group's revenue.

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial data and information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations. No segment information is presented in respect of the Group's operating segment as the Group is principally engaged in one segment in the PRC. The Group does not operate in any other geographical or business segment during the year.

3 收益及分部報告

本集團的主要業務為在中國進行商貿物流中心及住宅物業的開發、銷售及經營。

收益指物業銷售收入、物業管理服務收入及租金收入，其中已扣除銷售相關稅項及任何交易折扣。

年內已於收益中確認的每項重大收益類別的金額如下：

本集團的客戶群呈多元化，概無本集團任何客戶與本集團的交易額佔本集團收益的10%以上。

為分配資源予本集團各項業務及各個地區以及評估各項業務及各個地區的業績，本集團會定期向最高行政管理層提供財務數據及資料，而從該等數據及資料中可識別經營分部及於合併財務報表報告的各分部項目金額。由於本集團於中國主要從事一個分部，故並無呈列本集團的經營分部資料。年內本集團並無於任何其他地區或業務分部經營。

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(除另有指明外，均以人民幣列示)

4 OTHER INCOME

4 其他收入

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Net gain on disposal of subsidiaries (note 24(d))	出售子公司的收益淨額(附註24(d))	198,175	—
Income from return of prepaid investment cost (i)	預付投資成本回報的收入(i)	178,585	—
Net gain on disposal of other non-current financial assets (ii)	出售其他非流動金融資產的收益淨額(ii)	123,436	2,000
Dividend income	股息收入	867	1,308
Government grants (iii)	政府補助(iii)	6,890	5,531
Net gain on disposal of other current assets	出售其他流動資產的收益淨額	4,036	547
Net gain on disposal of property, plant and equipment	出售物業、廠房及設備收益淨額	643	37
Fair value (loss)/gain on derivative financial instrument	衍生金融工具的公允價值(損失)/收益	(22,446)	9,132
Others	其他	1,614	3,433
		491,800	21,988

(i) In prior year, the Group prepaid investment cost of RMB245,700,000 in respect of a property development project. During the year, the investment was terminated and the Group received a total amount of RMB424,285,000 from the counterparty. This resulted a gain of RMB178,585,000 in profit or loss during this year.

(ii) During the year, the Group completed the disposal of its beneficial equity interest in Shenzhen Qian Hai International Energy Financial Center Co.,Ltd. for a total consideration of RMB203,436,000. This resulted in a net gain on disposal of RMB123,436,000.

(iii) During the year, the Group transferred certain completed properties held for sale and properties under development for sale to investment properties (note 11). The related government grants of RMB3,604,000 (2016: RMB2,962,000) previously recorded as deferred income (note 29) were recognised in profit or loss as other income during the year.

(i) 往年，本集團就物業開發項目預付投資成本人民幣245,700,000元。年內，本集團自交易方獲得總額人民幣424,285,000元，故年內損益表內確認收入為人民幣178,585,000元。

(ii) 年內，本集團完成出售其於深圳前海國際能源金融中心有限公司之實益股權。總代價為人民幣203,436,000元，故出售淨收益為人民幣123,436,000元。

(iii) 年內，本集團將若干待售已完工物業及持作出售在建物業轉讓至投資物業(附註11)。先前入賬列為遞延收入(附註29)的相關政府補助人民幣3,604,000元(2016年：人民幣2,962,000元)年內於損益表內確認為其他收入。

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(除另有指明外，均以人民幣列示)

5 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after (crediting)/charging:

(a) Finance income and finance costs

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Finance income	財務收入		
Interest income	利息收入	(5,722)	(8,299)
Finance costs	融資成本		
Interest on bank loans and other borrowings	銀行貸款及其他借貸的利息	147,250	170,136
Interest on corporate bonds	公司債券的利息	15,830	517
Interest on convertible notes	可轉股票據利息	—	64,400
Interest on senior notes	優先票據利息	195,650	127,654
		358,730	362,707
Less: interest expense capitalised into properties under development *	減：資本化撥入在建物業的利息開支 *	(91,125)	(133,876)
		267,605	228,831
Net foreign exchange loss	匯兌虧損淨額	7,416	11,608
		275,021	240,439

* The borrowing costs have been capitalised at rates ranging from 5.15% - 9.03% per annum (2016: 4.75% - 9.00%).

5 除稅前利潤

除稅前利潤經(計入)/扣除下列各項後得出：

(a) 財務收入及融資成本

* 借貸成本已按年利率5.15%至9.03%（2016年：4.75%至9.00%）資本化。

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5 PROFIT BEFORE TAXATION (Cont'd)

(b) Staff costs:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Contributions to defined contribution retirement plans	定額供款退休計劃	10,561	13,070
Salaries, wages and other benefits	薪金、工資及其他福利	242,682	275,996
Equity settled share-based payments (note 31)	以權益結算以股份為基礎的付款 (附註 31)	3	(194)
		253,246	288,872

5 除稅前利潤(續)

(b) 員工成本：

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5 PROFIT BEFORE TAXATION (Cont'd)

(c) Other items:

5 除稅前利潤(續)

(c) 其他項目：

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Depreciation and amortisation	折舊及攤銷	33,738	36,282
Impairment losses	減值虧損		
– trade and other receivables (note 22)	– 貿易及其他應收款項(附註22)	2,639	7,225
– property, plant and equipment (note 10)	– 物業、廠房及設備(附註10)	956	7,340
– intangible assets (note 12)	– 無形資產(附註12)	243	613
– inventory	– 存貨	497	—
Write off of deposits	撇銷定金	—	1,000
Write off of goodwill	撇銷商譽	1,379	—
Accrued estimated compensation in relation to a sub-lease arrangement (note 25(d))	轉租安排應計提的預計賠償(附註25(d))	—	43,050
Reversal of over-accrued estimated compensation in relation to a sub-lease arrangement (note 25(d))	撥回轉租安排多計提的預計賠償(附註25(d))	(35,956)	—
Auditor's remuneration	核數師酬金	3,850	3,750
Operating lease charges	經營租賃支出	15,105	57,220
Rentals receivable from investment properties	投資物業應收租金	11,994	13,592
Cost of properties sold (i)	已售物業成本(i)	1,017,722	976,697

(i) Cost of properties sold is after netting off of utilization of deferred income in respect of government grants of RMB220,649,000 for the year ended 31 December 2017 (2016: RMB468,759,000) (note 29).

(i) 截至2017年12月31日止年度，已售物業成本經扣除使用政府補助的遞延收入人民幣220,649,000元後得出(2016年：人民幣468,759,000元)(附註29)。

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(除另有指明外，均以人民幣列示)

6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(a) Taxation in the consolidated statement of profit or loss represents:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Current tax	即期稅項		
PRC Corporate Income Tax ("PRC CIT") (iii)	中國企業所得稅(「中國企業所得稅」)(iii)	175,192	164,002
PRC LAT (iv)	中國土地增值稅(iv)	198,754	124,270
		373,946	288,272
Deferred tax	遞延稅項		
Origination and reversal of temporary differences (note 17(b))	暫時性差額的產生及撥回(附註17(b))	84,780	69,043
		458,726	357,315

(i) Pursuant to the rules and regulations of the Cayman Islands, the Group is not subject to any income tax in this jurisdiction.

(ii) No provision for Hong Kong Profits Tax was made as the Group did not earn any income subject to Hong Kong Profits Tax for the year (2016: Nil).

6 合併損益表內的所得稅

(a) 合併損益表內的稅項指：

	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Current tax		
PRC Corporate Income Tax ("PRC CIT") (iii)	175,192	164,002
PRC LAT (iv)	198,754	124,270
	373,946	288,272
Deferred tax		
Origination and reversal of temporary differences (note 17(b))	84,780	69,043
	458,726	357,315

(i) 根據開曼群島規則及法規，本集團於該司法權區毋須繳納任何所得稅。

(ii) 由於本集團期內並無賺取任何須繳納香港利得稅的收入，故並無就香港利得稅計提撥備（2016年：零）。

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(除另有指明外，均以人民幣列示)

6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (Cont'd)

(a) Taxation in the consolidated statement of profit or loss represents: (Cont'd)

(iii) PRC CIT

The Group's PRC subsidiaries are subject to statutory tax rate of 25% on their assessable profits.

In July 2013, Ganzhou Hydoo Commercial and Trade Logistics Park Development Co., Ltd. ("Ganzhou Trade Centre") was approved to enjoy a preferential PRC CIT rate of 15% for the years from 2012 to 2020 according to a tax notice issued by the local tax bureau.

In December 2015, Wuzhou Hydoo Commercial and Trade Centre Development Co., Ltd. ("Wuzhou Trade Centre") was also approved to enjoy a preferential PRC CIT rate of 15% for the years from 2015 to 2020 according to a tax notice issued by the local tax bureau.

The preferential tax treatment was based on various tax rules and regulations in relation to PRC government's strategy in encouraging investment and development of wholesale trading markets in certain regions in the PRC.

6 合併損益表內的所得稅(續)

(a) 合併損益表內的稅項指：(續)

(iii) 中國企業所得稅

本集團的中國子公司須就其應課稅利潤按25%的法定稅率繳稅。

2013年7月，贛州毅德商貿物流園開發有限公司（「贛州商貿物流園」）根據地方稅務局頒佈的稅務通知獲批自2012年至2020年享受15%的優惠中國企業所得稅稅率。

2015年12月，梧州毅德商貿物流城開發有限公司（「梧州商貿物流城」）根據地方稅務局頒佈的稅務通知亦獲批自2015年至2020年享受15%的優惠中國企業所得稅稅率。

該稅務優惠是基於與中國政府鼓勵中國若干地區投資及發展商貿物流業的政策有關的多項稅務規則及法規。

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6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (Cont'd)

(a) Taxation in the consolidated statement of profit or loss represents: (Cont'd)

(iv) PRC LAT

PRC LAT which is levied on properties developed for sale by the Group in the PRC, at progressive rates ranging from 30% to 60% on the appreciation 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 qualified property development expenditures. Deferred tax assets arising from PRC LAT accrued are calculated based on the applicable income tax rates when they are expected to be cleared.

In addition, certain subsidiaries of the Group were subject to PRC LAT which were calculated based on 6% to 8% of their revenue in accordance with the authorised tax valuation method approved by respective local tax bureau.

The directors of the Company are of the opinion that the authorised tax valuation method is one of the allowable taxation methods in the PRC and the respective local tax bureaus are the competent tax authorities to approve the authorised tax valuation method in charging PRC LAT to the respective PRC subsidiaries of the Group, and the risk of being challenged by the State Administration of Taxation or any tax bureau of higher authority is remote.

(v) PRC dividend withholding tax

Withholding tax is levied on Hong Kong companies in respect of dividend distributions arising from profit of PRC subsidiaries earned after 1 January 2008 at 5%.

6 合併損益表內的所得稅(續)

(a) 合併損益表內的稅項指：(續)

(iv) 中國土地增值稅

本集團銷售於中國所開發物業須按價值增幅以30%至60%的累進稅率繳納中國土地增值稅，根據適用規例，中國土地增值稅是按銷售物業所得款項減可扣稅開支（包括土地使用權租賃支出、借貸成本及所有合資格物業開發開支）計算。中國土地增值稅產生的遞延稅項資產於他們預期結算時按適用所得稅稅率計算。

此外，本集團的若干子公司根據相關的地方稅務局批准的核定計稅方法，基於收益的6%至8%計算中國土地增值稅。

本公司董事認為，其獲准採用的核定計稅方法是中國認可的計稅方法之一，而本集團中國子公司所在地的各地方稅務局為批准該等公司以核定計稅方法徵收中國土地增值稅的主管稅務機關，故受國家稅務總局或任何上級主管稅務機關質疑的風險不大。

(v) 中國股息預扣稅

香港公司須就因中國子公司於2008年1月1日之後賺取的利潤分派的股息繳納5%的預扣稅。

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6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (Cont'd)

(b) Reconciliation between income tax and accounting profit at applicable tax rates:

6 合併損益表內的所得稅(續)

(b) 所得稅與按適用稅率計算的會計利潤的對賬：

		2017	2016
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Profit before taxation	除稅前利潤	713,981	712,463
Notional tax on profit before taxation, calculated at the rates applicable to profits in the countries concerned	按有關國家適用於利潤的稅率計算的除稅前利潤的名義稅項	286,286	207,299
Tax effect of non-deductible expenses	不可扣稅開支的稅務影響	6,293	4,730
Tax effect of non-taxable income	毋須課稅收入的稅務影響	(217)	(327)
Tax effect of unused tax losses not recognised	未確認未動用稅項虧損的稅務影響	30,126	56,059
Tax effect of temporary differences not recognised	未確認暫時性差異的稅務影響	12,029	—
Utilisation of previously unrecognised tax losses	動用先前未經確認的稅項虧損	(18,800)	(1,287)
PRC LAT (note 6(a)(iv))	中國土地增值稅(附註6(a)(iv))	198,754	124,270
Tax effect on PRC LAT	中國土地增值稅稅務影響	(48,348)	(29,652)
Tax concessions (note 6(a)(iii))	稅務優惠(附註6(a)(iii))	(7,397)	(3,777)
Total income tax	所得稅總額	458,726	357,315

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7 DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

7 董事薪酬

董事薪酬根據香港公司條例第383(1)條及公司(披露董事利益資料)規例第2部披露如下：

		2017			
		Salaries allowances and benefits in kind	Retirement scheme contributions	Equity settled share-based payment 以權益結算以 股份為基礎 的付款	Total
Directors' fee 董事袍金		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
Executive directors:	執行董事：				
Wang Jianli	王健利	100	3,916	—	4,016
Wang Dewen	王德文	100	2,963	88	3,151
Huang Dehong	黃德宏	100	2,052	52	2,204
Non-executive director:	非執行董事：				
Yuan Bing	袁兵	260	—	—	260
Independent non-executive directors:	獨立非執行董事：				
Zhao Lihua	趙立華	100	140	—	240
Wang Lianzhou	王連洲	100	140	13	253
Lam Chi Yuen Nelson	林智遠	260	—	13	273
		1,020	9,211	140	10,397

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7 DIRECTORS' EMOLUMENTS (Cont'd)

7 董事薪酬(續)

		2016				
		Salaries	Retirement	Equity settled		
		allowances and	scheme	share-based		
		benefits in kind	contributions	payment		
		以權益結算以				
Directors' fee	薪金、津貼及	退休計劃供款	股份為基礎	Total		
董事袍金	實物福利	的付款	總計			
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		
Executive directors:		執行董事：				
Wang Jianli	王健利	1,075	2,941	—	—	4,016
Wang Dewen	王德文	182	2,885	79	—	3,146
Huang Dehong	黃德宏	450	1,917	53	—	2,420
Non-executive directors:		非執行董事：				
Yuan Bing	袁兵	240	—	—	—	240
Wang Wei (a)	王威 (a)	—	—	—	—	—
Independent non-executive directors:		獨立非執行董事：				
Zhao Lihua	趙立華	135	105	—	—	240
Wang Lianzhou	王連洲	135	105	—	30	270
Lam Chi Yuen Nelson	林智遠	240	—	—	30	270
		2,457	7,953	132	60	10,602

(a) Resigned on 21 September 2016.

(a) 於2016年9月21日辭任。

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8 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, three (2016: two) are directors. The emoluments of these directors are disclosed in note 7. The aggregate of the emoluments in respect of the other two (2016: three) individuals are as follows:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Retirement scheme contributions	退休計劃供款	70	63
Salaries, allowances and other benefits in kind	薪金、津貼及其他實物福利	6,103	14,681
Equity settled share-based payments (note 31)	以權益結算以股份為基礎的付款 (附註 31)	—	—
		6,173	14,744

The emoluments of the two (2016: three) individuals with the highest emoluments are within the following bands:

		2017 Number of individuals 人數	2016 Number of individuals 人數
HK\$2,500,001 - HK\$3,000,000	2,500,001 港元至 3,000,000 港元	1	—
HK\$3,000,001 - HK\$3,500,000	3,000,001 港元至 3,500,000 港元	—	1
HK\$4,000,001 - HK\$4,500,000	4,000,001 港元至 4,500,000 港元	1	—
HK\$6,500,001 - HK\$7,000,000	6,500,001 港元至 7,000,000 港元	—	1
HK\$7,000,001 - HK\$7,500,000	7,000,001 港元至 7,500,000 港元	—	1

8 最高薪人士

五名最高薪人士中有三名(2016年：兩名)為董事。該等董事的薪酬披露於附註7。其他兩名(2016年：三名)人士的薪酬總計如下：

兩名(2016年：三名)最高薪人士的薪酬介乎以下範圍：

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9 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of RMB245,573,000 (2016: RMB350,280,000) and the weighted average of 4,014,844,000 ordinary shares (2016: 4,014,844,000 ordinary shares).

(b) Diluted earnings per share

For the year ended 31 December 2017 and 2016, the effect of deemed issue of shares under the Company's Pre-IPO Share Option Scheme for nil consideration was anti-dilutive.

9 每股盈利

(a) 每股基本盈利

每股基本盈利按本公司權益股東應佔利潤人民幣245,573,000元(2016年：人民幣350,280,000元)及普通股加權平均數4,014,844,000股(2016年：4,014,844,000股)計算。

(b) 每股攤薄盈利

截至2017年及2016年12月31日止年度，根據本公司首次公開發售前購股權計劃以零對價視作發行股份的影響已被反攤薄。

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(除另有指明外，均以人民幣列示)

10 PROPERTY, PLANT AND EQUIPMENT

10 物業、廠房及設備

		Buildings 樓宇 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Office equipment 辦公設備 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost:	成本：				
At 1 January 2016	於2016年1月1日	42,508	111,733	40,951	195,192
Additions	添置	379,251	19,391	5,282	403,924
Disposals	出售	—	(1,670)	(111)	(1,781)
At 31 December 2016 and 1 January 2017	於2016年12月31日 及2017年1月1日	421,759	129,454	46,122	597,335
Additions	添置	536	14,924	3,909	19,369
Disposals	出售	(24)	(3,323)	(1,081)	(4,428)
Disposal of subsidiaries	出售子公司	—	(3,743)	(1,868)	(5,611)
At 31 December 2017	於2017年12月31日	422,271	137,312	47,082	606,665
Accumulated depreciation:	累計折舊：				
At 1 January 2016	於2016年1月1日	1,419	55,942	25,500	82,861
Charge for the year	年內支出	5,343	18,693	11,728	35,764
Written back on disposals	出售時撤回	—	(1,521)	(67)	(1,588)
At 31 December 2016 and 1 January 2017	於2016年12月31日 及2017年1月1日	6,762	73,114	37,161	117,037
Charge for the year	年內支出	12,126	13,941	6,178	32,245
Written back on disposals	出售時撤回	—	(3,088)	(991)	(4,079)
Disposal of subsidiaries	出售子公司時撤回	—	(3,061)	(1,669)	(4,730)
At 31 December 2017	於2017年12月31日	18,888	80,906	40,679	140,473

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(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，均以人民幣列示)

10 PROPERTY, PLANT AND EQUIPMENT (Cont'd)

10 物業、廠房及設備(續)

		Buildings 樓宇 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Office equipment 辦公設備 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Provision for impairment:	減值撥備：				
At 1 January 2016	於2016年1月1日	—	—	—	—
Charge for the year	年內支出	—	6,391	949	7,340
At 31 December 2016 and 1 January 2017	於2016年12月31日 及2017年1月1日	—	6,391	949	7,340
Charge for the year	年內支出	—	654	302	956
At 31 December 2017	於2017年12月31日	—	7,045	1,251	8,296
Net book value:	賬面淨值：				
At 31 December 2017	於2017年12月31日	403,383	49,361	5,152	457,896
At 31 December 2016	於2016年12月31日	414,997	49,949	8,012	472,958

The buildings are all situated on land in the PRC.

該等樓宇全部位於中國境內。

Certain bank loans granted to the Group were jointly secured by property, plant and equipment with a book value of RMB367,070,000 (31 December 2016: RMB377,111,000) (note 26).

本集團獲授的若干銀行貸款由賬面值人民幣367,070,000元(2016年12月31日：人民幣377,111,000元)的物業、廠房及設備共同作抵押(附註26)。

The analysis of carrying amount of leasehold land of properties is as follows:

包含租賃土地的物業賬面值分析如下：

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
In the PRC	在中國		
— held under long leases (over 50 years)	— 根據長期租約(50年以上)持有	36,313	37,886
— held under medium-term leases (10 - 50 years)	— 根據中期租約(10至50年)持有	367,070	377,111
		403,383	414,997

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(除另有指明外，均以人民幣列示)

II INVESTMENT PROPERTIES

(a) Reconciliation of carrying amount

II 投資物業

(a) 賬面值對賬

		Completed properties 已完工物業 RMB'000 人民幣千元	Properties under development 在建物業 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2016	於2016年1月1日	778,900	—	778,900
Transferred from inventories	轉自存貨	415,449	—	415,449
Fair value adjustments	公允值調整	326,451	—	326,451
At 31 December 2016 and 1 January 2017	於2016年12月31日及 2017年1月1日	1,520,800	—	1,520,800
Transferred from inventories	轉自存貨	158,445	192,785	351,230
Fair value adjustments	公允值調整	152,655	235,215	387,870
At 31 December 2017	於2017年12月31日	1,831,900	428,000	2,259,900
Representing	指			
Valuation - 2017	估值－2017年	1,831,900	428,000	2,259,900
Valuation - 2016	估值－2016年	1,520,800	—	1,520,800
Book value	賬面值			
At 31 December 2017	於2017年12月31日	1,831,900	428,000	2,259,900
At 31 December 2016	於2016年12月31日	1,520,800	—	1,520,800

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(除另有指明外，均以人民幣列示)

II INVESTMENT PROPERTIES (Cont'd)

(a) Reconciliation of carrying amount (Cont'd)

During the year, the Group transferred certain completed properties held for sale and properties under development for sale to investment properties upon there was an actual change in use from sale to earning rental income purpose. A fair value gain of RMB384,391,000 (2016: RMB309,551,000), and corresponding deferred tax of RMB96,187,000 (2016: RMB47,951,000), upon the transfer had been recognised in profit or loss.

During the year, an additional gain in fair value of RMB3,479,000 (2016: RMB16,900,000) and corresponding deferred tax of RMB979,000 (2016: RMB3,675,000), have been recognised in profit or loss in respect of the existing investment properties.

II 投資物業(續)

(a) 賬面值對賬(續)

年內，由於本集團將若干待售完工物業及待售在建物業之實際用途更改為賺取租金收入，故本集團將有關物業轉撥至投資物業。本集團於轉撥後確認公允值收益人民幣384,391,000元(2016年：人民幣309,551,000元)及其遞延稅項人民幣96,187,000元(2016年：人民幣47,951,000元)。

本集團就現有投資物業確認額外公允值收益人民幣3,479,000元(2016年：人民幣16,900,000元)及其遞延稅項人民幣979,000元(2016年：人民幣3,675,000元)。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

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II INVESTMENT PROPERTIES (Cont'd)

(b) Fair value measurement of properties

Fair value hierarchy

The following table presents the fair value of the Group's 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:

Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date

Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available

Level 3 valuations: Fair value measured using significant unobservable inputs

II 投資物業(續)

(b) 物業公允值計量

公允值層級

公允值層級下表呈列於報告期末以經常性原則計量的本集團物業公允值，並按國際財務報告準則第13號公允值計量所界定分類為三個公允值級別。公允值計量參考以下估值方法所使用的輸入數據之可觀察性及重要性而分類及釐定級別：

第一級估值：僅使用第一級數據計量的公允值，即於計量日期在活躍市場對相同資產或負債未經調整的報價

第二級估值：使用第二級數據計量的公允值，即不符合第一級的可觀察數據及未有採用不可觀察的重要數據。不可觀察數據乃指無法取得市場資料的數據

第三級估值：使用不可觀察的重要數據計量的公允值

NOTES TO THE FINANCIAL STATEMENTS

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II INVESTMENT PROPERTIES (Cont'd)

(b) Fair value measurement of properties (Cont'd)

Fair value hierarchy (Cont'd)

		Fair value measurement as at 31 December 2017	
		categorised into	
		Fair value as at 31 December 2017	level 3
		於2017年12月31日的公允值	於2017年12月31日的公允值計量
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Recurring fair value measurement	經常性公允值計量		
– Investment properties	– 投資物業	2,259,900	2,259,900

		Fair value measurement as at 31 December 2016	
		categorised into	
		Fair value as at 31 December 2016	level 3
		於2016年12月31日的公允值	於2016年12月31日的公允值計量
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Recurring fair value measurement	經常性公允值計量		
– Investment properties	– 投資物業	1,520,800	1,520,800

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(除另有指明外，均以人民幣列示)

II INVESTMENT PROPERTIES (Cont'd)

(b) Fair value measurement of properties (Cont'd)

Fair value hierarchy (Cont'd)

The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

All of the Group's investment properties carried at fair value were revalued as at 31 December 2017. The valuations were carried out by an independent firm of surveyors, Savills, who have among their staff Fellows of the Hong Kong Institute of Surveyors with recent experience in the location and category of property being valued. The Group's property manager and the senior management have discussion with the surveyors on the valuation assumptions and valuation results when the valuation is performed at each interim and annual reporting date.

Information about Level 3 fair value measurements

	Valuation techniques 估值方法	Unobservable input 不可觀察的輸入數據	Range 範圍
Investment properties 投資物業	Income capitalisation method 收益資本法	Yield 收益	5.0% to 5.5% (2016: 5.0% to 5.5%)
		Market monthly rental rate (RMB/sq.m.) 市場每月租值 (人民幣元/平方米)	20.0 – 106.0 (2016: 19.4 - 104.0)

II 投資物業(續)

(b) 物業公允值計量(續)

公允值層級(續)

本集團的政策是於轉移發生的報告期末確認公允值各層級之間的轉移。

於2017年12月31日，本集團所有以公允值列賬之投資物業由獨立測量師行第一太平戴維斯(其員工具備香港測量師學會資深會員之資格，且對所估值物業所在位置及所屬類別有近期相關之經驗)進行重估。本集團物業經理及高級管理層已於各中期及年度報告日期進行估值時與測量師討論有關估值假設及估值結果。

有關第三級公允值計量之資料

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

(Expressed in Renminbi unless otherwise indicated)

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II INVESTMENT PROPERTIES (Cont'd)

(b) Fair value measurement of properties (Cont'd)

Fair value hierarchy (Cont'd)

The fair value of completed investment properties is generally derived using the income capitalisation method. This valuation method is based on the capitalisation of the income and reversionary potential income by adopting appropriate capitalisation rates, which are derived from analysis of sale transactions and valuers' interpretation of prevailing investor requirements or expectations. The prevailing market rents adopted in the valuation have reference to recent lettings within the subject properties and the estimated rental incremental observed in other comparable properties.

Certain bank loans granted to the Group were jointly secured by investment properties with a book value of RMB720,200,000 (31 December 2016: RMB41,900,000) (note 26).

The Group's investment properties are held on leases of between 3 to 15 years in the PRC. Total future minimum lease payments under non-cancellable operating leases are receivable combined with others which are stated in note 34(c).

II 投資物業(續)

(b) 物業公允值計量(續)

公允值層級(續)

竣工投資物業的公允值一般採用收益資本法釐定。此估值方法乃基於通過採用適當之資本化比率，將收入及潛在復歸收入撥充資本，而資本化比率乃通過對銷售交易及估值師分析當時投資者之要求或期望而得出。估值時所採用的市值租金乃根據該物業的近期租務情況及其他可資比較物業已觀察的估計租金增加而釐定。

本集團獲授的若干銀行貸款以賬面值人民幣720,200,000元(2016年12月31日：人民幣41,900,000元)的投資物業作抵押(附註26)。

本集團於中國的投資物業按介乎3至15年的租期持有。不可撤銷經營租賃的日後最低租金總額與其他款項一併於附註34(c)列為應收款項。

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12 INTANGIBLE ASSETS

12 無形資產

		Software and franchises granted 軟件及授予特許 經營權 RMB'000 人民幣千元
Cost:	成本：	
At 1 January 2016	於2016年1月1日	4,985
Additions	添置	104
At 31 December 2016 and 1 January 2017	於2016年12月31日及2017年1月1日	5,089
Additions	添置	18,340
Disposals	出售	(625)
Disposal of subsidiaries	出售子公司	(14)
At 31 December 2017	於2017年12月31日	22,790
Accumulated amortisation:	累計攤銷：	
At 1 January 2016	於2016年1月1日	1,002
Charge for the year	年內支出	518
At 31 December 2016 and 1 January 2017	於2016年12月31日及2017年1月1日	1,520
Charge for the year	年內支出	1,493
Disposals	出售	(12)
Disposal of subsidiaries	出售子公司	(9)
At 31 December 2017	於2017年12月31日	2,992
Provision for impairment:	減值撥備：	
At 1 January 2016	於2016年1月1日	—
Charge for the year	年內支出	613
At 31 December 2016 and 1 January 2017	於2016年12月31日及2017年1月1日	613
Charge for the year	年內支出	243
Disposals	出售	(613)
At 31 December 2017	於2017年12月31日	243
Net book value:	賬面淨值：	
At 31 December 2017	於2017年12月31日	19,555
At 31 December 2016	於2016年12月31日	2,956

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13 GOODWILL

13 商譽

		RMB'000 人民幣千元
Cost:	成本：	
At 31 December 2016 and 1 January 2017	於2016年12月31日及2017年1月1日	3,631
Write off on liquidation of a subsidiary	子公司清盤撤銷	(1,379)
At 31 December 2017	於2017年12月31日	2,252
Carrying amount:	賬面值：	
At 31 December 2017	於2017年12月31日	2,252
At 31 December 2016	於2016年12月31日	3,631

The Group carried out impairment testing of the goodwill at the end of each reporting period. In assessing the impairment of goodwill, the recoverable amount of the cash generating units ("CGU") is determined. The CGU related to the goodwill comprises the Company's knowledge and expertise of the management and existing customers. The directors determined that no significant provision for impairment of goodwill is necessary as at 31 December 2017 and 2016.

本集團於各報告期末對商譽進行減值測試。在評估商譽減值時，會確定現金產生單位（「現金產生單位」）的可收回金額。與商譽有關的現金產生單位包括本公司有關管理及現有客戶的知識及專長。董事認為，於2017年及2016年12月31日毋須對商譽減值作出重大撥備。

14 INTEREST IN AN ASSOCIATE

14 於聯營企業的權益

	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
分佔資產金額	3,700	—

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14 INTEREST IN AN ASSOCIATE (Cont'd)

The following list contains only the particulars of an associate, which is unlisted corporate entity whose quoted market price is not available:

Name 名稱	Place of incorporation and business 註冊戶本 及營業地點	Particulars of issued and paid up capital 已發行及 繳足股本詳情	Proportion of ownership interest 所有權益比例				Principal activities 主要業務
			Group's effective interest 本集團 實際權益	Held by the Company 本公司所持	Held by a subsidiary 子公司所持		
Wuzhou Junyi Creation and Culture Company Limited	China	RMB10,000,000/ RMB10,000,000	40%	—	40%		Property management
梧州市均毅創意文化有限公司	中國	人民幣10,000,000元/ 人民幣10,000,000元	40%	—	40%		物業管理

Wuzhou Junyi Creation and Culture Co.,Ltd. ("Junyi") is mainly engaged in the property management. The Group does not control Junyi, but has a significant influence over it.

梧州市均毅創意文化有限公司(「均毅」)主要從事物業管理。本集團並非均毅控股，但對其有顯著影響。

Information of an associate that is not individually material:

個別非主要聯營公司的總體資料：

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Carrying amount of an individually immaterial associate in the consolidated financial statements	個別非主要聯營公司於合併財務報表的賬面總值	3,700	—
Aggregate amounts of the Group's share of an associate's	本集團應佔該聯營公司總額		
Loss for the year	年度虧損	(300)	—
Total comprehensive income	全面收益總額	(300)	—

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15 INTEREST IN JOINT VENTURES

15 於合營企業的權益

		2017	2016
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Share of net assets	分佔資產淨值	146,451	149,394

Details of the Group's interest in the joint ventures, which is accounted for using the equity method in the consolidated financial statements, are as follows:

本集團於合營企業的權益(按權益法於合併財務報表列賬)詳情如下：

Name 名稱	Place of incorporation and business 註冊成立及 營業地點	Particulars of issued and paid up capital 已發行及已 繳足股本詳情	Group's effective interest 本集團 實際權益	Proportion of ownership interest 所有權比例			Principal activities 主要業務
				Held by the Company 本公司所持	Held by a subsidiary 子公司所持		
Hydoo Best Group Co., Ltd.	Thailand	Baht 2,196,003,600/ Baht 2,196,003,600	36.43%	—	36.43%		Property development
Hydoo Best Group Co., Ltd.	泰國	2,196,003,600 銖/ 2,196,003,600 銖	36.43%	—	36.43%		房地產開發
Shenzhen Tiandihui Hydoo Road Port Management Limited	China	RMB5,000,000/ RMB2,000,000	25.00%	—	25.00%		Logistics service
深圳天地匯毅德公路港管理 有限公司	中國	人民幣 5,000,000 元/ 人民幣 2,000,000 元	25.00%	—	25.00%		物流服務

The Group and the other shareholders of the above joint ventures agree to share control of the arrangement, and have rights to the net assets of the arrangement based on the composition of governing bodies.

本集團及以上合營企業的其他股東在合約上協定分享此項安排的控制權，並有權基於主管部門的組成擁有上述安排的淨資產。

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15 INTEREST IN JOINT VENTURES (Cont'd)

Aggregate information of joint ventures that are not individually material:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Aggregate carrying amount of individually immaterial joint ventures in the consolidated financial statements	個別非主要合營企業於合併財務報表的賬面總值	146,451	149,394
Aggregate amounts of the Group's share of those joint ventures'	本集團應佔該等合營企業總額		
Loss for the year	年度虧損	(2,943)	(1,492)
Total comprehensive income	全面收益總額	(2,943)	(1,492)

15 於合營企業的權益(續)

個別非主要合營企業的總體資料：

16 OTHER FINANCIAL ASSETS

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Non-current	非流動		
Available-for-sale unlisted equity securities	可供出售非上市股本證券	84,731	152,364
Derivative financial instrument	衍生金融工具	—	27,767
		84,731	180,131
Current	流動		
Derivative financial instrument	衍生金融工具	13,548	—

16 其他金融資產

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，均以人民幣列示)

17 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(a) Current taxation in the consolidated statement of financial position represents:

17 合併財務狀況表內的所得稅

(a) 合併財務狀況表內的即期稅項指：

		2017	2016
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Prepaid tax:	預付稅項：		
PRC CIT	中國企業所得稅	1,190	32
PRC LAT	中國土地增值稅	94,247	105,289
		95,437	105,321
Current tax liabilities:	即期稅項負債：		
PRC CIT	中國企業所得稅	392,883	567,839
PRC dividend withholding tax	中國股息預扣稅	33,038	33,038
PRC LAT	中國土地增值稅	443,785	465,758
		869,706	1,066,635

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，均以人民幣列示)

17 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Cont'd)

(b) Deferred tax assets and liabilities recognised:

The components of deferred tax (liabilities)/assets recognised in the consolidated statement of financial position and the movements during the year are as follows:

Deferred tax arising from:

		Fair value adjustment for investment properties 投資物業的 公允價值調整	Tax losses 稅項虧損	Advertising expenses 廣告費	Deferred income 遞延收入	Provision for PRC LAT 中國土地 增值稅撥備	Provision for construction cost 建設成本 撥備	Total 總計
		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
At 1 January 2016	於2016年1月1日	(63,088)	21,589	4,212	244,180	94,385	—	301,278
(Charged)/credited to the consolidated statement of profit or loss (note 6(a))	於合併損益表(扣除)/計入(附註6(a))	(51,626)	43,568	(1,370)	(30,952)	(28,663)	—	(69,043)
At 31 December 2016	於2016年12月31日	(114,714)	65,157	2,842	213,228	65,722	—	232,235
At 1 January 2017	於2017年1月1日	(114,714)	65,157	2,842	213,228	65,722	—	232,235
(Charged)/credited to the consolidated statement of profit or loss (note 6(a))	於合併損益表(扣除)/計入(附註6(a))	(97,077)	(5,918)	(1,685)	(9,619)	20,447	9,072	(84,780)
Disposal of subsidiaries	出售子公司	—	(6,393)	—	(33,464)	(29,763)	(6,855)	(76,475)
At 31 December 2017	於2017年12月31日	(211,791)	52,846	1,157	170,145	56,406	2,217	70,980

17 合併財務狀況表內的所得稅(續)

(b) 已確認遞延稅項資產及負債：

於合併財務狀況表確認的遞延稅項(負債)/資產的組成部分及年內的變動如下：

遞延稅項由以下各項產生：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，均以人民幣列示)

17 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Cont'd)

(b) Deferred tax assets and liabilities recognised: (Cont'd)

Representing:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Deferred tax assets	遞延稅項資產	148,399	247,050
Deferred tax liabilities	遞延稅項負債	(77,419)	(14,815)
		70,980	232,235

(c) Deferred tax assets not recognised

In accordance with the accounting policy set out in note 1(u), the Group has not recognised deferred tax assets in respect of cumulative tax losses of certain subsidiaries of RMB596,916,000 as at 31 December 2017 (2016: RMB550,390,000). The directors consider it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entities.

The unrecognised tax losses will expire by the end of the following years, if unused:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
2017	2017年	—	80
2018	2018年	33,520	35,342
2019	2019年	81,809	91,240
2020	2020年	135,507	199,493
2021	2021年	220,280	224,235
2022	2022年	125,800	—
Total	總計	596,916	550,390

17 合併財務狀況表內的所得稅(續)

(b) 已確認遞延稅項資產及負債： (續)

指：

(c) 未確認遞延稅項資產

根據附註1(u)所載的會計政策，於2017年12月31日，本集團並未就若干子公司的累計稅項虧損人民幣596,916,000元(2016年：人民幣550,390,000元)確認遞延稅項資產。董事認為不大可能在有關稅務司法權區及實體獲得可用於抵銷虧損的未來應課稅利潤。

倘未經使用，未確認的稅項虧損將於以下年份結束時屆滿：

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(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，均以人民幣列示)

17 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Cont'd)

(d) Deferred tax liabilities not recognised

As set out in note 6(a)(v), withholding tax is levied on Hong Kong companies in respect of dividend distributions arising from profit of PRC subsidiaries. Since the Group could control the quantum and timing of distribution of profits of the Group's subsidiaries in the PRC, deferred tax liabilities are only provided to the extent that such profits are expected to be distributed in the foreseeable future.

At 31 December 2017, temporary differences relating to the undistributed profits of subsidiaries amounted to RMB2,417,178,000 (2016: RMB2,350,544,000). Deferred tax liabilities of RMB120,859,000 (2016: RMB117,527,000) have not been recognised in respect of the tax that would be payable on the distribution of these retained profits as the Group controls the dividend policy of these subsidiaries and it has been determined that it is probable that these profits will not be distributed in the foreseeable future.

17 合併財務狀況表內的所得稅(續)

(d) 未確認遞延稅項負債

誠如附註6(a)(v)所載，向香港公司派付中國子公司溢利產生的股息會收預扣稅。由於本集團能控制本集團中國子公司派發利潤的數額及時間，故本集團僅在該等利潤預期將於可預見未來派發的情況下計提遞延稅項負債。

於2017年12月31日，子公司未分派利潤的暫時差額為人民幣2,417,178,000元(2016年：人民幣2,350,544,000元)。本集團未就於分派該等保留利潤應付的稅項確認遞延稅項負債人民幣120,859,000元(2016年：人民幣117,527,000元)，因為本集團控制該等子公司的股息政策且已釐定可能不會於可預見未來分派利潤。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，均以人民幣列示)

18 INTEREST IN SUBSIDIARIES

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

18 於子公司的權益

下表僅載列對本集團業績、資產或負債有重大影響的主要子公司的詳情。除非另有說明，否則所持有股份的類別為普通股。

Name of company 公司名稱	Place of incorporation and business 註冊成立 及營業地點	Particulars of issued capital 已發行股本詳情	Proportion of ownership interest 所有權比例			Principal activities 主要業務
			Group's effective interest 本集團 實際權益	Held by the Company 本公司所持	Held by a subsidiary 子公司所持	
Hongkong Hydoo Holding Limited 香港毅德控股有限公司	Hong Kong 香港	HK\$100,000 100,000 港元	100%	100%	—	Investment management 投資管理
Hydoo Estate (Ganzhou) Company Limited ("Hydoo Estate (Ganzhou)") 毅德置業(贛州)有限公司* (「毅德置業(贛州)」)	The PRC 中國	US\$32,050,000 32,050,000 美元	100%	—	100%	Property development and investment holding 房地產開發及投資控股
Ningxiang Hydoo Guangcai Trade Centre Development Company Limited 寧鄉毅德光彩貿易廣場開發有限公司*	The PRC 中國	RMB60,000,000 人民幣60,000,000元	100%	—	100%	Property development 房地產開發
Jining Hydoo Logistics Centre Development Company Limited ("Jining Logistics Centre") 濟寧毅德物流城開發有限公司* (「濟寧物流城」)	The PRC 中國	RMB200,000,000 人民幣200,000,000元	100%	—	100%	Property development 房地產開發
Mianyang West Modern Trade Centre Development Company Limited ("Mianyang Trade Centre") 綿陽西部現代物流城開發有限公司* (「綿陽物流城」)	The PRC 中國	RMB200,000,000 人民幣200,000,000元	100%	—	100%	Property development 房地產開發
Guangxi Yulin Modern Trade Centre Development Company Limited ("Yulin Trade Centre") 廣西玉林現代物流城開發有限公司* (「玉林物流城」)	The PRC 中國	RMB220,000,000 人民幣220,000,000元	100%	—	100%	Property development 房地產開發

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，均以人民幣列示)

18 INTEREST IN SUBSIDIARIES (Cont'd)

18 於子公司的權益(續)

Name of company 公司名稱	Place of incorporation and business 註冊成立 及營業地點	Particulars of issued capital 已發行股本詳情	Proportion of ownership interest 所有權比例			Principal activities 主要業務
			Group's effective interest 本集團 實際權益	Held by the Company 本公司所持	Held by a subsidiary 子公司所持	
Shenzhen Hydoo Investment Management Company Limited ("Shenzhen Hydoo") 深圳市毅德投資管理有限公司*	The PRC 中國	RMB30,000,000 人民幣30,000,000元	100%	—	100%	Investment management 投資管理
Ganzhou Hydoo Commercial and Trade Logistics Park Development Co., Ltd. ("Ganzhou Trade Centre") 贛州毅德商貿物流園開發有限公司* (「贛州商貿物流園」)	The PRC 中國	RMB800,000,000 人民幣800,000,000元	100%	—	100%	Property development 房地產開發
Wuzhou Hydoo Commercial and Trade Centre Development Co Ltd. ("Wuzhou Trade Centre") 梧州毅德商貿物流城開發有限公司* (「梧州商貿物流城」)	The PRC 中國	RMB300,000,000 人民幣300,000,000元	100%	—	100%	Property development 房地產開發
Heze Hydoo Commercial and Trade Centre Company Limited ("Heze Trade Centre") 荷澤毅德商貿物流城有限公司* (「荷澤商貿物流城」)	The PRC 中國	RMB300,000,000 人民幣300,000,000元	100%	—	100%	Property development 房地產開發
Yantai Hydoo International Commercial and Trade Centre Company Limited ("Yantai Trade Center") 煙台毅德國際商貿城有限公司* (「煙台商貿物流城」)	The PRC 中國	RMB300,000,000 人民幣300,000,000元	100%	—	100%	Property development 房地產開發
Lanzhou Hydoo Commercial and Trade Centre Company Limited ("Lanzhou Trade Centre") 蘭州毅德商貿城有限公司* (「蘭州商貿城」)	The PRC 中國	RMB300,000,000 人民幣300,000,000元	100%	—	100%	Property development 房地產開發

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財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，均以人民幣列示)

18 INTEREST IN SUBSIDIARIES (Cont'd)

18 於子公司的權益(續)

Name of company 公司名稱	Place of incorporation and business 註冊成立 及營業地點	Particulars of issued capital 已發行股本詳情	Proportion of ownership interest 所有權比例				Principal activities 主要業務
			Group's effective interest 本集團 實際權益	Held by the Company 本公司所持	Held by a subsidiary 子公司所持		
Ganzhou Jiuzhi Property Management Services Company Limited ("Ganzhou Jiuzhi") 贛州市久治物業管理有限公司* (「贛州久治」)	The PRC 中國	RMB5,200,000 人民幣5,200,000元	70%	—	70%		Property management services 物業管理服務
Jiamusi Hydoo Commercial and Trade Centre Company Limited 佳木斯毅德商貿物流城有限公司*	The PRC 中國	RMB300,000,000 人民幣300,000,000元	100%	—	100%		Property development 房地產開發
Heze Hydoo Industrial Company Limited 荷澤毅德城實業有限公司*	The PRC 中國	US\$35,000,000 35,000,000美元	100%	—	100%		Property development 房地產開發
Shenzhen Qianhai Hydoo Financial Leasing Company Limited 深圳前海毅德融資租賃有限公司*	The PRC 中國	RMB320,000,000 人民幣320,000,000元	100%	—	100%		Finance lease 融資租賃
Liuzhou Hydoo Commercial and Trade Center Company Limited 柳州毅德商貿物流城有限公司*	The PRC 中國	RMB300,000,000 人民幣300,000,000元	100%	—	100%		Property development 房地產開發
Yulin Jingde Real Estate Company Limited 玉林景德房地產開發有限公司*	The PRC 中國	RMB40,071,114 人民幣40,071,114元	51%	—	51%		Property development 房地產開發
Shenzhen Hydoo Microfinance Company Limited 深圳市毅德小額貸款有限公司*	The PRC 中國	RMB300,000,000 人民幣300,000,000元	100%	—	100%		Finance 融資

* These entities are all PRC limited liability companies. The English translation of the company names is for reference only. The official names of these companies are in Chinese.

The directors consider that no individual non-controlling interest is considered material to the Group as at 31 December 2017 and 2016.

* 該等實體均為中國有限公司。該等公司的英文翻譯名僅供參考。該等公司的中文名稱為官方名稱。

於2017年及2016年12月31日，董事認為，概無個別對本集團屬重大的非控股權益。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，均以人民幣列示)

19 FINANCE LEASE RECEIVABLES

19 融資租賃應收款項

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Finance lease receivables	融資租賃應收款項	41,814	67,629
Less: due within one year (note 22)	減：1年內到期(附註22)	(22,659)	(40,957)
		19,155	26,672

As at 31 December 2017, the total future minimum lease payments receivable under finance leases were as follows:

於2017年12月31日，根據融資租賃應收未來最低租金總額如下：

		2017 Unearned Lease payments receivable 應收租金 RMB'000 人民幣千元			2016 Unearned Lease payments receivable 應收租金 RMB'000 人民幣千元		
		income 未賺取 融資收入 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元		income 未賺取 融資收入 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元	
Within 1 year (inclusive)	1年內(包括該年)	25,463	(2,804)	22,659	48,181	(7,224)	40,957
After 1 year but within 5 years (inclusive)	1至5年(包括首尾兩年)	22,024	(2,869)	19,155	29,048	(2,376)	26,672
		47,487	(5,673)	41,814	77,229	(9,600)	67,629

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，均以人民幣列示)

20 INVENTORIES

(a) Inventories in the consolidated statement of financial position comprise:

	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Properties held for future development for sale 待售未來待開發物業	1,141,148	1,348,045
Properties under development for sale 待售在建物業	3,271,758	3,680,880
Completed properties held for sale 待售已完工物業	3,820,422	4,150,840
Others 其他	931	1,195
	8,234,259	9,180,960

As at 31 December 2017, certain properties under development for sale, completed properties held for sale and properties held for future development for sale were pledged for certain bank loans granted to the Group (note 26).

(b) The analysis of carrying amount of leasehold land included in properties development for sale is as follows:

	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Held under 根據以下各項持有		
– long leases (over 50 years) in the PRC 一於中國的長期租約(50年以上)	217,980	446,417
– medium-term leases (10 - 50 years) in the PRC 一於中國的中期租約(10至50年)	2,688,687	2,990,977

20 存貨

(a) 合併財務狀況表內的存貨包括：

	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Properties held for future development for sale 待售未來待開發物業	1,141,148	1,348,045
Properties under development for sale 待售在建物業	3,271,758	3,680,880
Completed properties held for sale 待售已完工物業	3,820,422	4,150,840
Others 其他	931	1,195
	8,234,259	9,180,960

於2017年12月31日，若干待售在建物業、待售已完工物業及待售未來待開發物業用作本集團獲授若干銀行貸款的抵押(附註26)。

(b) 計入物業開發的租賃土地的賬面值分析如下：

	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Held under 根據以下各項持有		
– long leases (over 50 years) in the PRC 一於中國的長期租約(50年以上)	217,980	446,417
– medium-term leases (10 - 50 years) in the PRC 一於中國的中期租約(10至50年)	2,688,687	2,990,977

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，均以人民幣列示)

20 INVENTORIES (Cont'd)

- (c) Properties held for future development for sale in the consolidated statement of financial position comprise:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Expected to be recovered after more than one year	預期於一年以後收回	851,413	1,348,045

- (d) Properties under development for sale in the consolidated statement of financial position comprise:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Expected to be recovered within one year	預期於一年內收回	571,966	931,465
Expected to be recovered after more than one year	預期於一年以後收回	2,699,792	2,749,415
		3,271,758	3,680,880

20 存貨(續)

- (c) 合併財務狀況表內的待售未來待開發物業包括：

	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Expected to be recovered after more than one year	851,413	1,348,045

- (d) 合併財務狀況表內的待售在建物業包括：

	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Expected to be recovered within one year	571,966	931,465
Expected to be recovered after more than one year	2,699,792	2,749,415
	3,271,758	3,680,880

NOTES TO THE FINANCIAL STATEMENTS

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(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，均以人民幣列示)

20 INVENTORIES (Cont'd)

- (e) Completed properties held for sale in the consolidated statement of financial position comprise:

		2017	2016
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Expected to be recovered within one year	預期於一年內收回	3,335,552	3,976,205
Expected to be recovered after more than one year	預期於一年以後收回	484,870	174,635
		3,820,422	4,150,840

21 OTHER CURRENT ASSETS

At 31 December 2017, other current assets mainly represented investments in wealth management products which are redeemable on demand (2016: Nil).

21 其他流動資產

於2017年12月31日，其他流動資產主要指可按需求贖回的理財產品投資(2016年：零)。

22 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

22 貿易及其他應收款項、預付款項及定金

		2017	2016
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade and bill receivables (a)	貿易應收款項及應收票據(a)	45,252	48,431
Less: allowance for doubtful debts (b)	減：呆賬撥備(b)	(9,864)	(7,225)
		35,388	41,206
Prepaid sales related tax and other taxes	預付營業稅及其他稅項	125,527	99,530
Deposits, prepayments and other receivables (c)	定金、預付款項及其他應收款項(c)	883,151	1,350,171
Amount due from a joint venture (d)	應收合營企業款項(d)	17,778	18,874
Amount due from an associate (d)	應收聯營企業款項(d)	4,000	—
Finance lease receivables (note 19)	融資租賃應收款項(附註19)	22,659	40,957
		1,088,503	1,550,738

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22 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

(Cont'd)

(a) Ageing analysis

As at the end of the reporting period, the ageing analysis of trade and bill receivables (net of allowance for doubtful debts) based on the date the relevant trade and bill receivables recognised, is as follows:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Within 1 month	1 個月以內	10,990	32,943
1 to 3 months	1 至 3 個月	5,167	2,378
3 to 6 months	3 至 6 個月	7,064	2,125
Over 6 months	6 個月以上	12,167	3,760
		35,388	41,206

The details on the Group's credit policy are set out in note 33(a).

Trade and bill receivables are primarily related to proceeds from the sale of properties. Proceeds from the sale of properties are made in lump-sum payments or paid by instalments in accordance with the terms of the corresponding contracts.

22 貿易及其他應收款項、預付款項及定金(續)

(a) 賬齡分析

於報告期末，按相關貿易應收款項及應收票據確認日期劃分的貿易應收款項及應收票據(扣除呆賬撥備)的賬齡分析如下：

本集團信貸政策的詳情載於附註33(a)。

貿易應收款項及應收票據主要與物業銷售所得款項有關。物業銷售所得款項根據相應合約條款一次性支付或分期支付。

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22 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

(Cont'd)

(b) Impairment of trade and other receivables

Impairment losses in respect of trade and other receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade and other receivables directly (note 1(m)(i)).

The movement in the allowance for doubtful debts during the year, including both specific and collective loss components, is as follows:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
At 1 January	於1月1日	7,225	—
Impairment loss recognised	已確認的減值虧損	2,639	7,225
At 31 December	於12月31日	9,864	7,225

During 2017, trade and other receivables of RMB2,639,000 (2016: RMB7,225,000) were individually determined to be impaired. The individually impaired receivables were related to customers that were in financial difficulties and management assessed that only a portion of the receivables is expected to be recovered. Consequently, specific allowances for doubtful debts of RMB2,639,000 (2016: RMB7,225,000) were recognised.

22 貿易及其他應收款項、預付款項及定

金(續)

(b) 貿易及其他應收款項減值

貿易及其他應收款的減值虧損採用撥備賬記錄，除非本集團信納收回有關金額的可能性微乎其微，在此情況下，減值虧損直接與貿易及其他應收款撇銷(附註1(m)(i))。

年內包括特定及整體虧損組成部分的呆賬的減值準備變動如下：

於2017年，貿易及其他應收款項人民幣2,639,000元(2016年：人民幣7,225,000元)被個別釐定為出現減值。個別出現減值的應收款項乃有關出現財政困難的客戶，且據管理層評估預料僅可收回部份應收賬款。因此，已就此確認特定呆賬撥備為人民幣2,639,000元(2016年：人民幣7,225,000元)。

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22 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

(Cont'd)

(c) The balance included prepayments for leasehold land of RMB41,510,700 (2016: RMB486,773,000) and consideration to be received from disposal of subsidiaries of RMB284,765,000 (2016: Nil) (note 24(d)), which is fully and unconditionally guaranteed by an independent third party and a guarantee company. Apart from the amount due from the third parties of RMB19,227,000 (2016: Nil), which is interest-bearing from 10% to 15% per annum, all of the balances are unsecured and interest-free.

(d) The balances of amount due from a joint venture and an associate are unsecured, interest-free and have no fixed repayment terms.

23 PLEDGED AND RESTRICTED CASH

22 貿易及其他應收款項、預付款項及定金(續)

(c) 該結餘包括由預付土地款項人民幣41,510,700元(2016年：人民幣486,773,000元)及獨立第三方及擔保公司全額並無條件擔保的應收出售子公司的代價人民幣284,765,000元(2016年：零)(附註24(d))。除第三方應付款項人民幣19,227,000元(2016年：零)外，計息年利率為10%至15%，所有結餘均為無抵押及免息。

(d) 應收合營企業及聯營企業款項的結餘為無抵押、免息及無固定還款期。

23 已抵押及受限制現金

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Pledged to banks for certain mortgage facilities	就若干按揭融資而抵押予銀行	179,145	199,324
Pledged for bank loans	就銀行貸款抵押	325,421	574,680
Pledged for bills payables	就應付票據抵押	353,100	271,844
		857,666	1,045,848

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24 CASH AND CASH EQUIVALENTS

(a) Cash and cash equivalents comprise:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Cash at bank and on hand	銀行存款及現金	1,000,443	965,685

(b) Reconciliation of profit before taxation to cash generated from/(used in) operations:

24 現金及現金等值物

(a) 現金及現金等值物包括：

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Cash at bank and on hand	銀行存款及現金	1,000,443	965,685

(b) 除稅前利潤與經營業務所得／(所用)的現金的對賬：

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Profit before taxation	除稅前利潤	713,981	712,463
Adjustments for:	就下列項目調整：		
Net gain on disposal of subsidiaries	出售子公司之收益淨額	(198,175)	—
Income from return of prepaid investment cost	預付投資成本回報的收入	(178,585)	—
Net gain on disposal of other non-current financial assets	出售其他非流動金融資產收益淨額	(123,436)	(2,000)
Dividend income	股息收入	(867)	(1,308)
Net gain on disposal of other current assets	出售其他流動資產收益淨額	(4,036)	(547)
Net gain on disposal of property, plant and equipment	出售物業、廠房及設備收益淨額	(643)	(37)
Fair value loss/(gain) on derivative financial instrument	衍生金融工具之公允價值虧損／(收益)	22,446	(9,132)
Finance income	財務收入	(5,722)	(8,299)
Finance costs	融資成本	275,021	240,439
Depreciation and amortisation	折舊及攤銷	33,738	36,282
Impairment loss on trade and other receivables	貿易及其他應收款項減值虧損	2,639	7,225
Impairment loss on property, plant and equipment	物業、廠房及設備減值虧損	956	7,340
Impairment loss on intangible assets	無形資產減值虧損	243	613
Write off of deposits	撇銷定金	—	1,000

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24 CASH AND CASH EQUIVALENTS (Cont'd)

(b) Reconciliation of profit before taxation to cash generated from/(used in) operations: (Cont'd)

24 現金及現金等值物 (續)

(b) 除稅前利潤與經營業務所得/(所用)的現金的對賬：(續)

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Write off of goodwill	撇銷商譽	1,379	—
Fair value gain on investment properties	投資物業公允值收益	(387,870)	(326,451)
Government grants related to investment properties recognised in other income	於其他收入確認投資物業相關的政府補助	(3,604)	(2,962)
Share of loss of joint ventures	分佔合營企業虧損	2,943	1,492
Share of loss of an associate	分佔聯營企業虧損	300	—
Equity settled share-based payments	以權益結算以股份為基礎的付款	3	(194)
Gain arising from redemption of convertible notes	贖回可轉股票據產生之收益	—	(14,391)
Change in fair value of embedded derivative component of the convertible notes	可轉股票據嵌入式衍生部份公允值變動	—	668
Changes in working capital:	營運資金變動：		
(Increase)/decrease in inventories	存貨(增加)/減少	(539,355)	166,089
Increase in trade and other receivables, prepayments and deposits	貿易及其他應收款項、預付款項及定金增加	(126,408)	(186,133)
Increase in pledged and restricted cash	已抵押及受限制現金增加	(133,712)	(246,720)
Increase/(decrease) in trade and other payables	貿易及其他應付款項增加/(減少)	1,262,740	(211,889)
Decrease in deferred income	遞延收入減少	(7,534)	(124,328)
Cash generated from operations	經營業務所得現金	606,442	39,220

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24 CASH AND CASH EQUIVALENTS (Cont'd)

(c) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

		Bank loans and other borrowings 銀行貸款 及其他借貸 (note 26) (附註 26) RMB'000 人民幣千元	Senior notes 優先票據 (note 27) (附註 27) RMB'000 人民幣千元	Corporate bonds 公司債券 (note 28) (附註 28) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2017	於 2017 年 1 月 1 日	2,785,563	1,519,351	9,674	4,314,588
Changes from financing cash flows:	融資現金流量變動：				
Proceeds from new bank loans and other borrowings	新增銀行貸款及其他借貸 所得款項	832,344	—	—	832,344
Net proceeds from the issues of corporate bonds	發行公司債券所得款項淨額	—	—	256,360	256,360
Repayment of bank loans and other borrowings	償還銀行貸款及其他借貸	(1,554,278)	—	—	(1,554,278)
Interest and other borrowing costs paid during the year	年內已付利息及借貸成本	(147,250)	(192,829)	(705)	(340,784)
Total changes from financing cash flows	融資現金流量變動總額	(869,184)	(192,829)	255,655	(806,358)

24 現金及現金等值物 (續)

(c) 融資活動產生的負債的對賬

下表詳述本集團來自融資活動的負債變動，包括現金及非現金變動。融資活動產生的負債為現金流量或未來現金流量所確定的負債，在本集團合併現金流量表中歸類為融資活動產生的現金流量。

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24 CASH AND CASH EQUIVALENTS (Cont'd)

(c) Reconciliation of liabilities arising from financing activities (Cont'd)

24 現金及現金等值物(續)

(c) 融資活動產生的負債的對賬(續)

		Bank loans and other borrowings 銀行貸款 及其他借貸 (note 26) (附註 26) RMB'000 人民幣千元	Senior notes 優先票據 (note 27) (附註 27) RMB'000 人民幣千元	Corporate bonds 公司債券 (note 28) (附註 28) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Exchange adjustments	匯率調整	—	(89,565)	(650)	(90,215)
Other changes:	其他變動				
Interest expense (note 5(a))	利息開支(附註 5(a))	147,250	195,650	15,830	358,730
Interest payable	應付利息	—	1,256	(14,074)	(12,818)
Total other changes	其他變動總額	147,250	107,341	1,106	255,697
At 31 December 2017	於 2017 年 12 月 31 日	2,063,629	1,433,863	266,435	3,763,927

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24 CASH AND CASH EQUIVALENTS (Cont'd)

(d) Disposal of subsidiaries

- (i) On 20 August 2017, the Group entered into a share transfer agreement with an independent third party to dispose its entire 60% equity interest in Huaiyuan Hydoo City Development Limited ("Huaiyuan Trade Centre") at a consideration of RMB200,000,000.

Subsequent to the disposal, Huaiyuan Trade Centre was no longer the subsidiary of the Group and a gain of RMB37,475,000 was resulted from such disposal.

- (ii) On 20 September 2017, the Group entered into another share transfer agreement with an independent third party to dispose its entire 84% equity interest in Xingning Hydoo Trade Logistics Centre Limited ("Xingning Trade Centre") at a consideration of RMB488,800,000. Upon the transferred date, the Group owned RMB239,270,000 to Xingning Trade Center and the amount would be settled by offsetting the consideration of the transaction.

Subsequent to the disposal, Xingning Trade Centre was no longer the subsidiary of the Group and a gain of RMB160,700,000 was resulted from the disposal.

24 現金及現金等值物(續)

(d) 出售子公司

- (i) 於2017年8月20日，本集團與獨立第三方訂立股份轉讓協議，以作價人民幣200,000,000元出售其於懷遠毅德城發展有限公司(「懷遠毅德城」)的全部60%股權。

進行出售事項後，懷遠毅德城不再為本集團的附屬公司，而有關出售引致人民幣37,475,000元的收益。

- (ii) 於2017年9月20日，本集團與獨立第三方訂立另一份股權轉讓協議，以作價人民幣488,800,000元出售其於興寧商貿物流城有限公司(「興寧商貿物流城」)的全部84%股權。於轉讓日期，本集團尚欠興寧商貿物流城人民幣239,270,000元，該金額將以交易作價的結算抵銷。

進行出售事項後，興寧商貿物流城不再為本集團的附屬公司，而有關出售引致人民幣160,700,000元的收益。

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24 CASH AND CASH EQUIVALENTS (Cont'd)

(d) Disposal of subsidiaries (Cont'd)

The Group's assets and liabilities disposed of and net cash inflow from these disposals are analysed below:

24 現金及現金等值物(續)

(d) 出售子公司(續)

本集團出售資產及負債及自出售所得的淨現金流入分析如下：

		RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	881
Intangible assets	無形資產	5
Deferred tax asset	遞延稅項資產	76,475
Inventories	存貨	1,225,951
Trade and other receivables, prepayments and deposits	貿易及其他應收款項、預付款項及定金	306,629
Loans owed from the Group	集團欠下貸款	239,270
Pledged and restricted cash	已抵押及受限制現金	72,635
Cash and cash equivalents	現金及現金等值物	80,924
Prepaid tax	預付稅項	10,422
Trade and other payables	貿易及其他應付款項	(999,396)
Current tax liabilities	即期稅項負債	(217,869)
Deferred income	遞延收入	(133,856)
Non-controlling interests	非控股權益	(171,446)
Net assets of disposed subsidiaries	出售子公司的淨資產	490,625
Gain on disposal of subsidiaries (note 4)	出售子公司收益(附註4)	198,175
Considerations	對價	688,800
Loans owed to the disposed subsidiaries	欠出售子公司貸款	(239,270)
Consideration to be paid subsequent to current year (note 22(c))	對價在本年度之後收回 (附註22(c))	(284,765)
Cash and cash equivalents	現金及現金等值物	(80,924)
Net cash inflow	淨現金流入	83,841

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25 TRADE AND OTHER PAYABLES

25 貿易及其他應付款項

		2017	2016
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade and bills payables (a)	貿易應付款項及應付票據 (a)	2,131,258	2,343,810
Receipts in advance (b)	預收款項 (b)	1,539,042	1,188,327
Other payables and accruals (c),(d)	其他應付款項及應計費用 (c),(d)	482,478	551,887
Total	總計	4,152,778	4,084,024

(a) Included in trade and other payables are trade creditors with the following ageing analysis as at the end of the reporting period:

(a) 於報告期末，貿易及其他應付款項包括應付賬款，其賬齡分析如下：

		2017	2016
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Due within 1 month or on demand	於1個月內到期或按要求償還	438,023	446,703
Due after 1 month but within 3 months	於1個月後但於3個月內到期	221,791	101,996
Due after 3 months but within 6 months	於3個月後但於6個月內到期	383,038	420,912
Due after 6 months	於6個月後到期	1,088,406	1,374,199
		2,131,258	2,343,810

Trade payables mainly represent amounts due to contractors. Payment to contractors is in installments according to progress and agreed milestones. The Group normally retains 2% to 10% as retention money.

貿易應付款項主要指應付承建商款項。本集團根據進度及工程重要節點向承建商分期付款。本集團一般保留2%至10%相關款項作為保證金。

At 31 December 2017, included in trade payables are retention payables of RMB28,168,000 (2016: RMB31,525,000), which are expected to be settled after more than one year.

於2017年12月31日，計入應付貿易款項的金額人民幣28,168,000元（2016年：人民幣31,525,000元）預期於一年後結算。

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25 TRADE AND OTHER PAYABLES (Cont'd)

- (b) Receipts in advance primarily consisted of advance payments from customers for purchases of the Group's properties.
- (c) At 31 December 2017, included in other payables and accruals are deposits of RMB24,112,000 (2016: RMB56,531,000), which are expected to be settled after more than one year. All of the other payables and accrued expenses are expected to be settled within one year.
- (d) In 2016, the Group accrued an estimated compensation in relation to a sub-lease arrangement of RMB43,050,000, which included the estimated compensation to the lessor and the lessees of the Group amounted to RMB40,000,000 and RMB3,050,000 respectively. In addition, an unpaid rental of RMB24,258,000 was accrued as at 31 December 2016. In 2017, the Group agreed with the lessor that the Group needs to pay a total amount of RMB30,000,000, including the above mentioned rental payable, to finalise the case. Accordingly, a reversal of estimated compensation to the lessor of RMB35,956,000 was recorded in profit or loss during the year.

25 貿易及其他應付款項(續)

- (b) 預收款項主要包括來自購買本集團物業的客戶的預收房款。
- (c) 於2017年12月31日，其他應付款項及應計費用包括定金人民幣24,112,000元(2016年：人民幣56,531,000元)，預期將於一年後結算。所有其他應付款項及應計開支預期將於一年內結算。
- (d) 於2016年，本集團就轉租安排中應計預計賠償金人民幣43,050,000元，其中包括本集團對出租人及承租人的預計賠償金分別為人民幣40,000,000元及人民幣3,050,000元。此外，於2016年12月31日，未付租金為人民幣24,258,000元。於2017年，本集團同意本集團需向出租人支付總額人民幣30,000,000元(包括上述應付租金)以完成案件。因此，本年對出租人撥回的預計賠償金人民幣35,956,000元已計入損益。

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26 BANK LOANS AND OTHER BORROWINGS

At 31 December 2017, the Group's bank loans and other borrowings were repayable as follows:

26 銀行貸款及其他借貸

於2017年12月31日，本集團的銀行貸款及其他借貸的償還情況如下：

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Current	流動		
Secured	有抵押		
– short-term bank loans and other borrowings	– 短期銀行貸款及其他借貸	14,843	303,773
– current portion of non-current bank loans and other borrowings	– 非流動銀行貸款及其他借貸的流動部分	1,158,216	1,004,280
Unsecured	無抵押		
– short-term bank loans and other borrowings	– 短期銀行貸款及其他借貸	28,800	—
		1,201,859	1,308,053
Non-current	非流動		
Secured	有抵押		
– repayable after 1 year but within 2 years	– 一年後但兩年內還款	364,770	1,196,660
– repayable after 2 years but within 5 years	– 兩年後但五年內還款	421,000	280,850
– repayable after 5 years	– 五年後還款	75,000	—
Unsecured	無抵押		
– repayable after 2 years but within 5 years	– 兩年後但五年內還款	1,000	—
		861,770	1,477,510
		2,063,629	2,785,563

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26 BANK LOANS AND OTHER BORROWINGS (Cont'd)

- (a) Certain banking facilities and borrowings of the Group are subject to the fulfilment of covenants relating to: (1) certain of the Group's operating subsidiaries' statement of financial position ratios; (2) restriction of profit distribution by certain of its operating subsidiaries; or (3) early repayment of principal to be triggered when 60% of the gross sellable area for the underlying property project are sold. These requirements are commonly found in lending arrangements with financial institutions. If the Group was to breach such covenants, the drawn down facilities would become repayable on demand. The Group regularly monitors its compliance with these covenants and communicates with its lenders as and when the directors foresee any non-compliance due to business needs.

At 31 December 2017, none of bank loans of the Group (2016: Nil) were not in compliance with the imposed covenants.

- (b) Bank loans and other borrowings bear interest ranging from 2.12% to 9.03% per annum for the year ended 31 December 2017 (2016: 2.12% to 9.00% per annum), and are secured by the following assets:

26 銀行貸款及其他借貸(續)

- (a) 本集團的若干銀行融資及借貸須待有關下列各項的契諾達成後，方會作實：(1)本集團若干營運附屬公司的財務狀況比率指標；(2)按其若干營運附屬公司分配股利限制；或(3)當相關物業項目的可售總面積的60%被出售時須優先償還貸款行貸款。該等規定常見於與金融機構訂立的貸款安排。倘本集團違反有關限制，則已提取的融資將需於要求時償還。本集團定期監控其遵守該等限制的情況；且當董事預期由於業務需求導致無法遵守時，本集團會與貸款人溝通。

於2017年12月31日，概無本集團的銀行貸款(2016年：零)未遵守所施加的限制。

- (b) 於截至2017年12月31日止年度，銀行貸款及其他借貸分別按介乎2.12%至9.03%的年利率(2016年：2.12%至9.00%)計息，並以下列資產作抵押：

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Completed properties held for sale	待售已完工物業	1,476,581	1,035,441
Properties under development for sale	待售在建物業	1,119,998	1,370,392
Investment properties (note 11(b))	投資物業(附註11(b))	720,200	41,900
Properties held for future development for sale	待售未來待開發物業	619,821	651,499
Property, plant and equipment (note 10)	物業、廠房及設備(附註10)	367,070	377,111
Pledged cash (note 23)	已抵押現金(附註23)	325,421	574,680
		4,629,091	4,051,023

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26 BANK LOANS AND OTHER BORROWINGS (Cont'd)

- (c) Bank loans of RMB12,000,000 is guaranteed by Mr. Wong Sheung Tak, a controlling shareholder of the Company and therefore, a connected person of the Company.

26 銀行貸款及其他借貸(續)

- (c) 本公司控股股東王雙德先生為銀行貸款人民幣12,000,000元提供擔保，因此為本公司關連人士。

27 SENIOR NOTES

27 優先票據

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Current	流動		
US\$160 million senior notes due in 2018	於2018年到期之1.6億美元優先票據		
– Tranche 1 (i)	– 第一批 (i)	645,006	—
– Tranche 2 (ii)	– 第二批 (ii)	397,893	—
		1,042,899	—
Non-current	非流動		
US\$160 million senior notes due in 2018	於2018年到期之1.6億美元優先票據		
– Tranche 1 (i)	– 第一批 (i)	—	676,680
– Tranche 2 (ii)	– 第二批 (ii)	—	428,205
US\$60 million senior notes due in 2019 (iii)	於2019年到期之0.6億美元優先票據 (iii)	390,964	414,466
		390,964	1,519,351
		1,433,863	1,519,351

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27 SENIOR NOTES (Cont'd)

- (i) On 15 December 2015, the Company issued senior notes of US\$100 million (equivalent to RMB646,261,000) at 99.404% with a coupon annual rate of 13.75%. The senior notes will be due in 2018. The net proceeds from the senior notes, after deducting the transaction costs, of US\$96,500,000 (equivalent to RMB623,642,000) was received by the Company on 16 December 2015. Interest expense on the senior notes is calculated using the effective interest rate of 15.25% per annum.
- (ii) On 14 September 2016, the Company issued senior notes of US\$60 million (equivalent to RMB400,716,000) at 104.81% of the principal amount plus accrued interest with a coupon rate of 13.75% per annum. The senior notes will be due in 2018. The net proceeds from the senior notes, after including interest in arrear and deducting the transaction costs, of US\$63,992,000 (equivalent to RMB427,377,000) was received by the Company on 15 September 2016. Interest expense on the senior notes is calculated using the effective interest rate of 12.42% per annum.
- (iii) On 30 August 2016, the Company issued senior notes of US\$60 million (equivalent to RMB400,872,000) at par with a coupon rate of 11% per annum. The senior notes will be due in 2019. The net proceeds from the senior notes, after deducting the transaction costs, of US\$59,720,000 (equivalent to RMB399,002,000) was received by the Company on 30 August 2016. Interest expense on the senior notes is calculated using the effective interest rate of 11.19% per annum. Mr. Wong Choi Hing, a controlling shareholder of the Company and therefore, a connected person of the Company, provides a personal guarantee in favour the performance of the obligations by the Company.

27 優先票據(續)

- (i) 於2015年12月15日，本公司發行100百萬美元(相當於人民幣646,261,000元)的99.404%優先票據。該等優先票據的票面年息率為13.75%，將於2018年到期。經扣除交易成本後，本公司於2015年12月16日取得優先票據所得款項淨額96,500,000美元(相當於人民幣623,642,000元)。優先票據的利息開支按實際年利率15.25%計算。
- (ii) 於2016年9月14日，本公司按本金的104.81%加應計利息發行60百萬美元(相當於人民幣400,716,000元)的優先票據。該等優先票據的票面年息率為13.75%，將於2018年到期。經加上應計利率並扣除交易成本後，本公司於2016年9月15日取得優先票據所得款項淨額63,992,000美元(相當於人民幣427,377,000元)。優先票據的利息開支按實際年利率12.42%計算。
- (iii) 於2016年8月30日，本公司發行60百萬美元(相當於人民幣400,872,000元)按面值的優先票據。該等優先票據的票面年息率為11%，將於2019年到期。經扣除交易成本後，本公司於2016年8月30日取得優先票據所得款項淨額59,720,000美元(相當於人民幣399,002,000元)。優先票據的利息開支按實際年利率11.19%計算。王再興先生，為本公司控股股東，因此亦為本公司關連人士，為本公司履行責任提供擔保。

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28 CORPORATE BONDS

28 公司債券

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Current	流動		
HK\$11.5 million corporate bonds (i)	11.5 百萬港元公司債券 (i)	6,665	—
Non-current	非流動		
HK\$11.5 million corporate bonds (i)	11.5 百萬港元公司債券 (i)	2,590	9,674
RMB260 million corporate bonds (ii)	人民幣 2.6 億元公司債券 (ii)	257,180	—
		259,770	9,674
		266,435	9,674

- (i) In 2016, the Company issued certain unlisted bonds totalling HK\$11.5 million (equivalent to RMB10,287,000) with a coupon rate of 5.00% to 8.00% per annum. The net proceeds from bonds issued, after deducting the transaction costs, of HK\$10,693,000 (equivalent to RMB9,565,000) was received by the Company. Interest expenses on these unlisted bonds are calculated with the effective interest rate of 8.41% to 13.78% per annum respectively.

- (ii) During the year, the Group issued certain non-public offering of corporate bonds totalling RMB260 million with a coupon rate of 7.50% per annum. The net proceeds from bonds issued, after deducting the transaction costs, of RMB256,360,000 was received by the Group. Interest expenses on these non-public offering corporate bonds are calculated with the effective interest rate of 8.04% per annum.

- (i) 於2016年，本公司發行總額為11,500,000港元(相當於人民幣10,287,000元)的若干非上市債券，票面利率為5.00%至8.00%。本公司已取得扣除交易成本後發行的債券所得款項淨額10,693,000港元(相當於人民幣9,565,000元)。該等上市債券的利息開支分別按實際年利率8.41%至13.78%計算。

- (ii) 年內，本集團發行若干票面年利率為7.50%的非公開發行公司債券合共人民幣2.6億元。本集團已收取發行債券所得款項淨額(經扣除交易成本)人民幣256,360,000元。非公開發行公司債券的利息開支按8.04%的實際年利率計算。

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29 DEFERRED INCOME

29 遞延收入

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Government grants	政府補助		
At 1 January	於1月1日	860,338	988,128
Movement during the year	年內變動		
– Government grants received (i)	– 已收政府補助 (i)	213,771	343,931
– Utilization	– 已使用	(220,649)	(468,759)
– Recognised in other income related to investment properties (note 4(iii))	– 與投資物業相關部分確認至其他收入(附註4(iii))	(3,604)	(2,962)
– Disposal of subsidiaries	– 出售子公司	(133,856)	—
		716,000	860,338
Sales and operating leaseback arrangement	銷售及經營售後租回		
At 1 January	於1月1日	4,460	3,960
Movement during the year	年內變動		
– Deferred income recognised (ii)	– 已確認遞延收入 (ii)	—	1,142
– Amortisation	– 攤銷	(656)	(642)
		3,804	4,460
		719,804	864,798
Included under:	列入：		
Current liabilities	流動負債	716,672	860,994
Non-current liabilities	非流動負債	3,132	3,804
		719,804	864,798

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29 DEFERRED INCOME (Cont'd)

- (i) Pursuant to the respective agreements between the Group and local governments, such grants are for subsidising the infrastructure construction of certain projects undertaken by certain subsidiaries of the Group, including Ningxiang Trade Centre, Yulin Trade Center, Jining Logistics Center, Mianyang Trade Center, Ganzhou Trade Center, Wuzhou Trade Center, Yantai Trade Center, Heze Trade Center and Lanzhou Trade Center.
- (ii) In connection with certain sales contracts entered into by Jining Hydoo Logistics Center Development Company Limited and Wuzhou Hydoo Commercial and Trade Centre Development Company Limited for sales of properties, the Group subsequently leased back certain sold properties from the respective buyers under operating leases for terms of 10 years at agreed rental rates. Upon recognition of the sales of such properties, a portion of the sales proceeds, which represents the excess of sales price over fair value of such properties, is deferred and amortised over the respective terms. During the year, no deferred revenue was arised from such sales and leaseback arrangements (2016: RMB500,000). No such properties were sold during the year (2016: Nil).

29 遞延收入(續)

- (i) 根據本集團與地方政府訂立的各項協議，有關補助須用於資助本集團若干附屬公司所承辦若干項目的基礎建設，該等項目包括寧鄉物流城、玉林物流城、濟寧物流城、綿陽物流城、贛州商貿物流園、梧州商貿物流城、煙台商貿物流城、菏澤商貿物流城及蘭州商貿城。
- (ii) 基於濟寧毅德物流城開發有限公司及梧州毅德商貿物流城開發有限公司簽訂的若干物業銷售合約，本集團隨後按照協定的租金以經營租賃方式自有關買方租回若干已售出物業，租期為10年。該等物業確認出售後，其售價超出公允值部分的款項已遞延並於相關租期攤銷。年內，並無自該出售及售後租回安排產生的遞延收入(2016年：人民幣500,000元)。年內並無出售該等物業(2016年：零)。

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30 EMPLOYEE RETIREMENT BENEFITS

Defined contribution retirement plans

The Group operates a Mandatory Provident Fund Scheme (“the MPF scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees’ relevant income, subject to a cap of monthly relevant income of HK\$30,000. Contributions to the plan vest immediately.

As stipulated by the regulations of the PRC, the Group participates in various defined contribution retirement plans organised by municipal and provincial governments for its employees. The Group is required to make contributions to the retirement plans ranging from 10% to 20% of the salaries, bonuses and certain allowances of the employees. A member of the plan is entitled to a pension equal to a fixed proportion of the salary prevailing at the member’s retirement date. The Group has no other material obligation for the payment of pension benefits associated with these plans beyond the annual contributions described above.

31 EQUITY SETTLED SHARE-BASED PAYMENTS

The Company has a share option scheme (the “Pre-IPO Share Option Scheme”), which was first adopted on 30 November 2011, whereby the directors of the Company were authorised, at their discretion, to invite employees of the Group, including directors of any entity comprising the Group, to take up options to subscribe for shares of the Company. Additional options were granted to certain employees of the Group on 16 October 2012 and 20 March 2013 respectively. After such grants, a total number of 1,715 share options were granted to employees. Each option gives the holder the right to subscribe for 1 ordinary share in the Company and is settled gross in shares.

30 僱員退休福利

定額供款退休計劃

本集團按照香港強制性公積金計劃條例的規定為根據香港僱傭條例管轄範圍受僱的僱員設立一項強制性公積金計劃（「強積金計劃」）。強積金計劃是由獨立信託人管理的定額供款退休計劃。根據強積金計劃，僱主及僱員均須按照僱員相關收入的5%向計劃供款，惟每月相關收入上限為30,000港元。此計劃的供款即時歸屬。

中國法規規定，本集團須為其僱員參與省市級政府所組織的各種定額供款退休計劃。本集團須按僱員工資、花紅及若干津貼的10%至20%向退休計劃供款。參加計劃的員工有權獲得相當於按其退休時工資的固定比率計算的退休金。除上述年度供款外，本集團毋須就與此等計劃相關的退休金福利承擔其他重大付款責任。

31 以權益結算以股份為基礎的付款

本公司於2011年11月30日首次採納購股權計劃（「首次公開售股前購股權計劃」），據此，本公司董事獲授權由彼等酌情決定，邀請本集團僱員（包括本集團旗下任何實體的董事）接納購股權以認購本公司股份。額外的購股權分別於2012年10月16日及2013年3月20日授予本集團若干僱員。在授出該等購股權後，總數為1,715份購股權已授予僱員。每份購股權賦予持有人權利認購本公司1股普通股，並以股份全數結算。

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31 EQUITY SETTLED SHARE-BASED PAYMENTS (Cont'd)

(a) The terms and conditions of the options granted are as follows:

		Number of instruments 工具數目	Contractual life of options 購股權合約期
(i)	Options granted on 30 November 2011 (i)		
	– directors	325	85 months 85個月
	– employees	1,180	85 months 85個月
		Percentage of vested shares 已歸屬 股份的百分比	
Vesting date 歸屬日期			
31 December 2012	2012年12月31日	25%	
31 December 2013	2013年12月31日	50%	
31 December 2014	2014年12月31日	75%	
31 December 2015	2015年12月31日	100%	
		Number of instruments 工具數目	Contractual life of options 購股權合約期
(ii)	Options granted on 16 October 2012 (ii)		
	– employees	191	74 months 74個月
		Percentage of vested shares 已歸屬 股份的百分比	
Vesting date 歸屬日期			
31 December 2013	2013年12月31日	25%	
31 December 2014	2014年12月31日	50%	
31 December 2015	2015年12月31日	75%	
31 December 2016	2016年12月31日	100%	

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(a) The terms and conditions of the options granted are as follows: (Cont'd)

(a) 授出的購股權條款及條件如下：

(續)

根據首次公開發售前購股權計劃的相關條款，於2013年10月31日（即本公司股份於香港聯合交易所有限公司上市日期），已授出各份購股權下每股面值為1.00美元的股份已自動調整為48,000份購股權，且每份購股權的行使價已相應由48,654港元調整為1.014港元。

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31 EQUITY SETTLED SHARE-BASED PAYMENTS (Cont'd)

- (b) The number and the weighted average exercise price of share option are as follows:

31 以權益結算以股份為基礎的付款(續)

- (b) 購股權的數目及加權平均行使價如下：

		2017		2016	
		Weighted average exercise price 加權 平均行使價	Number of share options 購股權數目	Weighted average exercise price 加權 平均行使價	Number of share options 購股權數目
Outstanding at the 1 January	於1月1日未行使	HK\$1.014	65,095,000	HK\$1.014	65,755,000
Forfeited during the year	年內失效	HK\$1.014	(9,040,000)	HK\$1.014	(660,000)
Outstanding at 31 December	於12月31日未行使	HK\$1.014	56,055,000	HK\$1.014	65,095,000
Exercisable at 31 December	於12月31日可行使	HK\$1.014	56,055,000	HK\$1.014	64,945,000

The options outstanding at 31 December 2017 had a remaining weighted average contractual life of 1 year (2016: 2 years).

於2017年12月31日未行使購股權擁有1年的餘下加權平均合約期(2016年：2年)。

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(除另有指明外，均以人民幣列示)

32 CAPITAL, RESERVES AND DIVIDENDS

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

The Company	本公司	Note 附註	Share capital 股本	Share premium 股本溢價	Capital redemption reserve 資本 贖回儲備	Capital reserve 資本儲備	Equity settled share-based payment reserve 以權益 支付為 基礎儲備	Exchange reserve 匯兌儲備	Accumulated losses 累計虧損	Total equity 權益總額
			RMB'000 32(c) 人民幣千元	RMB'000 32(d)(i) 人民幣千元	RMB'000 32(c) 人民幣千元	RMB'000 32(d)(v) 人民幣千元	RMB'000 32(d)(iv) 人民幣千元	RMB'000 32(d)(iii) 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2016	於2016年1月1日		31,825	1,029,736	120	1,386,109	12,794	84,272	(90,531)	2,454,325
Changes in equity for 2016:	2016年權益變動：									
Loss and total comprehensive income for the year	年內虧損及全面收入總額		—	—	—	—	—	74,647	(181,595)	(106,948)
Dividends approved in respect of the previous year	過往年度所批准的股息	32(b)(ii)	—	(51,470)	—	—	—	—	—	(51,470)
Equity settled share-based transactions	以權益結算以股份為基礎的交易		—	—	—	—	(194)	—	—	(194)
At 31 December 2016 and 1 January 2017	於2016年12月31日及2017年1月1日		31,825	978,266	120	1,386,109	12,600	158,919	(272,126)	2,295,713
Changes in equity for 2017:	2017年權益變動：									
Loss and total comprehensive income for the year	年內虧損及全面收入總額		—	—	—	—	—	(55,364)	(243,915)	(299,279)
Equity settled share-based transactions	以權益結算以股份為基礎的交易		—	—	—	—	3	—	—	3
Share options forfeited	沒收購股權		—	—	—	—	(2,176)	—	2,176	—
At 31 December 2017	於2017年12月31日		31,825	978,266	120	1,386,109	10,427	103,555	(513,865)	1,996,437

32 股本、儲備及股息

(a) 權益組成部分的變動

本集團合併權益各組成部分的年初與年終結餘的對賬載於合併權益變動表。本公司權益個別組成部分於年初至年末的變動詳情載列如下：

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(除另有指明外，均以人民幣列示)

32 CAPITAL, RESERVES AND DIVIDENDS (Cont'd)

(b) Dividends

- (i) Dividends payable to equity shareholders of the Company attributable to the year

	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
No final dividend proposed after the end of the reporting period (2016: Nil) per ordinary share	—	—

- (ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Final dividend in respect of the previous financial year, approved and paid during the following year, of HK Nil cents (2016: HK1.5 cents) per ordinary share	—	51,470

32 股本、儲備及股息(續)

(b) 股息

- (i) 歸屬於本年度應付本公司權益股東股息

	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
No final dividend proposed after the end of the reporting period (2016: Nil) per ordinary share	—	—

- (ii) 本年度批准及派付的歸屬於上個財政年度的應付本公司權益股東股息

	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Final dividend in respect of the previous financial year, approved and paid during the following year, of HK Nil cents (2016: HK1.5 cents) per ordinary share	—	51,470

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(除另有指明外，均以人民幣列示)

32 CAPITAL, RESERVES AND DIVIDENDS (Cont'd)

(c) Share capital

Authorised and issued share capital

		2017		2016	
		No. of shares	Amount	No. of shares	Amount
		股份數目	金額	股份數目	金額
		'000	HK\$'000	'000	HK\$'000
		千股	千港元	千股	千港元
Authorised:	法定：				
Ordinary shares of	每股面值 0.01 港元的普通股				
HK\$0.01 each		8,000,000	80,000	8,000,000	80,000

Ordinary shares, issued and fully paid:

已發行及繳足普通股：

		Nominal value of ordinary shares 普通股面值			
		Par value	No. of shares	Par value	No. of shares
		面值	股份數目	面值	股份數目
		HK\$	'000	HK\$'000	RMB'000
		港元	千股	千港元	人民幣千元
At 1 January 2016,	於 2016 年 1 月 1 日、				
31 December 2016 and	2016 年 12 月 31 日及				
31 December 2017	2017 年 12 月 31 日	0.01	4,014,844	40,148	31,825

Note: There is no change in ordinary shares during 2017 and 2016.

附註：2017 年至 2016 年普通股並無變動。

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財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，均以人民幣列示)

32 CAPITAL, RESERVES AND DIVIDENDS (Cont'd)

(d) Reserves

(i) Share premium

Under the Companies Law of the Cayman Islands, the share premium account of the Company may be applied for payment of distributions or dividends to shareholders provided that immediately following the date on which the distribution or dividend is proposed to be paid, the Company is able to pay its debts as they fall due in the ordinary course of business.

(ii) PRC statutory reserve

Pursuant to the Articles of Association of the Group's PRC subsidiaries and relevant statutory regulations, appropriations to the statutory reserve fund were made at 10% of profit after tax determined in accordance with accounting rules and regulations of the PRC until the reserve balance reaches 50% of the registered capital. This reserve fund can be utilised in setting off accumulated losses or increasing capital of the PRC subsidiaries provided that the balance after such conversion is not less than 25% of their registered capital, and is non-distributable other than in liquidation.

(iii) Exchange reserve

The exchange reserve comprises all relevant exchange differences arising from the translation of the financial statements of operations with functional currency other than Renminbi. The reserve is dealt with in accordance with the accounting policy set out in note 1(x).

32 股本、儲備及股息(續)

(d) 儲備

(i) 股份溢價

根據開曼群島公司法，本公司股份溢價賬可用於向股東支付分派或股息，惟須確保緊隨建議支付分派或股息日期後，本公司有能力支付日常業務過程中的到期債務。

(ii) 中國法定儲備

根據本集團中國子公司的組織章程細則及有關法定法規，須以按中國會計規則及法規釐定的除稅後利潤的10%向法定儲備金撥款，直至儲備結餘達到註冊資本的50%。該儲備金可用於抵銷中國子公司的累計虧損或增資，惟轉換後儲備金結餘不少於註冊資本的25%，且除於清盤時，不可用於分派。

(iii) 匯兌儲備

匯兌儲備包括因換算非人民幣的功能貨幣經營財務報表而產生的所有相關匯兌差額。該儲備按附註1(x)所載的會計政策處理。

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(除另有指明外，均以人民幣列示)

32 CAPITAL, RESERVES AND DIVIDENDS (Cont'd)

(d) Reserves (Cont'd)

(iv) Equity settled share-based payment reserve

Equity settled share-based payment reserve represents the fair value of the actual or estimated number of unexercised share options granted to employees of the Group in accordance with the accounting policy adopted for share-based payments in note 1(t)(ii).

(v) Capital reserve

Capital reserve is resulted from transactions with owners in their capacity as the equity owners. The balance comprises capital reserve surplus/deficit arising from the difference between the disposal/acquisition consideration and its net assets value at the respective date of disposal/acquisition, and the capital reserve transferring from the equity settled share-based payment reserve.

(vi) Reserve-transaction with non-controlling interests

The balance represents difference between the net identifiable assets and the consideration paid for acquisition of non-controlling interests.

(e) Distributability of reserves

As at 31 December 2017, the Company's reserves available for distribution, calculated in accordance with the Companies Law of the Cayman Islands, amounted to approximately RMB1,964,612,000 (2016: RMB2,263,888,000), which may be distributed 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 and when they fall due in the ordinary course of business.

32 股本、儲備及股息(續)

(d) 儲備(續)

(iv) 以權益結算以股份支付為基礎儲備

以權益結算以股份支付為基礎儲備指按附註1(t)(ii)所述根據就以股份付款採納的會計政策計算授予本集團僱員的未行使購股權實際或估計數目的公允值。

(v) 資本儲備

資本儲備來自與擁有人以其權益擁有人身份進行的交易。結餘包括出售／收購對價與相關出售／收購日期資產淨值的差額所產生資本儲備盈餘／虧絀，以及轉撥自以權益結算以股份支付為基礎儲備的資本儲備。

(vi) 儲備－與非控股權益的交易

結餘指可識別資產淨值與已付收購非控股權益之對價的差額。

(e) 可分派儲備

於2017年12月31日，根據開曼群島公司法計算的本公司可供分派儲備約為人民幣1,964,612,000元(2016年：人民幣2,263,888,000元)，該等儲備可作分派，惟緊隨建議派發股息日期後，本公司有能力償還日常業務過程中的到期債務。

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(除另有指明外，均以人民幣列示)

32 CAPITAL, RESERVES AND DIVIDENDS (Cont'd)

(f) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to fund its property development projects, provide returns for shareholders and benefits for other stakeholders, by pricing properties commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of gearing ratio. The Group defines this ratio as total interest-bearing liabilities (includes bank loans and other borrowings, senior notes and corporate bonds) divided by total assets of the Group. At 31 December 2017 and 2016, the gearing ratio of the Group was calculated as follows:

		2017	2016
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Bank loans and other borrowings	銀行貸款及其他借貸	2,063,629	2,785,563
Senior notes	優先票據	1,433,863	1,519,351
Corporate bonds	公司債券	266,435	9,674
Total interest-bearing borrowings	計息借款	3,763,927	4,314,588
Total assets	總資產	14,802,895	15,452,144
Gearing ratio	資產負債比率	25.4%	27.9%

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

32 股本、儲備及股息(續)

(f) 資本管理

本集團管理資本的主要目標為保障本集團持續經營的能力，以向其物業開發項目提供資金，以及藉著與風險水平及以合理成本取得融資掛鉤的方式為物業定價而為股東及其他利益相關者提供回報及利益。

本集團積極定期審核及管理其資本架構，以維持與高借貸水平可能有關的較高股東回報與穩健資本狀況帶來的優勢及擔保之間的平衡，並根據經濟狀況的變動調整資本架構。

本集團根據資產負債比率監察其資本結構。本集團界定此比率為總計息負債(包括銀行貸款及其他借貸、優先票據及公司債券)除以本集團資產總值。於2017及2016年12月31日，本集團之資產負債比率如下：

本公司或其任何子公司概不受外部施加的資本規定所限。

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33 FINANCIAL RISK MANAGEMENT AND FAIR VALUES

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group is also exposed to equity price risk arising from its equity investments in other entities.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

The Group's credit risk is primarily attributable to cash and cash equivalents, pledged and restricted cash, trade and bill receivables and other receivables. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

Cash and cash equivalents and pledged and restricted cash held by the Group are mainly deposited in financial institutions such as commercial banks which maintain sound reputation and financial situation. The credit risk is considered low and the Group has exposure limit to any single financial institution.

In respect of trade and bill receivables, credit risk is minimised as the Group normally receives full payment from buyers before the transfer of property ownership.

In respect of other receivables due from third parties, the Group reviews the exposures and manages them based on the need of operation.

33 金融風險管理及公允值

本集團於一般業務過程中面對信貸、流動性、利率及貨幣風險。本集團亦面對持有其他實體的股權投資產生的股價風險。

本集團面對之風險及本集團為管理該等風險而採用之財務風險管理政策及慣例載述如下。

(a) 信貸風險

本集團的信貸風險主要來自現金及現金等值物、已抵押及受限制現金、貿易應收款項及應收票據及其他應收款項。管理層設有明確的信貸政策並持續監察面對的該等信貸風險。

本集團所持現金及現金等值物與已抵押及受限制現金主要存放於商業銀行等金融機構，該等金融機構信譽良好且財務狀況穩健。信貸風險低，且本集團對任何單一金融機構設定限額規避風險。

由於本集團通常於轉讓物業所有權前向買家收取全部款項，因此貿易應收款項及應收票據的信貸風險甚微。

本集團根據營運需要審核及管理應收第三方的其他應收款項的相關風險。

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33 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Cont'd)

(a) Credit risk (Cont'd)

The maximum exposure to credit risk in respect of these financial guarantees at the end of the reporting period is disclosed in note 35.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in note 22.

(b) Liquidity risk

The Group management reviews the liquidity position of the Group on an ongoing basis, including review of the expected cash inflows and outflows, sale/pre-sale results of respective property projects, maturity of loans and borrowings and the progress of the planned property development projects in order to monitor the Group's liquidity requirements in the short and longer terms. 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 major financial institutions to meet its liquidity requirements in the short and longer term.

33 金融風險管理及公允值(續)

(a) 信貸風險(續)

本集團於報告期末面對的財務擔保最大信貸風險披露於附註35。

有關本集團貿易及其他應收款項所產生信貸風險的進一步量化披露載於附註22。

(b) 流動性風險

本集團管理層持續審核本集團的流動性狀況，包括審核預計現金流入及流出、各物業項目的銷售／預售業績、貸款及借貸到期情況以及計劃物業開發項目的進度，以監控本集團的短期及長期流動性需求。本集團的政策是定期監控流動性需求及有否遵守借貸契諾，以確保備有足夠的現金儲備，及向主要金融機構取得充足的已承諾資金，以應付長短期流動性需求。

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33 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Cont'd)

(b) Liquidity risk (Cont'd)

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's financial liabilities excluding receipts in advance, which the Group expects to settle by delivery of completed properties. The contractual maturities are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

		2017					
		Contractual undiscounted cash outflow					
		合約未貼現現金流出					
		Within	More than	More than			
		1 year or	1 year but	2 year but			
		less than	less than	less than			
		on demand	2 years	5 years	More than		Carrying
		一年內或	超過一年	超過兩年	5 years	Total	amount
		按要求	但少於兩年	但少於五年	超過五年	總計	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
Bank loans and other borrowings	銀行貸款及其他借貸	1,267,170	401,863	462,655	91,661	2,223,349	2,063,629
Trade and other payables	貿易及其他應付款項	2,561,457	52,279	—	—	2,613,736	2,613,736
Corporate bonds	公司債券	7,369	22,499	279,500	—	309,368	280,642
Senior notes	優先票據	1,232,350	435,178	—	—	1,667,528	1,454,228
		5,068,346	911,819	742,155	91,661	6,813,981	6,412,235

33 金融風險管理及公允值(續)

(b) 流動性風險(續)

下表載列本集團金融負債(不包括本集團預期交付已完工物業結算的預收款項)於各報告期末的餘下合約期限。合約期限是根據合約未貼現現金流量(包括以合約利率或(倘浮動)各報告期末現行的利率估算的利息付款)以及本集團需要還款的最早日期計算：

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33 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Cont'd)

(b) Liquidity risk (Cont'd)

33 金融風險管理及公允值(續)

(b) 流動性風險(續)

		2016				
		Contractual undiscounted cash outflow				
		合約未貼現現金流出				
		Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 year but less than 5 years	Total	Carrying amount
		一年內或 按要求	超過一年 但少於兩年	超過兩年 但少於五年	總計	賬面值
		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
Bank loans and other borrowings	銀行貸款及其他借貸	1,434,342	1,255,520	328,040	3,017,902	2,785,563
Trade and other payables	貿易及其他應付款項	2,807,641	88,056	—	2,895,697	2,895,697
Corporate bonds	公司債券	729	7,885	3,209	11,823	9,807
Senior notes	優先票據	198,398	1,308,318	462,004	1,968,720	1,540,972
		4,441,110	2,659,779	793,253	7,894,142	7,232,039

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33 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Cont'd)

(c) Interest rate risk

The Group's interest rate risk arises primarily from cash and cash equivalents, pledged and restricted cash and borrowings issued at variable rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively.

The Group does not anticipate significant impact on cash and cash equivalents and the pledged deposits because the interest rates of bank deposits are not expected to change significantly.

The interest rates and terms of repayment of bank loans of the Group are disclosed in note 26 to the financial statements. The Group does not carry out any hedging activities to manage its interest rate exposure.

33 金融風險管理及公允值(續)

(c) 利率風險

本集團利率風險主要來自現金及現金等值物、已抵押及受限制現金及浮動利率和固定利率借款，而浮動利率和固定利率使本集團分別面對現金流利率風險及公允值利率風險。

本集團預期現金及現金等值物及已抵押存款不會受重大影響，因為預期銀行存款利率不會有重大變動。

本集團銀行貸款的利率及償還條款披露於財務報表附註26。本集團並無就管理利率風險進行任何對沖活動。

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(除另有指明外，均以人民幣列示)

33 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Cont'd)

(c) Interest rate risk (Cont'd)

(i) Interest rate profile

		2017		2016	
		Effective Interest rate		Effective Interest rate	
		實際利率		實際利率	
		%	RMB'000	%	RMB'000
		%	人民幣千元	%	人民幣千元
Fixed rate borrowings:	固定利率借貸：				
Bank loans and other borrowings	銀行貸款及其他借貸	6.21	586,800	5.68	831,139
Senior notes	優先票據	13.36	1,433,863	13.25	1,519,351
Corporate bonds	公司債券	8.11	266,435	9.88	9,674
Variable rate borrowings:	浮動利率借貸：				
Bank loans and other borrowings	銀行貸款及其他借貸	5.40	1,476,829	5.18	1,954,424
Total borrowings	總借貸		3,763,927		4,314,588
Net fixed rate borrowings as a percentage of total net borrowings	固定利率借貸淨額佔總借貸淨額的百分比		61%		55%

33 金融風險管理及公允值(續)

(c) 利率風險(續)

(i) 利率情況

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33 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Cont'd)

(c) Interest rate risk (Cont'd)

(ii) Sensitivity analysis

At 31 December 2017, it is estimated that a general increase/decrease of 50 basis points (2016: 50 basis points) in interest rates, with all other variables held constant, would have decreased/increased the Group's profit after tax and total equity attributable to equity shareholders of the Company by approximately RMB5,538,000 (2016: decreased/increased the Group's profit after tax and total equity attributable to equity shareholders of the Company by approximately RMB7,329,000), which has not taken into account of effect of interest capitalisation.

The sensitivity analysis above indicates the instantaneous change in the Group's profit after tax (and retained profits) and other components of consolidated equity that would arise assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to re-measure those financial instruments held by the Group which expose the Group to fair value interest rate risk at the end of the reporting period. In respect of the exposure to cash flow interest rate risk arising from floating rate non-derivative instruments held by the Group at the end of the reporting period, the impact on the Group's profit after tax (and retained profits) and other components of consolidated equity is estimated as an annualised impact on interest expense or income of such a change in interest rates. The analysis is performed on the same basis as 2016.

33 金融風險管理及公允值(續)

(c) 利率風險(續)

(ii) 敏感度分析

於2017年12月31日，在其他所有變量保持不變的情況下，倘利率整體上升／下降50個基點(2016年：50個基點)，在並無計及利息資本化的影響下，估計本集團的除稅後利潤及本公司權益股東應佔總權益將減少／增加約人民幣5,538,000元(2016年：除稅後利潤減少／增加約人民幣7,329,000元)。

上述敏感度分析顯示本集團的除稅後利潤(及保留利潤)以及合併權益的其他部分可能產生的即時變動。敏感度分析假設利率變動於報告期末已發生，並已用於重新計量本集團所持有並於報告期末使本集團面對公允值利率風險的金融工具。關於本集團於報告期末持有的浮動利率非衍生工具產生的現金流量利率風險，對本集團的除稅後利潤(及保留利潤)以及合併權益的其他組成部分的影響，以該利率變動對利息支出或收入的年度影響估計。有關分析乃按2016年的相同基準作出。

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(除另有指明外，均以人民幣列示)

33 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Cont'd)

(d) Currency risk

The Group is exposed to foreign currency risk primarily on bank deposits, corporate bonds and senior notes to which the transactions relate. The currencies giving rise to this risk are primarily US dollars and Hong Kong dollars.

(i) Exposure to currency risk

The following table details the Group's exposure at the end of each reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purpose, the amounts of the exposure are shown in RMB, translated using the spot rate at the end of each reporting period.

		2017		2016	
		United States	Hong Kong	United States	Hong Kong
		Dollars	Dollars	Dollars	Dollars
		美元	港元	美元	港元
		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
Cash and cash equivalents	現金及現金等值物	14,673	1,156	50,675	9,006
Pledged cash	已抵押現金	117,744	—	444,018	—
Corporate bonds	公司債券	—	(9,379)	—	(9,674)
Net exposure arising from recognised assets and liabilities	已確認資產及負債產生的風險淨值	132,417	(8,223)	494,693	(668)

33 金融風險管理及公允值(續)

(d) 貨幣風險

本集團面對外幣風險，主要來自與交易有關的銀行存款、公司債券及優先票據。引致有關風險的貨幣主要為美元及港元。

(i) 貨幣風險

下表詳述本集團於各報告期末面對以有關實體功能貨幣以外貨幣計值的已確認資產或負債產生的貨幣風險。就呈列而言，風險金額以人民幣列示，並於各報告期末使用現貨匯率換算。

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33 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Cont'd)

(d) Currency risk (Cont'd)

(ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's profit after tax (and retained profits) that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant.

		2017		2016	
		Increase/ (decrease) in foreign exchange rates 外匯比率 上升／ (下降)	Effect on profit after tax and retained profits 對除稅後 利潤及 保留利潤 的影響 RMB'000 人民幣千元	Increase/ (decrease) in foreign exchange rates 外匯比率 上升／ (下降)	Effect on profit after tax and retained profits 對除稅後 利潤及 保留利潤 的影響 RMB'000 人民幣千元
United States Dollars	美元	5%/ (5%)	6,621 (6,621)	5%/ (5%)	24,735 (24,735)
Hong Kong Dollars	港元	5%/ (5%)	(441) 441	5%/ (5%)	(33) 33

33 金融風險管理及公允值(續)

(d) 貨幣風險(續)

(ii) 敏感度分析

倘於報告期末對本集團有重大影響的外匯比率於該日期發生變動，並假設所有其他風險變量保持不變，下表顯示本集團的除稅後利潤(及保留利潤)可能產生的即時變動。

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(除另有指明外，均以人民幣列示)

33 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Cont'd)

(d) Currency risk(Cont'd)

(ii) Sensitivity analysis (Cont'd)

The foreign currency sensitivity analysis is calculated based on the major net foreign currency exposure of the Group as at the reporting date, assuming 5% shift of RMB against US\$ and HKD on the profit after tax and retained profits and excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency.

(e) Equity price risk

The Group is exposed to equity price changes arising from equity investments classified as available-for-sale unlisted equity securities (see note 16).

The Group's unquoted investments are held for long term strategic purposes. Their performance is assessed at least bi-annually against performance of similar listed entities, based on the limited information available to the Group, together with an assessment of their relevance to the Group's long term strategic plan.

33 金融風險管理及公允值(續)

(d) 貨幣風險(續)

(ii) 敏感度分析(續)

外幣敏感度分析乃根據本集團於報告日期的主要外幣風險淨額計算(假設就除稅後利潤及保留利潤而言，人民幣兌美元及港元存在5%的變動)，及不包括將海外業務的財務報表換算為本集團的呈列貨幣引起的差額。

(e) 權益投資價格風險

本集團面對分類為可供出售非上市股本證券的權益投資產生的價格變動風險(見附註16)。

本集團的未報價投資是持作長期策略用途。本集團會根據就同類上市實體表現可得的有限資料而對該等投資表現至少每兩年評估一次，連同評估彼等與本集團長期策略計劃的相關性。

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(除另有指明外，均以人民幣列示)

33 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Cont'd)

(f) Fair value measurement

(i) Financial instruments measured at fair value

The following table presents the fair value of financial instruments 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 is listed in note 11(b).

		Fair value measurements as at 31 December 2017		Fair value measurements as at 31 December 2016	
		Fair value at 31 December 2017	categorised into Level 2 於2017年12月31日分類為第二級的公允值計量	Fair value at 31 December 2016	categorised into Level 2 於2016年12月31日分類為第二級的公允值計量
		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
Recurring fair value measurements	經常性公允值計量				
Assets:	資產：				
Other financial assets:	其他金融資產				
– Derivative financial instrument	— 衍生金融工具	13,548	13,548	27,767	27,767

33 金融風險管理及公允值(續)

(f) 公允值計量

(i) 按公允值計量的金融工具

下表呈列於報告期末以經常性準則計量的金融工具公允值，並按國際財務報告準則第13號，公允值計量所界定分類為三個公允值級別。公允值計量是參考附註11(b)所列估值方法所使用的輸入數據可觀察性及重要性而分類及釐定其級別。

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(除另有指明外，均以人民幣列示)

33 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Cont'd)

(f) Fair value measurement (Cont'd)

(i) Financial instruments measured at fair value (Cont'd)

During the years ended 31 December 2017 and 2016, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels and fair value hierarchy as at the end of the reporting period in which they occur.

Valuation techniques and inputs used in Level 2 fair value measurements

The fair value of the derivative financial instrument is determined using binomial tree model.

(ii) Fair value of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost were not materially different from their fair values as at 31 December 2017 and 2016.

33 金融風險管理及公允值(續)

(f) 公允值計量(續)

(i) 按公允值計量的金融工具(續)

截至2017年及2016年12月31日止年度，第一級與第二級之間並無任何轉移，亦無轉入或轉出第三級。本集團的政策為於發生公允值等級轉移的報告期間結束時，確認不同級別之間的轉移。

第二級公允值計量所用的估值方法及輸入數據

衍生金融工具的公允值使用二項式樹狀模型釐定。

(ii) 並非按公允值列賬的金融資產及負債的公允值

本集團按成本或攤銷成本列賬的金融工具賬面值與其於2017年及2016年12月31日的公允值並無重大差異。

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(除另有指明外，均以人民幣列示)

34 COMMITMENTS

- (a) Capital commitments outstanding at 31 December 2017 contracted but not provided for in the financial statements were as follows:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Construction and development contracts	建設及發展合約	765,895	1,111,114
Land agreements	土地協議	25,981	240,550
		791,876	1,351,664

- (b) At 31 December 2017, the total future minimum lease payments under non-cancellable operating lease are payable as follows:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Within 1 year	一年內	12,950	13,728
After 1 year but within 2 years	一年後但兩年內	8,509	10,250
After 2 years but within 5 years	兩年後但五年內	26,843	28,926
After 5 years	五年後	29,498	37,355
		77,800	90,259

The Group leases a number of building facilities under operating leases. The leases typically run for an initial period of 1 to 10 years, with an option to renew the lease after that date at which time all terms are renegotiated. None of the leases includes contingent rentals.

34 承擔

- (a) 於2017年12月31日已訂約但於財務報表內無撥備的資本承擔如下：

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Construction and development contracts	建設及發展合約	765,895	1,111,114
Land agreements	土地協議	25,981	240,550
		791,876	1,351,664

- (b) 於2017年12月31日，根據不可撤銷經營租賃應付未來最低租金總值到期情況如下：

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Within 1 year	一年內	12,950	13,728
After 1 year but within 2 years	一年後但兩年內	8,509	10,250
After 2 years but within 5 years	兩年後但五年內	26,843	28,926
After 5 years	五年後	29,498	37,355
		77,800	90,259

本集團根據經營租賃出租多項樓宇設施。租期初步一般為一至十年，並可在該日期後續約，屆時所有條款均會重新協商。概無租賃包括或然租金。

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(除另有指明外，均以人民幣列示)

34 COMMITMENTS (Cont'd)

- (c) At 31 December 2017, the total future minimum lease payments under non-cancellable operating leases are receivables as follows:

		2017	2016
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within 1 year	一年內	35,513	37,043
After 1 year but within 2 years	一年後但兩年內	29,043	32,956
After 2 years but within 5 years	兩年後但五年內	37,391	72,219
After 5 years	五年後	53,547	47,662
		155,494	189,880

The Group leases out a number of properties under operating leases. The leases typically run for an initial period of 1 to 15 years. None of the leases includes contingent rentals.

All properties held under operating leases that would otherwise meet the definition of investment property are classified as investment property.

34 承擔(續)

- (c) 於2017年12月31日，根據不可撤銷經營租賃應收未來最低租金總值到期情況如下：

	2017	2016
	RMB'000	RMB'000
	人民幣千元	人民幣千元
Within 1 year	35,513	37,043
After 1 year but within 2 years	29,043	32,956
After 2 years but within 5 years	37,391	72,219
After 5 years	53,547	47,662
	155,494	189,880

本集團根據經營租賃出租多項物業。租期初步一般為一年至十五年。概無租賃包括或然租金。

所有根據經營租約持有並符合投資物業定義之物業歸類為投資物業。

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35 CONTINGENT LIABILITIES

Guarantees

The Group provided guarantees in respect of mortgage facilities granted by certain banks in connection with the mortgage loans entered into by purchasers of the Group's properties. Pursuant to the terms of the guarantees, if there is default of the mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage loans together with any accrued interest and penalty owned by the defaulted purchasers to the banks. The Group's guarantee period commences from the dates of grant of the relevant mortgage loans and ends upon the earlier of the buyer obtained the individual property ownership certificate and the full settlement of mortgage loans by the buyer.

The maximum amount of guarantees given to banks for mortgage facilities granted to the purchasers of the Group's properties at the end of each reporting period is as follows:

		2017	2016
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Guarantees given to banks for mortgage facilities granted to purchasers of the Group's properties	就本集團物業買方獲授的按揭融資而向銀行作出的擔保	2,511,983	2,881,778

The directors consider that it is not probable that the Group will sustain a loss under these guarantees as the Group can take over the ownerships of the related properties and sell the properties to recover any amounts paid by the Group to the banks. The directors of the Company also consider that the fair market value of the underlying properties is able to cover the outstanding mortgage loans guaranteed by the Group in the event the purchasers default payments to the banks.

The Group has not recognised any deferred income in respect of these guarantees as its fair value is considered to be minimal by the directors of the Company.

35 或然負債

擔保

本集團為若干銀行就本集團物業買方所訂立的按揭貸款而授出的按揭融資提供擔保。根據擔保條款，倘該等買方拖欠按揭付款，則本集團須負責償還欠負的按揭貸款連同違約買方應付予銀行的任何應計利息及罰款。本集團的擔保期由相關按揭貸款授出日期起，直至買家取得個別房產證及全數繳付按揭貸款(以較早者為準)時止。

於各報告期末就本集團物業買方獲授的按揭融資而向銀行作出的最大擔保金額如下：

	2017	2016
	RMB'000	RMB'000
	人民幣千元	人民幣千元
就本集團物業買方獲授的按揭融資而向銀行作出的擔保	2,511,983	2,881,778

董事認為，由於本集團可接管相關物業的所有權並出售有關物業，以收回本集團向銀行支付的任何金額，因此本集團不大可能因該等擔保而遭致虧損。本公司董事亦認為，倘買方拖欠償還銀行付款，則相關物業的公允市值能彌補本集團所擔保的未償還按揭貸款。

由於本公司董事認為該等擔保的公允值極低，故本集團並未就該等擔保確認任何遞延收入。

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(除另有指明外，均以人民幣列示)

36 MATERIAL RELATED PARTY TRANSACTIONS

Except for the amount due from related parties as set out in note 22, the other material related party transactions are disclosed as follows:

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in note 7 and certain of the highest paid employees as disclosed in note 8, is as follows:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Contribution to defined contribution retirement plans	定額供款退休計劃	511	516
Wages, salaries and other benefits in kind	工資、薪金及其他實物福利	25,862	30,170
		26,373	30,686

Total remuneration is included in "staff costs" (see note 5(b)).

(b) Applicability of the Listing Rules relating to connected transactions

As set out in note 26(c), Mr. Wong Sheung Tak is a controlling shareholder of the Company and therefore, a connected person of the Company under Chapter 14A of the Listing Rules. The personal guarantee constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. However, as the personal guarantee is not secured by any assets of the Group and is conducted on normal commercial terms or better, the personal guarantee is fully exempted from shareholders' approval, annual review and all disclosure requirements pursuant to Rule 14A.90 of the Listing Rules.

No other related party transactions falls under the definition of connected transaction or continuing connected transaction as defined in Chapter 14A of the Listing Rules.

36 重大關聯方交易

除載於附註22應收關聯方公司款項外，其他重大關聯方交易披露如下：

(a) 主要管理人員薪酬

本集團主要管理人員薪酬包括附註7所披露向本公司董事支付的金額及附註8所披露向若干最高薪僱員支付的金額，載列如下：

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Contribution to defined contribution retirement plans	定額供款退休計劃	511	516
Wages, salaries and other benefits in kind	工資、薪金及其他實物福利	25,862	30,170
		26,373	30,686

薪酬總額載於「員工成本」(請參閱附註5(b))。

(b) 上市規則對關連交易的適用性

載於附註26(c)，王雙德先生為本公司控股股東，因此亦為本公司的關連人士。根據上市規則第14A章，該擔保人擔保構成本公司的關連交易。然而，由於個人擔保並無本集團任何資產作抵押，並以正常或更佳的商業條款進行，故個人擔保獲完全豁免根據上市規則第14A.90條遵守股東批准、年度審核及所有披露規定。

概無其他關聯方交易屬於上市規則第14A章所定義的關連交易或持續關連交易。

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37 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

37 公司層面的財務狀況表

		2017	2016
	Note	RMB'000	RMB'000
	附註	人民幣千元	人民幣千元
Non-current assets	非流動資產		
Interests in subsidiaries	於子公司的權益	1,865,445	2,314,592
Other non-current financial asset	其他非流動金融資產	13,548	27,767
		1,878,993	2,342,359
Current assets	流動資產		
Deposits, prepayments and other receivables	定金、預付款項及其他應收款項	1,612,795	1,639,742
Cash and cash equivalents	現金及現金等值物	1,669	50,395
		1,614,464	1,690,137
Current liabilities	流動負債		
Other payables and accruals	其他應付及應計款項	53,902	57,919
Bank loans and other borrowings	銀行貸款及其他借貸	—	149,839
Senior notes	優先票據	1,042,899	—
Corporate bonds	公司債券	6,665	—
		1,103,466	207,758
Net current assets	流動資產淨值	510,998	1,482,379
Total assets less current liabilities	總資產減流動負債	2,389,991	3,824,738

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37 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION (Cont'd)

37 公司層面的財務狀況表(續)

		Note	2017	2016
		附註	RMB'000 人民幣千元	RMB'000 人民幣千元
Non-current liabilities	非流動負債			
Senior notes	優先票據		390,964	1,519,351
Corporate bonds	公司債券		2,590	9,674
			393,554	1,529,025
NET ASSETS	資產淨值		1,996,437	2,295,713
Capital and reserves	股本及儲備	32(a)		
Share capital	股本		31,825	31,825
Reserves	儲備		1,964,612	2,263,888
TOTAL EQUITY	權益總額		1,996,437	2,295,713

Approved and authorised for issue by the board of directors on 29 March 2018.

於2018年3月29日獲董事會批准及授權刊發。

Wang Jianli

王健利

Chairman and Executive Director

主席兼執行董事

Wang Dewen

王德文

Executive Director and Chief Executive Officer

執行董事兼行政總裁

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38 IMMEDIATE AND ULTIMATE CONTROLLING PARTY

As at 31 December 2017, the directors consider the immediate parent and ultimate controlling party of the Group to be Most Trend Holding Limited, which is incorporated in the British Virgin Islands with limited liability and beneficially owned by the Controlling Shareholders. This entity does not produce financial statements available for public use.

39 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017

Up to the date of issue of these financial statements, the IASB has issued a few amendments and new standards which are not yet effective for the year ended 31 December 2017 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group.

38 直接及最終控股方

於2017年12月31日，董事認為本集團直接母公司及最終控股方為至毅控股有限公司，該公司於英屬維爾京群島註冊成立為有限公司並由最終控股股東實益擁有。該實體並無編製作公開用途的財務報表。

39 於截至2017年12月31日止年度已頒佈但未生效的修訂、新準則及詮釋的可能影響

直至該等財務報表刊發日期，國際會計準則理事會已頒佈若干於截至2017年12月31日止年度尚未生效且並無於該等財務報表採納的修訂及新準則。其中包括以下可能與本集團有關的事項。

	Effective for accounting periods beginning on or after 於以下日期或之後 開始之會計期間生效
IFRS 15, <i>Revenue from contracts with customers</i> (i)	1 January 2018
國際財務報告準則第15號，來自客戶合約的收益 (i)	2018年1月1日
IFRS 9, <i>Financial instruments</i>	1 January 2018
國際財務報告準則第9號，金融工具	2018年1月1日
Amendments to IFRS 2, <i>Classification and Measurement of Share-based Payment Transactions</i>	1 January 2018
國際財務報告準則第2號(修訂本)，以股份為基礎支付之交易之分類與計量	2018年1月1日
Amendments to IAS 40, <i>Investment property: Transfers of investment property</i>	1 January 2018
國際會計準則第40號(修訂本)，投資物業：轉讓投資物業	2018年1月1日
IFRIC 22, <i>Foreign currency transactions and advance consideration</i>	1 January 2018
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	2018年1月1日
IFRS 16, <i>Leases</i> (ii)	1 January 2019
國際財務報告準則第16號，租賃 (ii)	2019年1月1日

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39 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (Cont'd)

The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far the Group has identified some aspects of the new standards which may have a significant impact on the consolidated financial statements. Further details of the expected impacts are discussed below. While the assessment has not been substantially completed for IFRS 9 and IFRS 15, the actual impacts upon the initial adoption of the standards may differ as the assessment completed to date is based on the information currently available to the Group, and further impacts may be identified before the standards are initially applied in the Group's interim financial report for the six months ended 30 June 2018. The Group may also change its accounting policy elections, including the transition options, until the standards are initially applied in that financial report.

(i) IFRS 9, Financial instruments

IFRS 9 will replace the current standard on accounting for financial instruments, IAS 39, Financial instruments: Recognition and measurement. IFRS 9 introduces new requirements for classification and measurement of financial assets, including the measurement of impairment for financial assets and hedge accounting. On the other hand, IFRS 9 incorporates without substantive changes the requirements of IAS 39 for recognition and derecognition of financial instruments and the classification and measurement of financial liabilities.

39 於截至2017年12月31日止年度已頒佈但未生效的修訂、新準則及詮釋的可能影響(續)

本集團正在評估預期該等修訂和新準則對首次運用期間可能產生的影響。截至目前為止，本集團已識別出可能對合併財務報表造成重大影響的部分新準則，並就其預期影響在下文進行詳細討論。儘管對國際財務報告準則第9號及國際財務報告準則第15號的評估尚未全面完成，惟由於至今完成的評估乃基於本集團現時可得的資料，故於首次採納有關準則時的實際影響可能有別，且於本集團截至2018年6月30日止六個月的中期財務報告中首次應用有關準則前亦可能發現進一步影響。本集團亦可能對其會計政策的選擇作出變動(包括過渡選擇)，直至於該財務報告中首次應用有關準則。

(i) 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號將取代有關金融工具會計處理方法的現有準則國際會計準則第39號，金融工具：確認及計量。國際財務報告準則第9號引入分類及計量金融資產的新規定，包括計量金融資產減值及對沖會計。另一方面，國際財務報告準則第9號納入且並無大幅變動國際會計準則第39號有關確認及終止確認金融工具及金融負債分類及計量的規定。

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39 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (Cont'd)

(i) IFRS 9, Financial instruments (Cont'd)

IFRS 9 is effective for annual periods beginning on or after 1 January 2018 on a retrospective basis. The Group plans to use the exemption from restating comparative information and will recognise any transition adjustments against the opening balance of equity at 1 January 2018.

Expected impacts of the new requirements on the Group's financial statements are as follows:

(a) Classification and measurement

IFRS 9 contains three principal classification categories for financial assets: measured at (1) amortised cost, (2) fair value through profit or loss (FVTPL) and (3) fair value through other comprehensive income (FVTOCI):

- The classification for debt instruments is determined based on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the asset. If a debt instrument is classified as FVTOCI then interest revenue, impairment and gains/losses on disposal will be recognised in profit or loss.

39 於截至2017年12月31日止年度已頒佈但未生效的修訂、新準則及詮釋的可能影響(續)

(i) 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號於2018年1月1日或之後開始之年度期間追溯生效。本集團計劃採用豁免重列比較資料並將就2018年1月1日之權益期初結餘確認任何過渡調整。

新規定對本集團財務報表的預期影響如下：

(a) 分類及計量

國際財務報告準則第9號包括金融資產的三個主要分類方法：(1)按攤銷成本；(2)按公允值計入損益(按公允值計入損益)；及(3)按公允值計入其他全面收益(按公允值計入其他全面收益)計量：

- 債務工具之分類乃基於實體管理金融資產的業務模式及該資產的合約現金流量特點而釐定。倘債務工具分類為按公允值計入其他全面收益計量，則利息收入、減值及出售收益／虧損將於損益內確認。

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39 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (Cont'd)

(i) IFRS 9, Financial instruments (Cont'd)

(a) Classification and measurement (Cont'd)

- For equity securities, the classification is FVTPL regardless of the entity's business model. The only exception is if the equity security is not held for trading and the entity irrevocably elects to designate that security as FVTOCI. If an equity security is designated as FVTOCI then only dividend income on that security will be recognised in profit or loss. Gains, losses and impairments on that security will be recognised in other comprehensive income without recycling.

The Group has assessed that its financial assets currently measured at amortised cost will continue with their respective classification and measurements upon the adoption of IFRS 9.

39 於截至2017年12月31日止年度已頒佈但未生效的修訂、新準則及詮釋的可能影響(續)

(i) 國際財務報告準則第9號，金融工具 (續)

(a) 分類及計量(續)

- 就股本證券而言，不論實體採用何種業務模式均分類為按公允值計入損益計量，惟股本證券並非持作買賣及該實體不可撤回地選擇指定該證券為按公允值計入其他全面收益計量則例外。倘股本證券獲指定為按公允值計入其他全面收益計量，則僅該證券的股息收入將於損益內確認。該證券之收益、虧損及減值將於其他全面收益內確認且不可撥回。

本集團已評估其現時按攤銷成本計入損益計量之金融資產將於採納國際財務報告準則第9號後繼續其各自之分類及計量。

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39 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (Cont'd)

(i) IFRS 9, Financial instruments (Cont'd)

(a) Classification and measurement (Cont'd)

With respect to the Group's financial assets currently classified as "AFS", these are investments in equity securities which the Group has the option to irrevocably designate as FVTOCI (without recycling) on transition to IFRS 9. The Group is considering whether to elect this designation option for any of the investments held on 1 January 2018. If the Group elect to do so, this will give rise to a change in accounting policy as currently the Group recognises the fair value changes of AFS equity investments in other comprehensive income until disposal or impairment, when gains or losses are recycled to profit or loss in accordance with the Group's policies set out in notes 1(g) and 1(m). This change in policy will have no impact on the Group's net assets and total comprehensive income, but will increase volatility in profit or loss.

39 於截至2017年12月31日止年度已頒佈但未生效的修訂、新準則及詮釋的可能影響(續)

(i) 國際財務報告準則第9號，金融工具 (續)

(a) 分類及計量(續)

就本集團現時分類為「可供出售」之金融資產而言，其為股本證券投資，而本集團於過渡至國際財務報告準則第9號時有權不可撤回地選擇指定其為按公允值計入其他全面收益，且不可撥回。本集團在考慮是否就於2018年1月1日持有的任何投資選擇該指定選擇權。倘該集團選擇該指定選擇權，此將導致會計政策變動，因根據附註1(g)及1(m)所載的本集團政策，目前本集團於其他全面收益中確認可供出售股本投資的公允值變動，直至出售或減值時，收益或虧損將撥回至損益。該政策變動將不會對本集團的資產淨值及全面收益總額造成影響，惟會增加損益的波動。

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39 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (Cont'd)

(i) IFRS 9, Financial instruments (Cont'd)

(a) Classification and measurement (Cont'd)

The classification and measurement requirements for financial liabilities under IFRS 9 are largely unchanged from IAS 39, except that IFRS 9 requires the fair value change of a financial liability designated at FVTPL that is attributable to changes of that financial liability's credit risk to be recognised in other comprehensive income (without reclassification to profit or loss). The Group currently does not have any financial liabilities designated at FVTPL and therefore this new requirement will not have any impact on the Group on adoption of IFRS 9.

39 於截至2017年12月31日止年度已頒佈但未生效的修訂、新準則及詮釋的可能影響(續)

(i) 國際財務報告準則第9號，金融工具 (續)

(a) 分類及計量 (續)

國際財務報告準則第9號有關金融負債之分類及計量規定與國際會計準則第39號相較基本保持不變，惟國際財務報告準則第9號規定因指定為按公允值計入損益計量之金融負債信貸風險有變而導致其公允值變動之部分乃於其他全面收益內確認(不會重新分類至損益)。本集團現時並無任何指定為按公允值計入損益計量之金融負債，因此於採納國際財務報告準則第9號時，該新規定不會對本集團造成任何影響。

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39 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (Cont'd)

(i) IFRS 9, Financial instruments (Cont'd)

(b) Impairment

The new impairment model in IFRS 9 replaces the “incurred loss” model in IAS 39 with an “expected credit loss” model. Under the expected credit loss model, it will no longer be necessary for a loss event to occur before an impairment loss is recognised. Instead, an entity is required to recognise and measure either a 12-month expected credit loss or a lifetime expected credit loss, depending on the asset and the facts and circumstances. The Group expects that the application of the expected credit loss model will result in earlier recognition of credit losses. Based on a preliminary assessment, if the Group were to adopt the new impairment requirements at 31 December 2017, accumulated impairment loss at that date would be no significant increase as compared with that recognised under IAS 39. As a consequence, no adjustment will be made to the opening balances of net assets and retained profits at 1 January 2018.

39 於截至2017年12月31日止年度已頒佈但未生效的修訂、新準則及詮釋的可能影響(續)

(i) 國際財務報告準則第9號，金融工具 (續)

(b) 減值

國際財務報告準則第9號之新減值模式以「預期信貸虧損」模式取代國際會計準則第39號項下的「已產生虧損」模式。根據預期信貸虧損模式，毋須再待發生虧損事件方確認減值虧損。相反，實體須根據資產以及事實及情況確認及計量12個月預期信貸虧損或永久預期信貸虧損。本集團預期應用預期信貸虧損模式將導致提前確認信貸虧損。基於初步評估，倘本集團於2017年12月31日採納新減值規定，於該日期的累計減值虧損將較根據國際會計準則第39號所確認者並無重大增加。因此，於2018年1月1日並無資產淨值及保留溢利期初結餘被調整。

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39 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (Cont'd)

(ii) IFRS 15, Revenue from contracts with customers

IFRS 15 establishes a comprehensive framework for recognising revenue from contracts with customers. IFRS 15 will replace the existing revenue standards, IAS 18, Revenue, which covers revenue arising from sale of goods and rendering of services, and IAS 11, Construction contracts, which specifies the accounting for revenue from construction contracts.

Based on the assessment completed to date, the Group has identified the following areas which are expected to be affected:

(a) Timing of revenue recognition

The Group's revenue recognition policies are disclosed in note 1(w). Currently, revenue arising from construction contracts and the provision of services is recognised over time, whereas revenue from the sale of goods is generally recognised when the risks and rewards of ownership have been passed to the customers.

Under IFRS 15, revenue is recognised when the customer obtains control of the promised good or service in the contract. IFRS 15 identifies 3 situations in which control of the promised good or service is regarded as being transferred over time:

- (i) When the customer simultaneously receives and consumes the benefits provided by the entity's performance, as the entity performs;

39 於截至2017年12月31日止年度已頒佈但未生效的修訂、新準則及詮釋的可能影響(續)

(ii) 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號建立了確認來自客戶合約收益的全面框架。國際財務報告準則第15號將取代現有收益準則，即國際會計準則第18號，收益(包括銷售貨物及提供服務所產生的收益)及國際會計準則第11號，建造合約(訂明建造合約收益的會計處理方法)。

根據迄今完成之評估，本集團已識別以下預期將受影響之方面：

(a) 收益確認之時間

本集團之收益確認政策披露於附註1(w)。目前，建造合約及提供服務產生的收益隨時間確認，而銷售貨物所得收益通常於所有權風險及回報轉移予客戶時確認。

根據國際財務報告準則第15號，收益於客戶獲得合約之承諾貨物或服務之控制權時確認。國際財務報告準則第15號確定了以下對承諾貨物或服務之控制權被視為隨時間轉移之三種情況：

- (i) 當客戶於實體履約時同時接受及使用實體履約所提供之利益時；

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39 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (Cont'd)

(ii) IFRS 15, Revenue from contracts with customers (Cont'd)

(a) Timing of revenue recognition (Cont'd)

(ii) When the entity's performance creates or enhances an asset (for example work in progress) that the customer controls as the asset is created or enhanced;

(iii) When the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If the contract terms and the entity's activities do not fall into any of these 3 situations, then under IFRS 15 the entity recognises revenue for the sale of that good or service at a single point in time, being when control has been passed. Transfer of risks and rewards of ownership is only one of the indicators that will be considered in determining when the transfer of control occurs.

The Group has assessed that the new revenue standard is not likely to have significant impact on how it recognises revenue from construction contracts. However, revenue recognition for sales of properties is expected to be affected as follows:

39 於截至2017年12月31日止年度已頒佈但未生效的修訂、新準則及詮釋的可能影響(續)

(ii) 國際財務報告準則第15號，來自客戶合約的收益(續)

(a) 收益確認之時間(續)

(ii) 當實體履約創造或增強一項於資產被創造或增強時由客戶控制之資產(如在建工程)時；

(iii) 當實體之履約並無創造對實體而言具替代用途之資產，且該實體對迄今完成之履約付款具有可執行權利時。

倘合約條款及實體活動並不屬於任何該等三種情況，則根據國際財務報告準則第15號，實體於某一指定時間點(即控制權轉移時)就銷售貨物或服務確認收益。所有權風險及回報之轉移僅為釐定控制權轉移發生時將考慮的其中一項指標。

本集團已評估新收益準則不太可能對建造合約收益的確認方式產生重大影響。然而，物業銷售收益的確認預期將受到以下影響：

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39 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (Cont'd)

(ii) IFRS 15, Revenue from contracts with customers (Cont'd)

(a) Timing of revenue recognition (Cont'd)

- Currently the Group's property development activities are mainly carried out in Mainland China. In the process of assessment of IFRS 15 impact on the Group's revenue recognition, we are taking into account the contract terms, the Group's business practice and the legal and regulatory environment of Mainland China. Currently the Group's revenue recognition policies are disclosed in note 1(w)(i), which is taken to be the point in time when the risks and rewards of ownership of the property have been transferred to the customer. Under the transfer-of-control approach in IFRS 15, the revenue from property sales will generally be recognised when the customers obtain control of the properties for those property development activities not meet the criteria for recognizing revenue over time, which may not result in revenue being recognised substantially later than at present.

39 於截至2017年12月31日止年度已頒佈但未生效的修訂、新準則及詮釋的可能影響(續)

(ii) 國際財務報告準則第15號，來自客戶合約的收益(續)

(a) 收益確認之時間(續)

- 目前，本集團僅在中國大陸進行物業開發。在評估新收入準則的影響時，需結合本集團的經營情況、銷售合同條款、中國各地的法律及監管環境進行考慮。目前，本集團的收入確認時點於附註1(w)(i)中披露，即物業的風險及報酬於物業轉移給客戶之時點。根據新收入準則的控制權轉移法，對於不符合在一段時間確認收入的物業銷售，收入通常將於客戶取得物業控制權時進行確認，這未必會導致收入比現時遲確認。

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39 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (Cont'd)

(ii) IFRS 15, Revenue from contracts with customers (Cont'd)

(b) Significant financing component

IFRS 15 requires an entity to adjust the transaction price for the time value of money when a contract contains a significant financing component, regardless of whether the payments from customers are received significantly in advance or in arrears.

In assessing whether advance payments include a significant financing component, the Group has considered the difference between the length of time between the payment date and the date when the customers obtain control of the properties based on the typical arrangements entered into with the customers.

39 於截至2017年12月31日止年度已頒佈但未生效的修訂、新準則及詮釋的可能影響(續)

(ii) 國際財務報告準則第15號，來自客戶合約的收益(續)

(b) 重大融資部分

國際財務報告準則第15號要求實體於合約包含重大融資部分時就貨幣時間價值調整交易價格，而不管來自客戶之付款是否大部分提前收取或延後收取。

在評估此提前付款計劃是否包含重大融資部分時，本集團已考慮基於與客戶訂立的標準安排所得的付款日期與客戶獲得物業控制權之日之間的時長的差額。

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39 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (Cont'd)

(ii) IFRS 15, Revenue from contracts with customers (Cont'd)

(b) Significant financing component (Cont'd)

Where advance payment include a significant financing component, the transaction price will need to be adjusted to separately account for this component. Such adjustment will result in interest expense being recognised to reflect the effect of the financing benefit obtained from the customers during the period between the payment date and the date when the customers obtain control of the properties, with a corresponding increase to revenue on sale of properties recognised when control of the completed property is transferred to the customer. However, the actual extent of impact of this new accounting policy will also depend on whether and by how much such interest expense can be capitalised as part of the cost of the properties under IAS 23, Borrowing costs. If the interest expense is to be capitalised until the construction work is completed, then this new accounting policy will not have a material impact on the Group's net profits during the construction period and gross profit from the sales of properties. The Group is in the process of assessing the implication of the significant financing component identified from the property sales on its capitalisation policy.

(c) Incremental cost of obtaining a contract

IFRS 15 requires an entity to recognise as an asset the incremental costs of obtaining a contract with a customer if the entity expects to recover those costs. Incremental costs of obtaining a contract are costs that the entity would not have incurred if the contract had not been obtained. The asset recognised shall be amortised, i.e. charged as an expense, on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

39 於截至2017年12月31日止年度已頒佈但未生效的修訂、新準則及詮釋的可能影響(續)

(ii) 國際財務報告準則第15號，來自客戶合約的收益(續)

(b) 重大融資部分(續)

倘有關提前付款計劃包含重大融資部分，交易價格將需要作出調整以就該部分單獨入賬。有關調整將導致確認利息開支以反映於付款日期與客戶獲得物業控制權日期之間的期間自客戶獲得的融資利益的影響，並於完工物業的控制權轉移至客戶時確認物業銷售收益的相應增加。然而，該項新會計政策的實際影響程度亦視乎有關利息開支是否可根據國際會計準則第23號「借款成本」資本化為物業成本的一部分以及可資本化的金額。倘利息開支可予以資本化直至建築工程完成，則該新會計政策將不會對本集團建造期間的純利及銷售物業所得的毛利造成重大影響。本集團正在評估物業銷售中確定的重大融資部分對其資本化政策的含義。

(c) 獲得合約的遞增成本

國際財務報告準則第15號規定，倘實體預期可收回的獲客成本，則該實體須將該等成本確認為一項資產。獲客成本指的是若未取得相關客戶合同就不會發生之成本。已確認資產應按與轉移至客戶的貨品或服務相一致的基準進行攤銷(即作為開支扣除)。

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39 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (Cont'd)

(ii) IFRS 15, Revenue from contracts with customers (Cont'd)

(c) Incremental cost of obtaining a contract (Cont'd)

The Group considered the sales commission of property sales is the incremental costs of obtaining a contract because it incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. It shall be capitalised as "contract costs" when incurred and recognise it as an expense when revenue from the property sales contract that gave rise to the commission is recognised. Currently, the Group's sales commission of property sales is recognised as an expense when incurred. The Group is in the process of assessing the implication of sales commission of property sales on its capitalisation policy.

The Group plans to elect to use the cumulative effect transition method for the adoption of IFRS 15 and will recognise the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 January 2018.

39 於截至2017年12月31日止年度已頒佈但未生效的修訂、新準則及詮釋的可能影響(續)

(ii) 國際財務報告準則第15號，來自客戶合約的收益(續)

(c) 獲得合約的遞增成本(續)

本集團認為，物業銷售的銷售佣金為獲客成本，乃因為其於獲得客戶合約時產生，而倘未有獲得合約，這項成本將不會產生。該成本於產生時應以「合約成本」列示為一項資產，並於產生佣金的物業銷售合約收入獲確認時將其確認為開支。目前，本集團物業銷售的銷售佣金於產生時即確認為開支。本集團正在評估物業銷售的銷售佣金對其資本化政策構成的影響。

本集團計劃選擇就採納國際財務報告準則第15號使用累積效應過渡法，並將確認首次應用之累積效應，作為對2018年1月1日權益期初結餘之調整。

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39 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (Cont'd)

(iii) IFRS 16, Leases

As disclosed in note 1(l), currently the Group classifies leases into finance leases and operating leases and accounts for the lease arrangements differently, depending on the classification of the lease. The Group enters into some leases as the lessor and others as the lessee.

IFRS 16 is not expected to impact significantly on the way that lessors account for their rights and obligations under a lease. However, once IFRS 16 is adopted, lessees will no longer distinguish between finance leases and operating leases. Instead, subject to practical expedients, lessees will account for all leases in a similar way to current finance lease accounting, i.e. at the commencement date of the lease the lessee will recognise and measure a lease liability at the present value of the minimum future lease payments and will recognise a corresponding "right-of-use" asset. After initial recognition of this asset and liability, the lessee will recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the current policy of recognising rental expenses incurred under operating leases on a systematic basis over the lease term. As a practical expedient, the lessee can elect not to apply this accounting model to short-term leases (i.e. where the lease term is 12 months or less) and to leases of low-value assets, in which case the rental expenses would continue to be recognised on a systematic basis over the lease term.

39 於截至2017年12月31日止年度已頒佈但未生效的修訂、新準則及詮釋的可能影響(續)

(iii) 國際財務報告準則第16號，租賃

誠如附註1(l)所披露，本集團現時將租賃分類為融資租賃及經營租賃，並根據租賃的分類將租賃安排分別入賬。本集團作為出租人訂立部分租約，並作為承租人訂立其他租約。

預期國際財務報告準則第16號將不會大幅影響出租人根據租約將彼等權利及義務入賬的方式。然而，一旦採納國際財務報告準則第16號，承租人將不再區分融資租賃及經營租賃。相反，受可行權宜方法的規限，承租人將按與現有融資租賃會計處理方法類似的方式將所有租約入賬，即於租約開始日期，承租人將按日後最低租賃付款的現值確認及計量租賃負債，及將確認相應的「使用權」資產。於初步確認該資產及負債後，承租人將確認租賃負債結餘所產生的利息開支及使用權資產折舊，而非根據現有政策於租期內按系統基準確認根據經營租約所產生的租賃開支。作為一項可行權宜方法，承租人可選擇不將此會計模式應用於短期租賃(即租期為12個月或以下)及低價值資產的租賃，於該等情況下，租金開支將繼續於租期內按系統基準確認。

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39 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (Cont'd)

(iii) IFRS 16, Leases (Cont'd)

IFRS 16 will primarily affect the Group's accounting treatment as a lessee of leases for properties, plant and equipment which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the statement of profit or loss over the period of the lease. The Group will need to perform a more detailed analysis to determine the amounts of new assets and liabilities arising from operating lease commitments on adoption of IFRS 16, after taking into account the applicability of the practical expedient and adjusting for any leases entered into or terminated between now and the adoption of IFRS 16 and the effects of discounting.

39 於截至2017年12月31日止年度已頒佈但未生效的修訂、新準則及詮釋的可能影響(續)

(iii) 國際財務報告準則第16號，租賃(續)

國際財務報告準則第16號將主要影響本集團作為租約承租人就若干物業、廠房及設備(現時分類為經營租賃)的會計處理方法。預期應用新會計模式將導致資產及負債均有所增加，及影響租約期間於損益表確認開支的時間。經考慮可行權宜方法的適用性及就現時與採納國際財務報告準則第16號期間已訂立或終止的任何租約及貼現影響作出調整後，本集團將須進行更為詳細的分析以釐定於採納國際財務報告準則第16號時經營租賃承擔所產生的新資產及負債的金額。

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39 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (Cont'd)

(iii) IFRS 16, Leases (Cont'd)

IFRS 16 is effective for annual periods beginning on or after 1 January 2019. The standard offers different transition options and practical expedients, including the practical expedient to grandfather the previous assessment of which existing arrangements are, or contain, leases. If this practical expedient is chosen, the Group will apply the new definition of a lease in IFRS 16 only to contracts that are entered into on or after the date of initial application. If the practical expedient is not chosen, the Group will need to reassess all of its decisions about which existing contracts are, or contain, leases, using the new definition. Depending on whether the Group elects to adopt the standard retrospectively or follow a modified retrospective method of recognising a cumulative-effect adjustment to the opening balance of equity at the date of initial application, the Group may or may not need to restate comparative information for any changes in accounting resulting from the reassessment.

39 於截至2017年12月31日止年度已頒佈但未生效的修訂、新準則及詮釋的可能影響(續)

(iii) 國際財務報告準則第16號，租賃(續)

國際財務報告準則第16號於2019年1月1日或之後開始之年度期間生效。該準則提供不同的過渡選擇及可行權宜方法，包括融入先前評估的可行權宜方法，當中現有安排為(或包含)租賃。倘選擇此可行權宜方法，本集團僅將國際財務報告準則第16號對租賃的新定義應用於首次應用日期或之後訂立的合約。倘並無選擇可行權宜方法，本集團則需要使用新定義重新評估對哪些現有合約為(或包含)租賃而作的所有決定。視乎本集團是否選擇以追溯方式採納準則，或遵從經修訂可追溯方式確認對首次應用當日權益期初結餘的累計效應調整，本集團未必需要重列因重新評估而引致任何會計變動的比較資料。

INVESTMENT PROPERTIES HELD BY THE GROUP

本集團持有之投資物業

COMPLETED INVESTMENT PROPERTIES

已完工投資性物業

No.	Properties	Type	Term of land	Floor area 樓面面積 sq.m. 平方米	Percentage of interest of the Company 本公司 權益比例
序號	物業	類型	土地年限		
1	Portion of office and commercial of Haode Yinzuo, 18 Zhangjiang South Avenue, Zhanggong District, Ganzhou, Jiangxi Province, PRC 中國 江西省 贛州市 章貢區 章江南大道18號 豪德銀座 辦公及商業的部分	office 辦公 commercial 商業	Medium 中期	1,836 382	100%
2	Guangcai Trade Plaza Convention Center of Ningxiang Trade Center, 2 Yuxing Road, Yutan Town, Ningxiang County, Changsha, Hunan Province, PRC 中國 湖南省 長沙市 寧鄉縣 玉潭鎮玉興路2號 寧鄉商貿物流中心 光彩貿易廣場會展中心	convention center 會展中心	Medium 中期	33,823	100%

INVESTMENT PROPERTIES HELD BY THE GROUP

本集團持有之投資物業

No.	Properties	Type	Term of land	Floor area 樓面面積 sq.m. 平方米	Percentage of interest of the Company 本公司 權益比例
序號	物業	類型	土地年限		
3	Portion of Jewel Market and Convention Center of Wuzhou Trade Center, Shundi Avenue, Changzhou District, Wuzhou, Guangxi Zhuang Autonomous Region, PRC 中國 廣西壯族自治區 梧州市 長洲區 舜帝大道 梧州商貿物流中心寶石城及會展中心的部分	convention center 會展中心	Medium 中期	18,250	100%
4	Portion of Small Commodity Market of Zone B of Jining Trade Center, East State Road 105, North Juyu Road, Jining, Shandong Province, PRC 中國 山東省 濟寧市 105國道東、居禹路北 濟寧商貿物流中心B區 小商品城的部分	commercial 商業	Medium 中期	50,481	100%

INVESTMENT PROPERTIES HELD BY THE GROUP

本集團持有之投資物業

No.	Properties	Type	Term of land	Floor area 樓面面積 sq.m. 平方米	Percentage of interest of the Company 本公司 權益比例
序號	物業	類型	土地年限		
5	Portion of Comprehensive Exhibition Center, Ganzhou Hydoo Trade Center, Southwest side of Tan Dong Road Two, Northwest Hexie Avenue, Ganzhou, Jiangxi Province, PRC 中國 江西省 贛州市 潭東二路西南側， 和諧大道西北側 贛州毅德商貿物流園 綜合會展中心之部分	commercial 商業	Medium 中期	58,853	100%
6	Portion of Hall 3, Hydoo International Trade Center, 1228 North Second Ring Road, Yulin, Guangxi Zhuang Autonomous Region, PRC 中國 廣西壯族自治區 玉林市 二環北路1228號 毅德國際商貿城 3號館之部分	commercial 商業	Medium 中期	31,619	100%

INVESTMENT PROPERTIES HELD BY THE GROUP

本集團持有之投資物業

No.	Properties	Type	Term of land	Floor area 樓面面積 sq.m. 平方米	Percentage of interest of the Company 本公司 權益比例
序號	物業	類型	土地年限		
7	Portion of Hall 5, Hydoo International Trade Centre, 1228 North Second Ring Road, Yulin, Guangxi Zhuang Autonomous Region, PRC 中國 廣西壯族自治區 玉林市 二環北路1228號 毅德國際商貿城 5號館之部分	commercial 商業	Medium 中期	29,313	100%

INVESTMENT PROPERTIES HELD BY THE GROUP

本集團持有之投資物業

INVESTMENT PROPERTIES IN PROGRESS

在建投資性物業

No.	Properties	Type	Term of land	Floor area 樓面面積 sq.m. 平方米	Percentage of interest of the Company 本公司 權益比例
序號	物業	類型	土地年限		權益比例
I	Red Star Macalline Global Household Shopping Mall in Heze Trade Centre East of National Highway 220, West of Kunming Road, North of Binhe Road, Mudan District, Heze, Shandong Province PRC 中國 山東省 荷澤市 牡丹區 220 國道以東，昆明路以西，濱河北路以北 荷澤毅德城 • 紅星美凱龍全球家居生活廣場	commercial 商業	Medium 中期	54,680	100%

Hydco 毅德控股