

**YIDA** 亿达

# 2016

中期報告 INTERIM REPORT

**億達中國控股有限公司**  
**YIDA CHINA HOLDINGS LIMITED**

(於開曼群島註冊成立的有限公司)

(Incorporated in the Cayman Islands with limited liability)

股份代號 Stock Code : 3639.HK



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# CORPORATE OVERVIEW

Yida China Holdings Limited (the “Company”), together with its subsidiaries (collectively referred to as the “Group”), was established in 1988 with its headquarters in Dalian. It is the largest business park developer and the leading business park operator in the People’s Republic of China (the “PRC”). It is principally engaged in the development and operation of business parks, the development and sale of multi-functional and integrated residential communities, construction, decoration, landscaping, business park operation and management and property management services. The Company was successfully listed (the “Listing”) on the Main Board of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 27 June 2014.

With its strong integration ability in urban and industrial planning and design, the Group actively participated in urban planning and design with local governments and has gained trust from the governments. Its outstanding results and management ability in business park operation has attracted the residence of globally leading enterprises and established long-term and stable cooperation relationships with them. Its fully integrated service capabilities, with construction, landscaping, decoration and property management businesses guaranteed the services quality, the properties quality and pricing competitiveness of the Group. In addition, its management team with extensive experience and high recognition of corporate culture provides strong support to the future development of the Group.

Since 1998, the Group has led the development and operation of Dalian Software Park, Dalian BEST City Core Area Business Park, Wuhan First City, Yida Information Software Park, Dalian Ascendas IT Park and Dalian Tiandi. It also participated in the development and operation of Wuhan Optical Valley Software Park and Tianjin Binhai Service Outsourcing Industry Park through BOT (Build-Operate-Transfer) arrangements.

In the first half of 2016, the Group continued to push forward the development of light-asset business and entered into several business parks, entrusted office operation and management and consultation services projects as well as a number of strategic cooperation agreements, which laid the foundation for further cooperation. As at the end of June 2016, the Group has completed its strategic layout in Beijing, Shanghai, Shenzhen, Wuhan, Suzhou, Hangzhou, Changsha, Chengdu and Zhengzhou.

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Executive Directors

Mr. Sun Yinhuan (*Chairman*)  
Mr. Sun Yinfeng (*Vice Chairman*)  
Mr. Sun Yansheng (*Chief Executive Officer*)  
Mr. Jiang Xiuwen  
Mr. Gao Wei  
Mr. Wen Hongyu

### Independent Non-executive Directors

Mr. Ip Yuk Chi Eddie  
Mr. Yip Wai Ming  
Mr. Guo Shaomu

## JOINT COMPANY SECRETARIES

Ms. Wang Huiting  
Ms. Kwong Yin Ping Yvonne

## AUTHORIZED REPRESENTATIVES

Mr. Sun Yansheng  
Ms. Wang Huiting

## BOARD COMMITTEES

### Audit Committee

Mr. Yip Wai Ming (*Chairman*)  
Mr. Ip Yuk Chi Eddie  
Mr. Guo Shaomu

### Remuneration Committee

Mr. Ip Yuk Chi Eddie (*Chairman*)  
Mr. Jiang Xiuwen  
Mr. Guo Shaomu

### Nomination Committee

Mr. Sun Yinhuan (*Chairman*)  
Mr. Ip Yuk Chi Eddie  
Mr. Yip Wai Ming

## REGISTERED OFFICE

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

## HEADQUARTERS IN THE PRC

Block 4, Yida Plaza  
93 Northeast Road  
Shahekou District  
Dalian, Liaoning Province  
PRC

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 1215  
Two Pacific Place  
88 Queensway  
Admiralty  
Hong Kong

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Codan Trust Company (Cayman) Limited  
Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor  
Services Limited  
Shops 1712-1716, 17th Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

## AUDITORS

Ernst & Young  
Certified Public Accountants

## LEGAL ADVISORS

*As to Hong Kong Law*  
Sidley Austin

*As to PRC Law*  
Commerce & Finance Law Offices

*As to Cayman Islands Law*  
Conyers Dill & Pearman (Cayman) Limited

## PRINCIPAL BANKERS

The Export-Import Bank of China  
Industrial and Commercial Bank of China Dalian Branch  
China Minsheng Bank Dalian Branch  
China CITIC Bank Dalian Branch  
China Construction Bank Dalian Branch  
Bank of China Dalian Branch

## STOCK CODE

3639

## COMPANY'S WEBSITE

[www.yidachina.com](http://www.yidachina.com)

# CHAIRMAN'S STATEMENT

Dear shareholders,

I am pleased to present the interim results of the Group for the six months ended 30 June 2016 (the "period").

## RESULTS

The Group recorded revenue of RMB2,832.64 million for the six months ended 30 June 2016, representing an increase of 2.9% compared with the corresponding period of last year, of which rental income increased by 11.7% to RMB189.63 million; income from business park operation and management increased by 106.4% to RMB27.60 million. The net profit attributable to shareholders of the Company was RMB273.87 million. The core net profit after deducting fair value gains on investment properties (net of tax) was RMB238.78 million while core net profit margin attributable to the shareholders of the Company was 8.4%.

## REVIEW OF THE FIRST HALF OF 2016

The transformation and upgrade of domestic economic structure gathered momentum in the first half of the year. Strategic emerging industries, which are technology intensive and with great growth potential, such as electronic information, intelligent manufacture, bio-pharmaceutical and energy conservation and environment protection, developed rapidly. Innovations and entrepreneurs in hot fields such as Internet, big data, cloud computing and Internet of Things have been more active, which brought intelligent industrial operations and enterprise services rapid growth opportunities.

Following the development principles of "Asset-light combine with Asset-heavy operation" formulated in the beginning of the year, all business sectors progressed steadily.

The development of business parks developed steadily. The Group grasped the opportunity in the market, improved product quality and consistently upgraded educational, commercial and environmental auxiliary products, which had given a strong thrust to the rapid destocking of Dalian and Wuhan projects. At the same time, new projects and new products were launched to the market more rapidly which optimised product structure. Meanwhile, under the strategic guide of "Consolidating market position in Dalian, Gearing up development efforts in Wuhan, Expanding business coverage nationwide", the Group successively entered into strategic investment agreements for projects such as Hankou Happiness Innovative Ecological Peninsula in Wuhan and Zhengzhou New Best City and made further headway in nationwide layout in the first half of the year.

The operation of business park grew strongly. The Group continued to put more efforts in strategic target cities such as Beijing, Shanghai, Shenzhen, Hangzhou, Suzhou, Changsha and Zhengzhou. During the period, there were 8 new entrusted operation projects with newly added operation area of 631,000 square meters and accumulated entrusted operation area was nearly 2,000,000 square meters. During the process of business development, the Group summarised a series of business and commercial models including construction agency, entrusted operation and chartering, which provided replicable templates for rapid expansion.

Service models for business park customers have been innovated constantly. The Group thoroughly followed enterprises' demand and provided corporate customers of its parks with custom-made office construction and full-range operation services through establishing service systems such as BOT, turn-key projects, service platforms, technology platforms and incubators, which greatly enhanced customer loyalty and opened up new paths for the Group's light-asset business. During the period, the Thunisoft Dalian Research and Development Center project was officially completed and started operation in Dalian BEST City and became another successful project of Yida's "customised services".

## CHAIRMAN'S STATEMENT (CONTINUED)

Core capability of business park operation get upgraded continuously. Developing from a prospective of “industrial integration, product standard, customer services” and under the foundation of service contents and service system built over years, the Group established the business park integrated service platform. Along with the consummation of the platform and comprehensive online application, the platform will assume an important supporting role to service quality and service efficiency for the Group's overall business park operation.

The leading position of business park development and operation had been further recognised by the industry. In the first half of the year, the Group ranked top 5 in terms of innovation capability and top 50 in terms of integrated capability among listed property companies in China. It was selected as top 30 Property Enterprises of National Industries 2016. Dalian Software Park was awarded “Best Demonstration Business Park of Chinese City-Industry Integration Outsourcing Services”.

### OUTLOOK FOR THE SECOND HALF OF 2016

For the second half of the year, transformation and upgrade of domestic economy structure will continue. It is expected that the development environment of strategic emerging industries and high and new technology will continue to be positive, optimisation and upgrade of economic structure through innovation will become more obvious, and emerging technology industry and service industry will grow at a faster pace, bringing broader market opportunities for industrial operation.

The Company will stick to the development vision of “the leading business park operator in China”, adhere to the strategic approach of “leading the development of light-assets to actuate heavy-asset, and developing light-asset and heavy-asset simultaneously”, focus on existing cities, concentrate on expanding to new cities, insist on collaborative development of various businesses, enhance core capabilities and optimise business models.

In respect of the business park development sector, the Group will continuously accelerate destocking, promote launching of new projects and optimise product structure and regional layout. The Group will continue to increase inputs in upgrading products and auxiliary facilities as well as consolidating and raising continual attention and support for the Group from the market and customers by superior product quality and high standards of auxiliary services. Meanwhile, in accordance with market changes, the Group will integrate advantages of resources in key strategic target cities, commence city and industry integration development projects by adopting multiple methods and further expand the Group's operational scale.

In respect of the business park operation sector, the Group will focus on existing cities, steadily develop new strategic target cities, expand business scale, consummate business models and continue to enhance the advantages of customer resource integration. The Group will promote online customer management and service platform nationwide in a comprehensive manner, integrate internal and external basic services and value added service resources as well as lift speed and convenience of customer services. In key cities such as Beijing, Shanghai and Shenzhen, the Group will put efforts in researching the prospect of developing urban renewal business, enriching contents of business operation, forming customer resource echelon and developing new business growth points.

The Group will continue to strengthen core business capabilities in property management, construction, decoration and landscaping. On the basis of providing whole industry chain service support and business guarantee for business park development and operation, the Group will put efforts in expanding external market and actively explore new business development opportunities.

## CHAIRMAN'S STATEMENT (CONTINUED)

The year of 2016 is the critical period for sequent shift between old and new development impetus. While strategic emerging industries and high and new technology industries are in the ascendant, the atmosphere of entrepreneurship and innovation has become stronger with new service models growing constantly. The Group has always insisted in collective development with industries in China. During industrial upgrade, the Group continues to discover opportunities, accumulate experience and create business model to provide enterprises in business parks with more comprehensive service system and intellectual business park properties with higher standards and strives to become the most outstanding business park operator in China!

I hereby express our sincere gratitude to all shareholders, partners and customers who supported the Group and to the members of the Board, the management and employees who dedicated themselves to the Group.

**Yida China Holdings Limited**

**Sun Yinhuan**

*Chairman*

Hong Kong, 18 August 2016

# MANAGEMENT DISCUSSION AND ANALYSIS



Dalian Best City Core Area Business Park

## BUSINESS REVIEW

### The Development and Operation of Business Parks

#### Contracted Sales

For the first half of 2016, leveraging the continuous favorable policies for the property industry, market demand was further unleashed. According to the data from the National Bureau of Statistics, for the first half of 2016, sales area of commodity housing nationwide was approximately 640 million square meters, representing a year-on-year increase of 27.9%. Meanwhile, sales amount of commodity housing was approximately RMB4.9 trillion, representing a year-on-year increase of 42.1%.

The Group's residential projects are mainly distributed in Dalian city and Wuhan city. Benefited from the rigid demand brought by healthy industrial development as well as improvement needs brought by favorable living environment, medical treatment and education, the above two cities have maintained satisfactory sales performance for the first half of 2016. Land market of Dalian city continued to rebound, as shown by the repeated fierce competition of land lots by numerous property enterprises. Spurred by various favorable policies, transaction volume of commodity housing in Wuhan city doubled as compared to the previous year. Many property enterprises started purchasing land actively and a situation of booming demand and supply emerged in the land market.

The Group seized market opportunities, adopted flexible sales strategy to trim inventory. For the six months ended 30 June 2016, the Group realised contracted sales amount of approximately RMB3.85 billion and subscription amount of approximately RMB1.55 billion. The Group grasped market opportunities and swiftly launched improvement-aimed western-style house products with elevators and villa-type row houses in Dalian, of which better sales is expected to realise in the second half of the year. In March 2016, the Group launched sales of Phase One of Wuhan residential project. As at 30 June 2016, destocking of Phase One of the residential project of approximately 61.0% was realised. The Group accelerated investment and development in Wuhan city and Phase Two of the residential project is expected to commence construction and realise sales in the second half of the year.



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

The Group actively explores the innovative custom-made service model. With respect to single-building offices for sale, tailored sales are carried out according to customers' requirements. In order to satisfy customers' requirements and standards for office space to the maximum level, sales agreements are entered into with customers before construction and design and construction are carried out in accordance with customers' requirements until procedures for ownership certificates are completed. Gross floor area of Phase Two of Wuhan Industrial (武漢產業二期) is approximately 257,000 square meters. As at 30 June 2016, destocking of saleable portion of approximately 61.0% was realised.



Wuhan First City

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### Property Owned for Lease

As at 30 June 2016, the Group developed, owned and operated 6 business parks. The wholly-owned projects include Dalian Software Park, Dalian BEST City Core Area Business Park (“**Dalian Best City**”), Yida Information Software Park, as well as Wuhan First City, Dalian Ascendas IT Park and Dalian Tiandi which are owned as to 50%, 50% and 30% by us, respectively.

For the first half of 2016, the Group’s rental income from self-owned properties was approximately RMB189.63 million, representing an increase of 11.7% as compared to the same period in 2015. For the first half of 2016, the Group continued to launch smart business parks, further optimised and rolled out customer resources management platforms and provided more outstanding operation and management services such as solicitation of potential customers, property management and energy management. The Group also innovated value-added services and comprehensively upgraded the standard of customer service. While keeping up steady occupancy rate, we carried out building space resources integration in order to enhance revenue level.

As at 30 June 2016, information about the lease of part of the completed offices in industry and business parks held by the Group is as follows:

<b>Parks</b>	<b>Gross Floor Area</b> (ten thousand square meters)	<b>Leasable Area</b> (ten thousand square meters)	<b>Occupancy Rate at the end of the period</b> (%)
Dalian Software Park	61.52	59.49	95%
Dalian Best City	13.30	13.30	63%
Yida Information Software Park	8.69	6.62	66%
Dalian Ascendas IT Park	19.33	17.58	88%

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### Entrusted Operation and Management



Suzhou Kunshan Huaqiao Wealth & Intelligence Technology Park

For the first half of 2016, the Group newly expanded 8 projects of entrusted operation and management, which are Shanghai Yida T<sup>3</sup> Space Project, Meixihu Innovation Center in Changsha, Suzhou Kunshan Huaqiao Wealth & Intelligence Technology Park (蘇州崑山花橋財智科技園), Gao Rong Building in Suzhou (蘇州高融大廈), Suzhou Fu Li Electricity Project (蘇州富麗電力項目), Guo Bin Headquarters Project in Chengdu (成都國賓總部項目), Henan Outsourcing Industry Park and Phase One of China (Mianyang) Technology City Software Industry Park (中國(綿陽)科技城軟件產業園一期) with a newly added entrusted operation and management area of approximately 631,000 square meters. As at 30 June 2016, the Group accepted an aggregate of 17 entrusted operation and management projects with an aggregate entrusted operation and management area of approximately 1.949 million square meters. In the first half of 2016, income from entrusted operation and management was approximately RMB27.60 million, representing an increase of 106.4% as compared to the same period in 2015. Along with the increase in entrusted operation and management area and more matured operation of each project, the Group expects more income will be derived from the above business.

Distribution of the entrusted operation and management projects is as follows:

Cities	Number of Projects (unit)	Entrusted Management Area (ten thousand square meters)	Entrusted Operation Model
Wuhan	1	16.7	Business solicitation and operation
Shanghai	2	6.2	Business solicitation, operation and chartering
Shenzhen	1	7.1	Business solicitation and operation
Hangzhou	2	20.0	Business solicitation and operation
Suzhou	6	41.5	Business solicitation and operation
Chengdu	1	8.2	Business solicitation and operation
Changsha	2	59.2	Sales agency, business solicitation and operation
Zhengzhou	1	29.9	Business solicitation and operation
Mianyang	1	6.1	Business solicitation and operation
<b>Total</b>	<b>17</b>	<b>194.9</b>	

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Moreover, utilising extensive experience accumulated from previous city and industry planning as well as product positioning, the Group provides third parties with consultation services including industry planning and product positioning in order to provide support for entities seeking quality properties and cooperation opportunities.

There are abundant business park and office building projects in the market which are not well operated due to a lack of professional management teams and customer resources. More and more projects approach the Group hoping to improve project operations through entrusted operation and management. The Group strictly followed the established project selection criteria and identified cities and projects which conform to the Group's strategic development so as to lay the foundation for the Group's heavy asset investment at later stages. Through entrusted operation and management at early stages, the Group grasped the industrial development environment of the cities, understood more about local policies, market and customers and lowered the risks of investment at later stages to the largest extent.

Leveraging the advantages brought by the above entrusted operation and management business, the Group had explored several investment and development opportunities and had carried out preliminary works for some of the projects. As at 30 June 2016, the Group signed strategic investment agreements with Hubei Province United Development Investment Group Company Limited (湖北省聯發投集團) and Baibuting Group Company Limited (百步亭集團) to jointly develop the "Hankou Happiness Innovative Ecological Peninsula" (漢口幸福創新生態半島) project; the Group signed a strategic investment agreement with the Administrative Committee of High-Tech Development Zone of Zhengzhou City to jointly develop the "Zhengzhou New Best City" (鄭州科技新城) project. In addition to Wuhan and Zhengzhou, the Group also carried out research and analysis of investment and development in Shanghai and Nanjing, and sought suitable opportunities to implement comprehensive development of business parks under city-industry integration model.



The Guobin Headquarters of CD

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### Property Management

#### Residential Property Management

For the first half of 2016, the Group's property management team refined property service standards and continued to raise property service level. The team established property service themes for each quarter and provided more specific and tailor-made services. Through various service initiatives such as regular facilities inspections, fire drills, in-depth landlord visits and community cultural festival, the team raised service satisfaction to the maximum.

Meanwhile, the Group continued to create new types of services, launched ERP system, enhanced operation efficiency of community WeChat platforms and broadened the communication channel with landlords.

Except providing the Group's autonomous development projects with property management services, the Group also continued to extend external project expansion. As at 30 June 2016, the Group's aggregate residential property management area was approximately 6.16 million square meters.



Villa of Provence Project III

#### Office Property Management

For the first half of 2016, the Group reduced management costs and enhanced office property management capability through a series of measures, including team building, standardisation of practice, enhanced training and implementation of smart management.

For the first half of 2016, the Group had 5 newly expanded external entrusted office property management projects with an additional office property management area of 584,000 square meters. As at 30 June 2016, the Group's aggregate office property management area was approximately 2,599,000 square meters.

All of the above have laid the foundation for the Group's future growth of property management income and operation of the capital market.

### Construction, Decoration and Landscaping

In the first half of 2016, the Group continued to strengthen the capabilities in construction, decoration and landscaping so as to lay the foundation for expanding external markets and business scale.

Leveraging the opportunities brought by Qingyun Sky project, the Group's construction business team strengthened cooperation with Japan Sumitomo Realty & Development Co., Ltd., the Group's cooperating partner, rigidly followed Japanese construction management model and the lean method, and significantly enhanced construction capability of its own premium projects.

The Group's decoration team utilised the advantages of internet platforms, completed development and operation of "micro-mall" and "micro-services" and broadened customer exploration and service channels. The landscaping services team has strengthened management and enhanced its construction of own seedlings base, and also actively expanded the external market and increased revenue of the business by adhering to the "customer-oriented and market-oriented" philosophy.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### Land Reserves

As at 30 June 2016, the total gross floor area of the Group's land reserves was approximately 9.91 million square meters, and the attributable gross floor area of the Group's land reserves was approximately 6.34 million square meters.

The following table sets forth a breakdown of the Group's land reserves as at 30 June 2016:

Business Parks/Multi-functional, Integrated Residential Community Projects	Equity Held by the Group	GFA Completed Remaining Saleable/Leasable (sq.m.)	GFA Under Development (sq.m.)	GFA Held for Future Development (sq.m.)
<b>Business Parks</b>				
<b>Dalian Software Park</b>				
Office Building Area	100%	594,936	—	—
Residential Area	100%	179,421	—	—
Subtotal	100%	774,357	—	—
<b>Dalian Best City Core Area</b>				
<b>Business Park</b>				
Office Building Area	100%	133,040	149,000	557,530
Residential Area	100%	345,018	132,721	122,344
Subtotal	100%	478,058	281,721	679,874
<b>Wuhan First City</b>				
Office Building Area	50%	—	589,647	549,269
Residential Area	50%	—	227,800	144,277
Subtotal	50%	—	817,447	693,546
<b>Yida Information Software Park</b>				
Office Building Area	100%	86,880	64,406	118,798
Residential Area	59.5%–100%	384,856	345,273	—
Subtotal	59.5%–100%	471,736	409,679	118,798

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Business Parks/Multi-functional, Integrated Residential Community Projects	Equity Held by the Group	GFA Completed Remaining Saleable/Leasable (sq.m.)	GFA Under Development (sq.m.)	GFA Held for Future Development (sq.m.)
<b>Dalian Ascendas IT Park</b>				
Office Building Area	50%	193,318	—	41,968
Subtotal	50%	193,318	—	41,968
<b>Dalian Tiandi</b>				
Office Building Area	30%	317,982	172,373	1,330,709
Residential Area	30%	137,092	296,458	636,860
Subtotal	30%	455,074	468,831	1,967,569
<b>Business Parks Subtotal</b>	30%–100%	2,372,543	1,977,678	3,501,755
<b>Multi-functional, Integrated Residential Community Projects</b>				
Dalian	25%–100%	442,454	258,607	1,216,443
Shenyang	100%	14,535	42,069	—
Chengdu	80%–100%	75,298	—	3,737
<b>Multi-functional, Integrated Residential Community Subtotal</b>	25%–100%	532,287	300,676	1,220,180
<b>Grand Total</b>	25%–100%	2,904,830	2,278,354	4,721,935

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### FINANCIAL REVIEW

#### Revenue

The sources of revenue of the Group primarily include (1) income from the sales of properties; (2) rental income; (3) income from providing business park operation and management services; (4) income from providing construction, decoration and landscaping services; and (5) income from providing property management services.

For the six months ended 30 June 2016, the revenue of the Group was RMB2,832.64 million, representing an increase of 2.9% from the corresponding period of last year.

The following table sets forth a breakdown of the revenue for the periods indicated:

	For the six months ended 30 June			
	2016		2015	
	Amount RMB'000 (Unaudited)	% of total	Amount RMB'000 (Unaudited)	% of total
Sales of properties	<b>2,182,869</b>	<b>77.1%</b>	2,158,084	78.4%
Rental income	<b>189,633</b>	<b>6.7%</b>	169,764	6.2%
Business park operation and management service income	<b>27,595</b>	<b>1.0%</b>	13,368	0.5%
Construction, decoration and landscaping income	<b>292,211</b>	<b>10.3%</b>	275,920	10.0%
Property management income	<b>140,330</b>	<b>4.9%</b>	136,578	4.9%
Total	<b>2,832,638</b>	<b>100.0%</b>	2,753,714	100.0%

#### (1) Sales of Properties

For the six months ended 30 June 2016, income of the Group derived from property sales amounted to RMB2,182.87 million, representing an increase of 1.1% from the corresponding period of last year, mainly attributable to the relatively higher project unit selling price of the properties sold during the period.

#### (2) Rental Income

The rental income of the Group for the six months ended 30 June 2016 was RMB189.63 million, representing an increase of 11.7% from the corresponding period of last year, mainly attributable to the increase in leased area and the increase in unit rent.

#### (3) Business Park Operation and Management Service Income

For the six months ended 30 June 2016, the income from business park operation and management services provided by the Group amounted to RMB27.60 million, representing an increase of 106.4% from the corresponding period of last year, mainly attributable to the increase in the number of projects under entrusted operation and management as well as the increasing maturity of projects under operation and management during the period.



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### (4) Construction, Decoration and Landscaping Income

For the six months ended 30 June 2016, the construction, decoration and landscaping income of the Group amounted to RMB292.21 million, representing an increase of 5.9% from the corresponding period of last year, mainly attributable to the increase in the number of completed projects during the period.

### (5) Property Management Income

The property management income increased by 2.7% to approximately RMB140.33 million for the six months ended 30 June 2016 from approximately RMB136.58 million in the corresponding period of 2015, which was mainly attributable to the increase in area of office under management and the increase in property management fee.

## Cost of Sales

The cost of sales of the Group for the six months ended 30 June 2016 was RMB1,949.48 million, representing an increase of 1.9% from the corresponding period of last year, which was mainly attributable to the relatively higher unit cost of properties sold during the period.

## Gross Profit and Gross Profit Margin

The gross profit of the Group for the six months ended 30 June 2016 was RMB883.16 million, representing an increase of 5.2% from the corresponding period of 2015. The gross profit margin increased to 31.2% for the six months ended 30 June 2016 from 30.5% in the corresponding period of 2015, which was mainly due to the relatively higher unit selling price of properties sold during the period. Apart from the sales of properties, the gross profit margin of other businesses either remained stable or increased, among which, the gross profit margin of the operation and management services for business parks increased to 78.6% from 78.0% in the corresponding period of 2015.

## Other Income and Gains

Other income and gains of the Group include interest income, dividend income, government subsidies, gain on re-measurement of the fair value of existing investment interest in the joint venture on the date of obtaining control and other income. For the six months ended 30 June 2016, other income and gains of the Group were RMB49.96 million, representing an increase of approximately RMB26.71 million from the corresponding period of 2015, which was mainly attributable to the re-measurement of the fair value of existing investment interest in the joint venture on the date of obtaining control.

## Sales and Marketing Costs

The sales and marketing costs of the Group decreased by 26.2% to RMB73.08 million for the six months ended 30 June 2016 from RMB99.04 million in the corresponding period of 2015, which was mainly due to the decrease in advertising and promotion fees during the period.

## Administrative Expenses

The administrative expenses of the Group increased by 2.1% to RMB175.78 million for the six months ended 30 June 2016 from RMB172.20 million in the corresponding period of 2015, which was mainly attributable to the increase in consulting fees during the period.

## Other Expenses

Other expenses of the Group include charity donation, fair value losses of derivative financial instruments and other expenses. For the six months ended 30 June 2016, other expenses of the Group were RMB82.01 million, representing an increase of RMB72.38 million compared with the corresponding period of 2015, which was mainly due to the increase in losses of change in fair value of put and call options during the period.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### Increase in Fair Value on Investment Properties

The fair value gains on investment properties of the Group increased by 21.9% to RMB46.78 million for the six months ended 30 June 2016 from RMB38.39 million in the corresponding period of 2015, which was mainly due to fair value gains of investment properties under construction arising from an increase in construction progress during the period.

### Finance Costs

The finance costs of the Group increased by 61.2% to RMB117.55 million for the six months ended 30 June 2016 from RMB72.91 million in the corresponding period of 2015, which was primarily attributable to the decrease in finance costs being capitalised during the period.

### Share of Profits and Losses of Joint Ventures

For the six months ended 30 June 2016, the Group's share of profits of joint ventures was RMB27.10 million, representing an increase of approximately RMB22.26 million from the corresponding period of 2015, which was mainly attributable to the increase in profit of Dalian Software Park Ascendas Development Company Limited (大連軟件園騰飛發展有限公司).

### Share of Profits and Losses of Associates

Share of profits and losses of associates was primarily contributed by Richcoast Group Limited ("Richcoast Group") and Crown Speed Investments Limited. For the six months ended 30 June 2016, the Group's share of losses of associates was RMB37.64 million, representing an increase in losses of approximately RMB13.81 million from the corresponding period of 2015, which was mainly attributable to the increase of losses of Dalian Tiandi operated by Richcoast Group.

### Income Tax

The income tax expenses of the Group include corporate income tax, land appreciation tax and deferred income tax. The income tax expenses of the Group increased by 16.1% to RMB249.59 million for the six months ended 30 June 2016 from RMB214.92 million in the corresponding period of 2015, which was mainly due to the increase in corporate income tax.

### Profit for the Period

As a result of the foregoing, the profit before tax of the Group was RMB520.94 million, which was comparable to that of the corresponding period of 2015.

The net profit of the Group decreased by 13.5% to RMB271.35 million for the six months ended 30 June 2016 from RMB313.59 million in the corresponding period of 2015.

The net profit attributable to equity owners decreased by 12.7% to RMB273.87 million for the six months ended 30 June 2016 from RMB313.78 million in the corresponding period of 2015.

The core net profit attributable to equity owners (excluding effects of fair value gains on investment properties, net of tax) decreased to RMB238.78 million for the six months ended 30 June 2016 from RMB284.80 million in the corresponding period of 2015.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

#### Cash Position

As at 30 June 2016, the Group had cash and bank balances (including restricted cash of approximately RMB1,147.58 million) of approximately RMB3,043.28 million (31 December 2015: cash and bank balances of approximately RMB3,310.72 million, including restricted cash of approximately RMB2,252.15 million).

#### Debts

As at 30 June 2016, the Group had bank and other borrowings of approximately RMB17,819.45 million (31 December 2015: approximately RMB16,231.04 million), of which:

##### (1) By loan type

	30 June 2016 RMB'000 (Unaudited)	31 December 2015 RMB'000 (Audited)
Secured bank loans	10,669,256	11,043,008
Secured other borrowings	4,117,300	3,987,000
Unsecured other borrowings	3,032,893	1,201,028
	<b>17,819,449</b>	16,231,036

##### (2) By maturity date

	30 June 2016 RMB'000 (Unaudited)	31 December 2015 RMB'000 (Audited)
Within one year or on demand	6,921,971	8,263,349
In the second year	3,631,632	3,324,969
In the third to fifth years	5,769,188	3,994,668
Beyond five years	1,496,658	648,050
	<b>17,819,449</b>	16,231,036

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### Debt Ratio

The net debt ratio (net debt, including interest-bearing bank and other borrowings, less cash and cash equivalents and restricted cash, divided by the total equity) of the Group was approximately 151.3% as at 30 June 2016, which increased by 14.0% as compared to 137.3% as at 31 December 2015, mainly due to increase of bank and other borrowings arising from obtaining control of a subsidiary during the period.

### Foreign Exchange Risks

The functional currency of the Group is RMB and most transactions were denominated in RMB. As at 30 June 2016, the Group had cash and bank balances (including restricted cash) of approximately RMB4.76 million and approximately RMB8.70 million denominated in Hong Kong dollars and US dollars, respectively. All such amounts were exposed to foreign currency risks. The Group currently has no hedging policies, but the management monitors foreign exchange risks and will consider hedging significant foreign exchange risks when necessary.

### Contingent Liabilities

The Group enters into arrangements with PRC commercial banks to provide mortgage facilities to its customers to purchase our properties. In accordance with industry practice, the Group is 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) registration of mortgage interest to the bank, or (II) the settlement of mortgage loans between the mortgagee banks and the purchasers. As at 30 June 2016, the Group provided a guarantee of approximately RMB547.33 million to commercial banks in the PRC in respect of bank mortgages granted to the customers of the Group (as compared to 31 December 2015: approximately RMB329.29 million).

In addition to guarantees we provided in respect of the mortgage facilities to our customers, as at 30 June 2016, we provided a guarantee not exceeding RMB24.00 million (as at 31 December 2015: RMB37.78 million) to the shareholders of Richcoast Group. This guarantee was provided in respect of the repayment obligations of Richcoast Group to a joint venture and the joint venture partner in accordance with our shareholding percentage.

As at 30 June 2016, we provided guarantees to the extent of RMB437.57 million (as at 31 December 2015: RMB356.20 million) to banks in respect of bank borrowings granted to associates.

As at 30 June 2016, we provided guarantees to the extent of RMB253.00 million (as at 31 December 2015: RMB1,478.00 million) to banks in respect of bank borrowings granted to joint ventures.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)



## EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2016, the Group had 2,245 full-time employees. The Group distributes remunerations to the staff based on the performances and working experiences of the employees and the current market salary level.

The Group regularly reviews the remuneration policy and plan and will make necessary adjustments to make them in line with the industry remuneration standards.

# DISCLOSURE OF INTERESTS

## DIRECTORS AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OR DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS

As at 30 June 2016, the interests and short positions of each of the Directors and the chief executives of the Company in the shares (the “**Shares**”) and underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “**SFO**”) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as contained in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (“**the Listing Rules**”) were as follows:

### (I) Interest in the Shares and underlying Shares

Name of Director	Capacity/Nature of interest	Number of shares held <sup>(1)</sup>	Approximate percentage in the Company's issued share capital
Mr. Sun Yinhuan	Interest of a controlled corporation	1,611,400,000(L) <sup>(2)</sup>	62.36%
Mr. Sun Yinfeng	Interest of a controlled corporation	93,400,000(L) <sup>(3)</sup>	3.61%
Mr. Sun Yansheng	Interest of a controlled corporation	78,800,000(L) <sup>(4)</sup>	3.05%
Mr. Jiang Xiuwen	Interest of a controlled corporation	68,600,000(L) <sup>(5)</sup>	2.65%
Mr. Wen Hongyu	Interest of a controlled corporation	93,400,000(L) <sup>(6)</sup>	3.61%
Mr. Gao Wei	Interest of a controlled corporation	78,800,000(L) <sup>(7)</sup>	3.05%

Notes:

- (1) The letter “L” denotes the person's long position in such securities.
- (2) Mr. Sun Yinhuan beneficially owns the entire issued share capital of Right Won Management Limited. By virtue of the SFO, Mr. Sun Yinhuan is deemed to be interested in the Shares held by Right Won Management Limited.
- (3) Mr. Sun Yinfeng beneficially owns the entire issued share capital of Grand Create Limited, which in turn owns 42.10% of the issued share capital of Keen Harmony Limited. Keen Harmony Limited owns 3.61% of the issued share capital of the Company. By virtue of the SFO, Mr. Sun Yinfeng is deemed to be interested in the Shares held by Keen Harmony Limited.
- (4) Mr. Sun Yansheng beneficially owns the entire issued share capital of Everest Talent Limited, which in turn owns 37.50% of the issued share capital of Keen Sky Grace Limited. Keen Sky Grace Limited owns 3.05% of the issued share capital of the Company. By virtue of the SFO, Mr. Sun Yansheng is deemed to be interested in the Shares held by Keen Sky Grace Limited.
- (5) Mr. Jiang Xiuwen beneficially owns the entire issued share capital of Grace Excellence Limited and Everest Everlasting Limited, which together in turn own in total 45.56% of the issued share capital of Keen High Keen Source Limited. Keen High Keen Source Limited owns 2.65% of the issued share capital of the Company. By virtue of the SFO, Mr. Jiang Xiuwen is deemed to be interested in the Shares held by Keen High Keen Source Limited.
- (6) Mr. Wen Hongyu beneficially owns the entire issued share capital of Kind Source Limited, which in turn owns 31.58% of the issued share capital of Keen Harmony Limited. Keen Harmony Limited owns 3.61% of the issued share capital of the Company. By virtue of the SFO, Mr. Wen Hongyu is deemed to be interested in the Shares held by Keen Harmony Limited.

## DISCLOSURE OF INTERESTS (CONTINUED)

- (7) Mr. Gao Wei beneficially owns the entire issued share capital of Everest Excellence Limited, which in turn owns 25% of the issued share capital of Keen Sky Grace Limited. Keen Sky Grace Limited owns 3.05% of the issued share capital of the Company. By virtue of the SFO, Mr. Gao Wei is deemed to be interested in the Shares held by Keen Sky Grace Limited.

### (II) Interest in associated corporations of the Company

Name of Director	Name of associated corporation	Capacity	Number of shares <sup>(1)</sup>	Percentage of the issued share capital of that associated corporation held
Mr. Sun Yinhan	Right Won Management Limited	Beneficial owner	1(L)	100.00%
Mr. Sun Yinfeng	Keen Harmony Limited	Interest of a controlled corporation	4,000(L) <sup>(2)</sup>	42.10%
Mr. Sun Yansheng	Keen Sky Grace Limited	Interest of a controlled corporation	3,000(L) <sup>(3)</sup>	37.50%
Mr. Jiang Xiuwen	Keen High Keen Source Limited	Interest of a controlled corporation	3,180(L) <sup>(4)</sup>	45.56%
Mr. Wen Hongyu	Keen Harmony Limited	Interest of a controlled corporation	3,000(L) <sup>(5)</sup>	31.58%
Mr. Gao Wei	Keen Sky Grace Limited	Interest of a controlled corporation	2,000(L) <sup>(6)</sup>	25.00%

Notes:

- (1) The letter "L" denotes the person's long position in such securities.
- (2) These Shares are held by Grand Create Limited which is wholly owned by Mr. Sun Yinfeng.
- (3) These Shares are held by Everest Talent Limited which is wholly owned by Mr. Sun Yansheng.
- (4) These Shares comprise of 3,000 shares held by Grace Excellence Limited and 180 shares held by Everest Everlasting Limited, which are wholly owned by Mr. Jiang Xiuwen.
- (5) These Shares are held by Kind Source Limited which is wholly owned by Mr. Wen Hongyu.
- (6) These Shares are held by Everest Excellence Limited which is wholly owned by Mr. Gao Wei.

Save as disclosed above, as at 30 June 2016, none of the Directors and chief executive of the Company and/or their respective associated persons had any personal, family, corporate or other interests or short positions in any Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be 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 was deemed or taken to have under such provisions of the SFO) or which were required to be entered into the register kept by the Company pursuant to section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

## DISCLOSURE OF INTERESTS (CONTINUED)

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2016, so far as the Directors are aware, the following persons (other than the Directors and the chief executive of the Company) or institutions have interests or short positions in the Shares and underlying Shares as recorded in the register required to be kept pursuant to section 336 of the SFO:

Name of shareholder	Capacity/Nature of interest	Number of shares held <sup>(1)</sup>	Approximate percentage in the Company's issued share capital
Right Won Management Limited <sup>(2)</sup>	Beneficial owner	1,611,400,000(L)	62.36%

Notes:

- (1) The letter "L" denotes the person's long position in such securities.
- (2) Right Won Management Limited is beneficially and wholly owned by Mr. Sun Yinhuan. By virtue of the SFO, Mr. Sun Yinhuan is deemed to be interested in the Shares held by Right Won Management Limited.

Save as disclosed above, as at 30 June 2016, there was no other person, other than a Director or chief executive of the Company, who had interests or short positions 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 required to be kept by the Company pursuant to section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange.



# CORPORATE GOVERNANCE AND OTHER INFORMATION

## INTERIM DIVIDEND

The Board does not recommend any payment of interim dividend for the six months ended 30 June 2016.

## COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Directors recognise the importance of good corporate governance in the management of the Group. The Company has adopted the code provisions as set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”). During the period, the Company has complied with all the code provisions set out in the CG Code.

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set forth in Appendix 10 to the Listing Rules as the code for securities transactions by the Directors. The Company has made specific enquiry with each of the Directors and all Directors have confirmed that they complied with the Model Code throughout the period.

## PURCHASES, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the period, neither the Company nor its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities.

## MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

During the period, the Group had no material acquisitions or disposals of subsidiaries and affiliated companies.

## SUBSEQUENT EVENT

Reference is made to the Company’s announcement dated 18 August 2016 in relation to the discloseable and connected transaction of acquisition of Dalian Ambo and Dalian Shitong (the “**Announcement**”) and unless otherwise stated, capitalized terms used in this paragraph have the same meanings as defined in the Announcement. On 18 August 2016, Sichuan Yixing, a wholly-owned subsidiary of the Company, Sino Delight and Crown Speed entered into the Equity Transfer Agreements pursuant to which Sichuan Yixing agreed to purchase from Sino Delight and Crown Speed the Dalian Ambo Interest and Dalian Shitong Interest at a total consideration of RMB436,420,000 (equivalent to approximately HK\$512,320,244). As at 18 August 2016, each of Dalian Ambo and Dalian Shitong is held as to 51% by Sichuan Yixing, 40.06% by Crown Speed and 8.94% by Sino Delight and is accounted as a joint venture of the Company. Upon completion of the Acquisitions, each of Dalian Ambo and Dalian Shitong will be wholly-owned by Sichuan Yixing and hence an indirect wholly-owned subsidiary of the Company.

## CORPORATE GOVERNANCE AND OTHER INFORMATION (CONTINUED)

### SHARE OPTION SCHEME

The Company adopted a share option scheme on 1 June 2014. During the period, no share options have been granted under the share option scheme.

### AUDIT COMMITTEE

The Company has established an audit committee (the “**Audit Committee**”) on 1 June 2014 with written terms of reference, which was amended on 10 December 2015, in compliance with Rule 3.21 of the Listing Rules and paragraph C3 of the CG Code as set out in Appendix 14 to the Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control system of the Group, oversee the audit process and perform other duties and responsibilities as assigned by the Board. The Audit Committee consists of three independent non-executive Directors, namely Mr. Yip Wai Ming, Mr. Ip Yuk Chi Eddie and Mr. Guo Shaomu, with Mr. Yip Wai Ming acting as the chairman of the Audit Committee. In compliance with Rule 3.21 of the Listing Rules, the chairman of the Audit Committee has appropriate professional qualifications.

### USE OF PROCEEDS FROM GLOBAL OFFERING

On 27 June 2014, the shares of the Company were listed on the Main Board of the Stock Exchange. The net proceeds from the above global offering were approximately HK\$1,328.0 million (after deducting relevant listing expenses). From the listing date up to 30 June 2016, the Company has been utilizing the net proceeds on a pro-rata basis in accordance with the terms as set out in the section headed “Future Plans and Use of Proceeds — Use of Proceeds” in the prospectus dated 17 June 2014.

### REVIEW OF THE INTERIM RESULTS

The unaudited interim financial information of the Group for the six months ended 30 June 2016 has been reviewed by the auditors of the Company, Ernst & Young, in accordance with Hong Kong Standard on Review Engagements 2410 — “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. The interim report of the Group for the six months ended 30 June 2016 has also been reviewed and passed by the Audit Committee.

# REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION



To the board of directors of Yida China Holdings Limited

## INTRODUCTION

We have reviewed the interim financial information set out on pages 28 to 58 which comprises the condensed consolidated statement of financial position of Yida China Holdings Limited (the “**Company**”) and its subsidiaries as of 30 June 2016 and the related condensed consolidated statement of profit or loss, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six months then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“**HKAS 34**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

The directors of the Company are responsible for the preparation and presentation of interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

## SCOPE OF REVIEW

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

## REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION (CONTINUED)

### CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

**Ernst & Young**

*Certified Public Accountants*

22/F CITIC Tower

1 Tim Mei Avenue

Central

Hong Kong

18 August 2016

# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2016

	Notes	Six months ended 30 June	
		2016 RMB'000 (Unaudited)	2015 RMB'000 (Unaudited)
<b>REVENUE</b>	4	<b>2,832,638</b>	2,753,714
Cost of sales		<b>(1,949,480)</b>	(1,914,063)
Gross profit		<b>883,158</b>	839,651
Other income and gains	4	<b>49,957</b>	23,244
Selling and marketing expenses		<b>(73,084)</b>	(99,038)
Administrative expenses		<b>(175,778)</b>	(172,200)
Other expenses		<b>(82,006)</b>	(9,631)
Fair value gains on investment properties	11	<b>46,784</b>	38,385
Finance costs	6	<b>(117,553)</b>	(72,906)
Share of profits and losses of:			
Joint ventures		<b>27,099</b>	4,836
Associates		<b>(37,642)</b>	(23,834)
<b>PROFIT BEFORE TAX</b>	5	<b>520,935</b>	528,507
Income tax expenses	7	<b>(249,589)</b>	(214,916)
<b>PROFIT FOR THE PERIOD</b>		<b>271,346</b>	313,591
Attributable to:			
Owners of the parent		<b>273,870</b>	313,779
Non-controlling interests		<b>(2,524)</b>	(188)
		<b>271,346</b>	313,591
<b>EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>			
Basic (RMB per share)	9	<b>10.60 cents</b>	12.14 cents
Diluted (RMB per share)	9	<b>10.60 cents</b>	12.14 cents

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2016

	Six months ended 30 June	
	2016 RMB'000 (Unaudited)	2015 RMB'000 (Unaudited)
<b>PROFIT FOR THE PERIOD</b>	<b>271,346</b>	313,591
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	<b>(13,412)</b>	124
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>257,934</b>	313,715
Attributable to:		
Owners of the parent	<b>260,458</b>	313,898
Non-controlling interests	<b>(2,524)</b>	(183)
	<b>257,934</b>	313,715

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2016

	Note	30 June 2016 RMB'000 (Unaudited)	31 December 2015 RMB'000 (Audited)
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	10	93,732	99,191
Investment properties	11	11,587,758	11,486,300
Investments in joint ventures		2,154,600	2,331,361
Investments in associates		605,432	639,310
Prepayments for acquisition of land		2,019,713	1,943,122
Land held for development for sale	12	730,506	815,516
Other receivables		442,535	578,878
Intangible assets		11,262	10,845
Available-for-sale investments		24,540	24,540
Deferred tax assets		125,513	140,839
Total non-current assets		17,795,591	18,069,902
<b>CURRENT ASSETS</b>			
Inventories		9,483	6,168
Land held for development for sale	12	634,928	131,047
Properties under development		6,995,952	5,049,279
Completed properties held for sale		3,081,863	3,496,672
Prepayments for acquisition of land		249,655	249,655
Gross amount due from contract customers		112,404	78,531
Trade receivables	13	608,121	597,033
Prepayments, deposits and other receivables		3,965,912	3,433,081
Prepaid corporate income tax		45,956	44,353
Prepaid land appreciation tax		102,736	51,748
Restricted cash		1,147,577	2,252,154
Cash and cash equivalents		1,895,700	1,058,565
Total current assets		18,850,287	16,448,286
<b>CURRENT LIABILITIES</b>			
Gross amount due to contract customers		494,240	510,819
Receipts in advance		1,689,772	2,261,924
Trade payables	14	2,195,780	2,163,636
Other payables and accruals		1,536,100	953,641
Derivative financial instruments	16	476,911	399,521
Interest-bearing bank and other borrowings	15	6,921,971	8,263,349
Tax payable		576,189	481,162
Provision for land appreciation tax		372,531	407,760
Total current liabilities		14,263,494	15,441,812

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 30 June 2016

	Note	30 June 2016 RMB'000 (Unaudited)	31 December 2015 RMB'000 (Audited)
<b>NET CURRENT ASSETS</b>		<b>4,586,793</b>	1,006,474
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>22,382,384</b>	19,076,376
<b>NON-CURRENT LIABILITIES</b>			
Interest-bearing bank and other borrowings	15	<b>10,897,478</b>	7,967,687
Other payables		<b>73,370</b>	97,970
Deferred tax liabilities		<b>1,647,762</b>	1,602,233
Total non-current liabilities		<b>12,618,610</b>	9,667,890
Net assets		<b>9,763,774</b>	9,408,486
<b>EQUITY</b>			
<b>Equity attributable to owners of the parent</b>			
Issued capital	17	<b>159,418</b>	159,418
Reserves		<b>9,364,910</b>	9,236,963
<b>Non-controlling interests</b>		<b>9,524,328</b>	9,396,381
		<b>239,446</b>	12,105
Total equity		<b>9,763,774</b>	9,408,486



# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2016

Note	Attributable to owners of the parent									
	Issued capital	Share premium account	Statutory surplus reserve	Merger reserve	Share-based payment reserve	Exchange fluctuation reserve	Retained profits	Non-controlling interests		Total equity
								Total	interests	
RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
(Unaudited)										
At 1 January 2016	159,418	1,710,650	450,102	352,979	81,000	(36,319)	6,678,551	9,396,381	12,105	9,408,486
Profit for the period	—	—	—	—	—	—	273,870	273,870	(2,524)	271,346
Other comprehensive income for the period:										
Exchange differences on translation of foreign operations	—	—	—	—	—	(13,412)	—	(13,412)	—	(13,412)
Total comprehensive income for the period	—	—	—	—	—	(13,412)	273,870	260,458	(2,524)	257,934
Obtaining control of a subsidiary	18	—	—	—	—	—	—	—	229,865	229,865
Transfer from retained profits	—	—	8,276	—	—	—	(8,276)	—	—	—
Final 2015 dividend declared	—	(132,511)	—	—	—	—	—	(132,511)	—	(132,511)
At 30 June 2016	159,418	1,578,139*	458,378*	352,979*	81,000*	(49,731)*	6,944,145*	9,524,328	239,446	9,763,774

	Attributable to owners of the parent									
	Issued capital	Share premium account	Statutory surplus reserve	Merger reserve	Share-based payment reserve	Exchange fluctuation reserve	Retained profits	Non-controlling interests		Total equity
								Total	interests	
RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
(Unaudited)										
At 1 January 2015	159,418	2,051,734	337,621	352,979	81,000	25,156	5,969,769	8,977,677	1,399	8,979,076
Profit for the period	—	—	—	—	—	—	313,779	313,779	(188)	313,591
Other comprehensive income for the period:										
Exchange differences on translation of foreign operations	—	—	—	—	—	119	—	119	5	124
Total comprehensive income for the period	—	—	—	—	—	119	313,779	313,898	(183)	313,715
Final 2014 dividend declared	—	(341,084)	—	—	—	—	—	(341,084)	—	(341,084)
Capital contribution from non-controlling shareholder	—	—	—	—	—	—	—	—	10,490	10,490
At 30 June 2015	159,418	1,710,650	337,621	352,979	81,000	25,275	6,283,548	8,950,491	11,706	8,962,197

\* These reserve accounts comprise the consolidated reserves of RMB9,346,910,000 (31 December 2015: RMB9,236,963,000) in the consolidated statement of financial position as at 30 June 2016.

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2016

	Notes	Six months ended 30 June	
		2016 RMB'000 (Unaudited)	2015 RMB'000 (Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		<b>520,935</b>	528,507
Adjustments for:			
Depreciation	5	<b>7,480</b>	11,450
Amortisation of intangible assets	5	<b>1,137</b>	840
Loss on disposal of items of property, plant and equipment		<b>1,889</b>	2,829
Fair value gains on investment properties	11	<b>(46,784)</b>	(38,385)
Fair value losses on derivative financial instruments	5	<b>77,390</b>	3,651
Share of profits and losses of joint ventures		<b>(27,099)</b>	(4,836)
Share of profits and losses of associates		<b>37,642</b>	23,834
Gain on re-measurement of existing interest in the joint venture to date of obtaining control fair value		<b>(24,354)</b>	—
Finance costs	6	<b>117,553</b>	72,906
Interest income	4	<b>(20,893)</b>	(22,205)
Dividend income		<b>(1,171)</b>	(502)
		<b>643,725</b>	578,089
Increase in inventories		<b>(3,315)</b>	(510)
(Increase)/decrease in properties under development		<b>(324,409)</b>	1,030,179
Decrease in completed properties held for sale		<b>1,558,823</b>	291,456
Increase in prepayments for acquisition of land		<b>(76,591)</b>	(134,884)
Increase in the gross amount due from contract customers		<b>(33,873)</b>	(63,281)
Increase in trade receivables		<b>(5,856)</b>	(377,297)
Increase in prepayments, deposits and other receivables		<b>(159,992)</b>	(599,121)
Decrease in trade payables		<b>(192,957)</b>	(147,475)
Decrease in other payables and accruals		<b>(606,204)</b>	(1,069,372)
(Decrease)/increase in receipts in advance		<b>(1,109,627)</b>	874,728
(Decrease)/increase in the gross amount due to contract customers		<b>(16,579)</b>	128,566
Increase in deferred income		<b>181</b>	9,043
Cash generated from operations		<b>(326,674)</b>	520,121
Interest received		<b>20,893</b>	22,205
PRC corporate income tax paid		<b>(56,847)</b>	(143,570)
PRC land appreciation tax paid		<b>(140,119)</b>	(134,400)
Net cash (used in)/from operating activities		<b>(502,747)</b>	264,356

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the six months ended 30 June 2016

	Notes	Six months ended 30 June	
		2016 RMB'000 (Unaudited)	2015 RMB'000 (Unaudited)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
(Advance to)/repayment from joint ventures		(3,514)	56,343
Advance to associates		—	(89,328)
Investment in a joint venture		(2,500)	—
Decrease in amounts due from joint ventures and associates		90,882	—
Purchases of items of property, plant and equipment		(842)	(5,329)
Purchases of intangible assets		(1,499)	—
Additions to investment properties	11	(54,674)	(54,635)
Decrease/(increase) in restricted cash		1,104,577	(557,692)
Obtaining control of a subsidiary	18	996,206	—
Dividends received from joint ventures		—	104,601
Dividends received		1,171	502
Net cash from/(used in) investing activities		2,129,807	(545,538)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Capital contributions from non-controlling interests		—	10,000
Interest paid		(612,784)	(730,699)
New bank and other borrowings		5,730,185	3,895,773
Repayment of bank and other borrowings		(5,907,326)	(2,706,998)
Net cash (used in)/from financing activities		(789,925)	468,076
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>			
Cash and cash equivalents at beginning of period		1,058,565	740,071
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>			
		1,895,700	926,965

# NOTES TO INTERIM FINANCIAL INFORMATION

30 June 2016

## 1. CORPORATE INFORMATION

Yida China Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on 26 November 2007 as an exempted company with limited liability under the Companies Law, Cap 22 of the Cayman Islands. The registered office of the Company’s located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is an investment holding company. During the period, the Company and its subsidiaries (collectively referred to as the “**Group**”) were principally involved in property development, property investment, business park operation and management, property construction and decoration, landscaping and property management in Dalian, Wuhan, Shenyang, Beijing, Suzhou, Hangzhou, Shenzhen, Changsha and Chengdu, the People’s Republic of China (the “**PRC**” or “**Mainland China**”).

In the opinion of the directors of the Company (the “**Directors**”), the holding company and the ultimate holding company of the Company is Right Won Management Limited (“**Right Won**”), which is incorporated in the British Virgin Islands.

## 2. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial information has been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim financial reporting” issued by the Hong Kong Institute of Certified Public Accountants.

The accounting policies and basis of preparation adopted in the preparation of the interim condensed consolidated financial information are consistent with those of the Group as set out in the Group’s annual financial statements for the year ended 31 December 2015, except for the following new and revised Hong Kong Financial Reporting Standards (the “**HKFRSs**”) that have been adopted by the Group for the first time in 2016 for the current period’s interim financial information.

Amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011)	<i>Investment Entities: Applying the Consolidation Exception</i>
Amendments to HKFRS 11	<i>Accounting for Acquisitions of Interests in Joint Operations</i>
Amendments to HKAS 1	<i>Disclosure Initiative</i>
Amendments to HKAS 16 and HKAS 38	<i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>
Amendments to HKAS 16 and HKAS 41	<i>Agriculture: Bearer Plants</i>
Amendments to HKAS 27 (2011)	<i>Equity Method in Separate Financial Statements</i>
<i>Annual Improvements 2012–2014 Cycle</i>	Amendments to a number of HKFRSs

The adoption of the new and revised HKFRSs has had no significant financial effect on the interim financial information.

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2016

### 2.1 IMPACT OF ISSUED BUT NOT EFFECTIVE HKFRSS

The Group has not applied the following new and revised HKFRSSs, that have been issued but are not yet effective, in the interim financial information.

HKFRS 9	<i>Financial Instruments</i> <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> <sup>3</sup>
HKFRS 15	<i>Revenue from Contracts with Customer</i> <sup>1</sup>
HKFRS 16	<i>Leases</i> <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2018

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2019

<sup>3</sup> No mandatory effective date is determined but is available for early adoption

The Group is in the process of making an assessment of the impact of the new and revised HKFRSSs upon initial application, certain of which may be relevant to the Group's operation and may result in changes in the Group's accounting policies, and changes in presentation and measurement of certain items of the Group's interim financial information.

### 3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has six reportable operating segments as follows:

- (a) the property development segment engages in the development and sale of properties;
- (b) the property investment segment invests in properties for their rental income and/or for capital appreciation potential;
- (c) the business park operation and management segment engages in the provision of operation and management services to the business park projects owned by the local governments or other real estate developers;
- (d) the construction, decoration and landscaping segment engages in project construction, the provision of interior decoration work to property buyers and landscaping services to property projects;
- (e) the property management segment engages in the provision of management services to properties; and
- (f) the others segment comprises corporate income and expense items.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that interest income and finance costs are excluded from such measurement.

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2016

### 3. OPERATING SEGMENT INFORMATION (Continued)

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

During the six months ended 30 June 2016 and 2015, no revenue from transactions with a single external customer amounted to 10% or more of the Group's total revenue.

#### For the six-month period ended 30 June 2016

(Unaudited)	Property development RMB'000	Property investment RMB'000	Business park operation and management RMB'000	Construction, decoration and landscaping RMB'000	Property management RMB'000	Others RMB'000	Total RMB'000
<b>Segment revenue:</b>							
Sales to external customers	2,182,869	189,633	27,595	292,211	140,330	—	2,832,638
Segment results	427,817	240,000	(7,615)	22,061	24,150	(12,599)	693,814
<i>Reconciliation:</i>							
Interest income							20,893
Dividend income and unallocated gains							1,171
Corporate and other unallocated expenses							(77,390)
Finance costs							(117,553)
Profit before tax							520,935
Income tax expenses							(249,589)
Profit for the period							271,346

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2016

### 3. OPERATING SEGMENT INFORMATION (Continued)

For the six-month period ended 30 June 2015

(Unaudited)	Property development RMB'000	Property investment RMB'000	Business park operation and management RMB'000	Construction, decoration and landscaping RMB'000	Property management RMB'000	Others RMB'000	Total RMB'000
<b>Segment revenue:</b>							
Sales to external customers	2,158,084	169,764	13,368	275,920	136,578	—	2,753,714
Segment results	446,079	137,114	(2,468)	13,676	7,494	(19,538)	582,357
<i>Reconciliation:</i>							
Interest income							22,205
Dividend income and unallocated gains							502
Corporate and other unallocated expenses							(3,651)
Finance costs							(72,906)
Profit before tax							528,507
Income tax expenses							(214,916)
Profit for the period							313,591

### 4. REVENUE, OTHER INCOME AND GAINS

Revenue represents the gross proceeds, net of business tax, from the sale of properties; rental income, net of business tax, received and receivable from investment properties; property management income, net of business tax, received and receivable; an appropriate proportion of contract revenue from construction, decoration and landscaping, net of business tax; and business park operation and management service income, net of business tax, received and receivable from the provision of operation and management services to the business park projects during the period.

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2016

### 4. REVENUE, OTHER INCOME AND GAINS (Continued)

An analysis of the Group's revenue, other income and gains is as follows:

	For the six months ended 30 June	
	2016 RMB'000 (Unaudited)	2015 RMB'000 (Unaudited)
<b>Revenue</b>		
Sale of properties	2,182,869	2,158,084
Rental income	189,633	169,764
Business park operation and management service income	27,595	13,368
Construction, decoration and landscaping income	292,211	275,920
Property management income	140,330	136,578
	<b>2,832,638</b>	2,753,714
<b>Other income and gains</b>		
Interest income	20,893	22,205
Dividend income	1,171	502
Government subsidies	1,697	—
Gain on re-measurement of existing investment interest in the joint venture to the date of obtaining control fair value	24,354	—
Others	1,842	537
	<b>49,957</b>	23,244

### 5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

	For the six months ended 30 June	
	2016 RMB'000 (Unaudited)	2015 RMB'000 (Unaudited)
Cost of properties sold	1,527,389	1,519,830
Cost of services provided	364,704	348,606
Depreciation	7,480	11,450
Amortisation of intangible assets	1,137	840
Fair value loss of derivative financial instruments	77,390	3,651
Direct operating expenses (including repairs and maintenance) arising on rental-earning investment properties	57,387	45,627



## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2016

### 6. FINANCE COSTS

	For the six months ended 30 June	
	2016 RMB'000 (Unaudited)	2015 RMB'000 (Unaudited)
Interest on bank loans and other loans	612,784	730,699
Less: Interest capitalised	(495,231)	(657,793)
	117,553	72,906

### 7. INCOME TAX EXPENSES

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the six months ended 30 June 2016 and 2015. The income tax for the subsidiaries operating in Mainland China is calculated at the applicable tax rates on the taxable profits for the six months ended 30 June 2016 and 2015.

An analysis of the income tax charges for the period is as follows:

	For the six months ended 30 June	
	2016 RMB'000 (Unaudited)	2015 RMB'000 (Unaudited)
Current:		
PRC corporate income tax	152,856	81,427
PRC land appreciation tax	98,329	78,139
Overprovision of PRC land appreciation tax in prior years*	(39,631)	—
	211,554	159,566
Deferred:		
Current period	38,035	55,350
Total tax charge for the period	249,589	214,916

\* During the period ended 30 June 2016, the Group filed and agreed with the local tax bureau in the PRC the computation for the LAT of certain property development projects that had been completed and sold in previous years. As a result of the local tax bureau's assessments, the Group has reversed and recognised an overprovision of LAT on the relevant property development projects of RMB39,631,000 in the consolidated statement of profit or loss.

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2016

### 8. INTERIM DIVIDENDS

The Company resolved not to declare an interim dividend for the six months ended 30 June 2016 (six months ended 30 June 2015: Nil).

### 9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of basic and diluted earnings per share amounts for the period is based on the profit for the period attributable to the ordinary equity holders of the parent of RMB273,870,000 (six months ended 30 June 2015: RMB313,779,000), and the weighted average number of ordinary shares of 2,583,970,000 (six months ended 30 June 2015: 2,583,970,000) in issue during the period.

No adjustment has been made to the basic earnings per share presented for the six months ended 30 June 2016 and 2015 as the Group had no potentially dilutive ordinary shares in issue during those periods.

### 10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2016, the Group acquired property, plant and equipment of RMB3,910,000 (six months ended 30 June 2015: RMB5,329,000).

### 11. INVESTMENT PROPERTIES

	Completed RMB'000	Under construction RMB'000	Total RMB'000
(Unaudited)			
At 1 January 2016	8,965,700	2,520,600	11,486,300
Additions	6,752	47,922	54,674
Net gains from fair value adjustments	9,198	37,586	46,784
At 30 June 2016	8,981,650	2,606,108	11,587,758

	Completed RMB'000	Under construction RMB'000	Total RMB'000
(Unaudited)			
At 1 January 2015	8,139,370	2,916,560	11,055,930
Additions	2,610	52,025	54,635
Net gains from fair value adjustments	4,410	33,975	38,385
At 30 June 2015	8,146,390	3,002,560	11,148,950

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2016

### 11. INVESTMENT PROPERTIES (Continued)

At 30 June 2016, certain of the Group's investment properties of RMB11,122,226,000 (31 December 2015: RMB11,405,362,000) were pledged to banks to secure the loans granted to the Group (note 15).

The Group's completed investment properties are leased to third parties under operating leases, further summary details of which are included in note 21(a).

The Group's completed investment properties and investment properties under construction were revalued on 30 June 2016 by DTZ Cushman & Wakefield, independent professionally qualified valuers.

For completed investment properties, valuations were based on the capitalisation of net rental income derived from the existing tenancies with due allowance for the reversionary income potential of the properties.

For investment properties under construction which were stated at fair value at 30 June 2016, valuations were based on the residual approach, and have taken into account the expended construction costs and the costs that will be expended to complete the development to reflect the quality of the completed development on the basis that the properties will be developed and completed in accordance with the Group's latest development plan.

Investment properties which have been measured at cost included in the consolidated statement of financial position as at 30 June 2016 were RMB559,885,000 (31 December 2015: RMB559,777,000).

In the opinion of the Directors, for all investment properties that are measured at fair value, the current use of the properties is their highest and best use. Included in the Group's investment properties are certain investment properties under construction and completed investment properties measured at fair value in the aggregate carrying amount of RMB1,319,400,000 (31 December 2015: RMB1,292,000,000) as at 30 June 2016, which are subject to restrictions on sale and transfer, but may be leased to tenants that are engaged in software research and development and outsourcing services.

Unrealised gains included in the consolidated statement of profit or loss for completed investment properties for the six months ended 30 June 2016 were RMB9,198,000 (the six months ended 30 June 2015: RMB4,410,000).

Unrealised gains included in the consolidated statement of profit or loss for investment properties under construction for the six months ended 30 June 2016 were RMB37,586,000 (the six months ended 30 June 2015: RMB33,975,000).

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2016

### 11. INVESTMENT PROPERTIES (Continued)

Description of valuation techniques used and key inputs to valuation on investment properties:

	Valuation technique	Significant unobservable inputs	Range (weighted average)	
			30 June 2016	31 December 2015
Completed	Income approach (refer above)			
Retail		Estimated yearly rental value per square metre (RMB)	<b>503–2,055</b>	409–2,004
Office		Estimated yearly rental value per square metre (RMB)	<b>563–877</b>	565–873
Car park		Estimated yearly rental value per lot (RMB)	<b>3,564–5,012</b>	3,564–5,012
Retail		Capitalisation rate	<b>5%–6%</b>	5%–6%
Office		Capitalisation rate	<b>4.5%–5%</b>	4.5%–5%
Car park		Capitalisation rate	<b>3.5%–4%</b>	3.5%–4%
Under construction	Residual approach (refer above)			
Office		Estimated yearly rental value per square metre (RMB)	<b>700–749</b>	665–749
Car park		Estimated yearly rental value per lot (RMB)	<b>4,152–4,243</b>	3,564–4,243
Retail		Capitalisation rate	<b>—</b>	5%
Office		Capitalisation rate	<b>5%</b>	5%
Car park		Capitalisation rate	<b>3.5%</b>	3.5%–4%
Retail, office and car park		Development profit	<b>3%–8%</b>	1%–8%

A significant increase/(decrease) in estimated yearly rental value per square metre or per lot in isolation would result in a significantly higher/(lower) fair value of the investment properties. A significant increase/(decrease) in the capitalisation rate in isolation would result in a significantly lower/(higher) fair value of the investment properties.

Generally, a change in the assumption made for the estimated yearly rental value per square meter or per lot is accompanied by a directionally similar change in the development profit and an opposite change in the capitalisation rate.

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2016

### 12. LAND HELD FOR DEVELOPMENT FOR SALE

	30 June 2016 RMB'000 (Unaudited)	31 December 2015 RMB'000 (Audited)
Carrying amount at end of period/year	<b>1,365,434</b>	946,563
Current portion	<b>(634,928)</b>	(131,047)
Non-current portion	<b>730,506</b>	815,516

As at 30 June 2016, certain of the Group's land held for development for sale of approximately RMB1,008,643,000 (31 December 2015: RMB946,563,000), were pledged to banks to secure the bank and other loans granted to the Group (note 15).

### 13. TRADE RECEIVABLES

An aged analysis of the trade receivables as at the end of the reporting period, based on the invoice date is as follows:

	30 June 2016 RMB'000 (Unaudited)	31 December 2015 RMB'000 (Audited)
Neither past due nor impaired		
Within 1 year	<b>432,597</b>	445,309
1 to 2 years	<b>84,254</b>	79,522
Over 2 years	<b>32,160</b>	28,407
Past due but not impaired		
Within 1 year	<b>19,270</b>	—
1 to 2 years	<b>39,840</b>	43,795
	<b>608,121</b>	597,033

Trade receivables mainly represent receivables for contract works. The payment terms of contract works receivables are stipulated in the relevant contracts.

As at 30 June 2016, included in the Group's trade receivables are amounts due from related companies controlled by Yida Group Co., Ltd. ("**Yida Group**") of RMB23,850,000 (31 December 2015: RMB21,197,000), which are repayable on similar credit terms to those offered to the major customers of the Group. Yida Group is ultimately wholly owned by Mr. Sun Yinhuan, a director of the Company.

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2016

### 13. TRADE RECEIVABLES (Continued)

As at 30 June 2016, included in the Group's trade receivables are amounts due from the Group's joint ventures of RMB184,997,000 (31 December 2015: RMB221,278,000), which are repayable on similar credit terms to those offered to the major customers of the Group.

As at 30 June 2016, included in the Group's trade receivables are amounts due from the Group's associates of RMB97,935,000 (31 December 2015: RMB54,590,000), which are repayable on similar credit terms to those offered to the major customers of the Group.

### 14. TRADE PAYABLES

An aged analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2016 RMB'000 (Unaudited)	31 December 2015 RMB'000 (Audited)
Due within 1 year or on demand	1,649,819	1,511,580
Due within 1 to 2 years	545,961	652,056
	<b>2,195,780</b>	2,163,636

The trade payables are non-interest-bearing and unsecured.

As at 30 June 2016, included in the Group's trade payables are amounts due to the Group's joint venture of RMB61,903,000 (31 December 2015: RMB80,138,000), which are unsecured, interest-free and repayable within 1 to 2 years.

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2016

### 15. INTEREST-BEARING BANK AND OTHER BORROWINGS

	30 June 2016 (Unaudited)			31 December 2015 (Audited)		
	Effective interest rate (%)	Maturity	RMB'000	Effective interest rate (%)	Maturity	RMB'000
<b>Current</b>						
Bank loans — secured	4.13–9.00	2016	5,590,941	2.09–14.00	2016	6,214,549
Other loans — secured	6.32–12.00	2016	1,310,030	6.15–12.00	2016	1,833,800
Other loans — unsecured	4.75	2016	21,000	4.57–4.75	2016	215,000
			<b>6,921,971</b>			8,263,349
<b>Non-current</b>						
Bank loans — secured	3.58–7.35	2017–2024	5,078,315	3.58–9.00	2017–2024	4,828,459
Other loans — secured	1.20–12.00	2017–2025	2,807,270	1.20–12.00	2017–2025	2,153,200
Other loans — unsecured	6.76–7.10	2020–2021	3,011,893	6.76	2020	986,028
			<b>10,897,478</b>			7,967,687
			<b>17,819,449</b>			16,231,036

	30 June 2016 RMB'000 (Unaudited)	31 December 2015 RMB'000 (Audited)
Analysed into:		
Bank loans repayable:		
Within one year or on demand	5,590,941	6,214,549
In the second year	1,703,862	2,511,269
In the third to fifth years, inclusive	1,895,295	1,686,640
Beyond five years	1,479,158	630,550
	<b>10,669,256</b>	11,043,008
Other loans repayable:		
Within one year or on demand	1,331,030	2,048,800
In the second year	1,927,770	813,700
In the third to fifth years, inclusive	3,873,893	2,308,028
Beyond five years	17,500	17,500
	<b>7,150,193</b>	5,188,028
	<b>17,819,449</b>	16,231,036

**15. INTEREST-BEARING BANK AND OTHER BORROWINGS (Continued)**

- (a) Included in other loans of the Group are corporate bonds in an aggregate principal amount of RMB3,000,000,000 (31 December 2015: RMB1,000,000,000), of which RMB1,000,000,000 is due in 2020 and the remaining RMB2,000,000,000 is due in 2021, issued by a subsidiary of the Group in September 2015 and March 2016 (the “**Corporate Bonds**”), respectively. The Corporate Bonds are unsecured, have a term of five years and bear interest at rate of 6.0% per annum and 6.5% per annum, respectively.
- (b) Certain of the Group’s bank and other loans are secured or guaranteed by:
- (i) mortgages over the Group’s properties under development with an aggregate carrying value at 30 June 2016 of approximately RMB6,340,754,000 (31 December 2015: RMB4,865,005,000);
  - (ii) pledges of the Group’s investment properties with an aggregate carrying value at 30 June 2016 of approximately RMB11,122,226,000 (31 December 2015: RMB11,405,362,000);
  - (iii) pledges of the Group’s land held for development for sale with an aggregate carrying value at 30 June 2016 of approximately RMB1,008,643,000 (31 December 2015: RMB946,563,000);
  - (iv) pledges of the Group’s completed properties held for sale with an aggregate carrying value at 30 June 2016 of approximately RMB1,739,646,000 (31 December 2015: RMB2,597,759,000);
  - (v) pledges of a building of the Group with a carrying value at 30 June 2016 of approximately RMB58,840,000 (31 December 2015: RMB61,547,000);
  - (vi) pledges of the Group’s prepayment for acquisition of land with a carrying value at 30 June 2016 of approximately RMB249,655,000 (31 December 2015: RMB249,655,000);
  - (vii) corporate guarantees executed by certain subsidiaries of the Group to the extent of RMB11,018,602,000 as at 30 June 2016 (31 December 2015: RMB10,962,120,000);
  - (viii) pledge of certain equity interests of the subsidiaries of the Company as at the end of the reporting period; and
  - (ix) pledges of certain of the Group’s time deposits with an aggregate carrying value at of approximately RMB809,758,000 as at 30 June 2016 (31 December 2015: RMB1,763,488,000).
- (c) Other than certain bank and other borrowings with a carrying amount of RMB497,340,000 (31 December 2015: RMB509,488,000) denominated in United States dollars as at 30 June 2016, all bank and other borrowings of the Group are denominated in RMB as at 30 June 2016 and 31 December 2015.
- (d) As at 30 June 2016, included in other loans of the Group is loan from a joint venture with principal amount of RMB21,000,000, which is unsecured, bears interest at 4.8% per annum and repayable on demand. As at 31 December 2015, included in other loans of the Group are loans from joint ventures with principal amounts of RMB194,000,000, which were unsecured, bore interest at 5.3% per annum and is repayable in 2016, and RMB21,000,000, which was unsecured, bore interest at 4.8% per annum and repayable on demand, respectively.



## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2016

### 16. DERIVATIVE FINANCIAL INSTRUMENTS

	30 June 2016 RMB'000 (Unaudited)	31 December 2015 RMB'000 (Audited)
<b>Liabilities</b>		
Current		
Call and put options, net	<b>476,911</b>	399,521

In April 2010 and November 2011, the Group granted a total of four put options to certain joint venture partners to sell their interests in certain joint ventures to the Group, which can be exercised at any time after the expiry of the first 54 months after the date of initial investments or after the pre-sale of a certain percentage of saleable construction area and a certain percentage of saleable construction area is delivered, whichever is earlier, at the option price determined based on the adjusted net asset value of the joint ventures.

In December 2013, a supplemental agreement was signed between certain subsidiaries of the Group and the joint venture partners and two of the put options were modified. Besides, a new put option was granted by the Group to the joint venture partners and, after an agreed amount has been paid by the Group, a new call option will be granted by the joint venture partners to the Group which can be exercised at any time within the first 54 months after the date of initial investments.

The new call option and put options are correlated and offset against each other and the net balance is recorded as derivative liabilities in the consolidated statement of financial position and carried at fair value with reference to a valuation performed by an independent professional valuer using the Binomial Model.

Description of valuation techniques used and key inputs to valuation on put options:

Valuation technique	Significant unobservable inputs	Range/ weighted average	
		30 June 2016 (Unaudited)	31 December 2015 (Audited)
Binomial model	Dividend yield	<b>0%</b>	0%
	Net asset value volatility	<b>14.88%–18.46%</b>	17.27%–25.46%
	Option life (Year(s))	<b>0.25–0.59</b>	0.25–1.0
	Risk-free interest rate	<b>2.21%–2.28%</b>	2.19%–2.34%
	Stock volatility of comparable companies	<b>23.58%–30.74%</b>	28.10%–44.49%

Generally, a change in the assumption made for the net asset value volatility is accompanied by a directionally similar change in the risk free-interest rate and an opposite change in the dividend yield, the option life and stock volatility.

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2016

### 16. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

The following table demonstrates the sensitivity of the Group's profit before tax at the end of the six months ended 30 June 2016 and 2015 to a reasonably possible change in combined net effect of the dividend yield, net asset value volatility, risk-free interest rate and stock volatility of comparable companies (collectively the "Combined factors").

	Increase/ (decrease) in basis points	Combined net effect on profit before tax RMB'000
<b>30 June 2016 (Unaudited)</b>		
Combined factors	100	(3,608)
Combined factors	(100)	3,876
<b>30 June 2015 (Unaudited)</b>		
Combined factors	100	(4,163)
Combined factors	(100)	5,366

In November 2014, June 2015 and June 2016, the Group received notices served by certain joint venture partners during the option exercise period in respect of the exercise of certain put options. As at the date of approval of the interim financial information, the acquisition of the equity interests in the joint ventures being subject to the put options exercised has not been completed as the relevant joint venture partners and the Group are still in the process of finalising the arrangement and certain terms of the transactions.

### 17. ISSUED CAPITAL

	30 June 2016 RMB'000 (Unaudited)	31 December 2015 RMB'000 (Audited)
Authorised: 50,000,000,000 shares of US\$0.01 each	3,124,300	3,124,300
Issued and fully paid: 2,583,970,000 ordinary shares of US\$0.01 each	159,418	159,418

There were no transactions involving the Company's issued ordinary share capital during the current period.

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2016

### 18. BUSINESS COMBINATION

In June 2016, the joint venture partner of Wuhan New Software Park Development Company Limited (“**Wuhan NSP**”), in which the Group held 42% equity interest, confirmed that it will follow the Group on any decision regarding operational and financial activities of Wuhan NSP. As such, management considers that the Group is in a position to exercise control over the relevant activities of Wuhan NSP and therefore, Wuhan NSP was thereafter accounted for as a subsidiary of the Group. Wuhan NSP is principally engaged in property development in Wuhan, the PRC.

The fair values of the identifiable assets and liabilities of Wuhan NSP as at the date of obtaining control were as follows:

	Fair value recognised on obtaining control RMB'000
Property, plant and equipment	3,068
Intangible assets	55
Properties under development	2,140,000
Land for development for sale	549,918
Trade receivables	5,232
Prepayments, deposit and other receivables	27,991
Prepaid corporate income tax	2,585
Prepaid land appreciation tax	4,796
Cash and bank balances	996,206
Trade payables	(225,101)
Other payables and accruals	(719,172)
Receipts in advance	(537,474)
Deferred tax liabilities	(22,820)
Interest-bearing bank borrowings	(1,765,554)
Total identifiable net assets at fair value	459,730
Non-controlling interests	(229,865)
	229,865
Satisfied by:	
Reclassification from a pre-existing interest in joint venture to investment in subsidiary	229,865

**18. BUSINESS COMBINATION (Continued)**

The gain on re-measurement of existing investment interest in the joint venture to the date of obtaining control fair value of RMB24,354,000 upon obtaining control of Wuhan NSP included in other income and gains in the consolidated statement of profit or loss is determined on a provisional basis as the Group is in the process of identifying and obtaining independent valuation to assess the fair value of the identifiable assets of Wuhan NSP. The gain on re-measurement of existing investment interest in the joint venture to the date of obtaining control fair value, intangible assets, deferred tax liabilities and other assets and liabilities subject to valuation may be adjusted upon completion of the initial accounting.

An analysis of the cash flows in respect of obtaining control of Wuhan NSP is as follows:

	RMB'000
Cash and bank balances obtaining control and net inflow of cash and cash equivalents included in cash flows from investing activities	996,206

Since obtaining control of Wuhan NSP, Wuhan NSP had no contribution to the Group's turnover and consolidated profit for the six months ended 30 June 2016. Had the combination taken place at the beginning of the period, the revenue and profit of the Group for the six months ended 30 June 2016 would have been RMB2,838,421,000 and RMB314,313,000, respectively.

**19. FINANCIAL GUARANTEES**

The Group had the following financial guarantees as at the end of the reporting period:

- (a) As at 30 June 2016, the Group's maximum obligation in respect of the mortgage facilities provided to certain purchasers of the Group's properties amounted to RMB547,332,000 (31 December 2015: RMB329,287,000).

At the end of the reporting period, the Group provided guarantees in respect of the mortgage facilities granted by certain banks to certain purchasers of the Group's properties. Pursuant to the terms of the guarantees, upon default on mortgage payments by these purchasers, the Group is responsible for repaying the outstanding mortgage principals together with the accrued interest and penalties owed by the defaulted purchasers to the banks.

Under the above arrangement, the related properties were pledged to the banks as security on the mortgage loans. Upon default on mortgage payments by these purchasers, the banks are entitled to take over the legal titles and can realise the pledged properties through open auction. The Group is obliged to repay the banks for the shortfall if the proceeds from the auction of the properties cannot cover the outstanding mortgage principals together with the accrued interest and penalties.

The Group's guarantee period starts from the dates of grant of the relevant mortgage loans, and ends upon the earlier of (i) the issuance of real estate ownership certificates to the purchasers, which will generally be available within one to two years after the purchasers take possession of the relevant properties; and (ii) the settlement of mortgage loans between the mortgage banks and the purchasers.

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2016

### 19. FINANCIAL GUARANTEES (Continued)

- (b) As at 30 June 2016, the Group provided a guarantee for an amount not exceeding RMB24,000,000 (31 December 2015: RMB37,776,000) in respect of the payment obligations of a subsidiary of Richcoast Group Limited (“**Richcoast Group**”) (an associate of the Group) to a joint venture (formed between Richcoast Group and an independent third party) and the joint venture partner.
- (c) The Group provided guarantees to the extent of RMB437,574,000 (31 December 2015: RMB356,200,000) as at 30 June 2016 in respect of the bank and other loans granted to the associates.
- (d) The Group provided guarantees to the extent of RMB253,000,000 as at 30 June 2016 (31 December 2015: RMB1,478,000,000), to banks in respect of bank and other loans granted to the joint ventures.

In determining whether financial liabilities should be recognised in respect of the Group’s financial guarantee contracts, the Directors exercise judgement in the evaluation of the probability of resources outflow that will be required and the assessment of whether a reliable estimate can be made of the amount of the obligation.

In the opinion of the Directors, the fair values of the financial guarantee contracts of the Group are insignificant at initial recognition and the Directors consider that the possibility of the default of the parties involved is remote, and accordingly, no value has been recognised in the interim financial information.

### 20. PLEDGE OF ASSETS

Details of the Group’s bank and other loans which are secured by the assets of the Group, are included in note 15 to the interim financial information.

### 21. OPERATING LEASE ARRANGEMENTS

#### (a) As lessor

The Group leases its investment properties (note 11) under operating lease arrangements, with leases negotiated for terms ranging from one to twenty years. The terms of the leases generally also require the tenants to pay security deposits and to provide for periodic rent adjustments according to the then prevailing market conditions. Certain contingent rent receivables are determined based on the turnover of the lessees.

At the end of the reporting period, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

	30 June 2016 RMB'000 (Unaudited)	31 December 2015 RMB'000 (Audited)
Within one year	278,916	298,039
In the second to fifth years, inclusive	528,737	596,418
After five years	91,750	100,061
	899,403	994,518

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2016

### 21. OPERATING LEASE ARRANGEMENTS (Continued)

#### (b) As lessee

The Group leases certain of the office properties under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to three years.

At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	30 June 2016 RMB'000 (Unaudited)	31 December 2015 RMB'000 (Audited)
Within one year	13,424	14,474
In the second to fifth years, inclusive	27,966	23,139
After five years	19,093	21,619
	60,483	59,232

### 22. COMMITMENTS

In addition to the operating lease commitments detailed in note 21(b) above, the Group had the following capital commitments at the end of the reporting period:

	30 June 2016 RMB'000 (Unaudited)	31 December 2015 RMB'000 (Audited)
Contracted, but not provided for: Capital expenditure for investment properties under construction and properties under development in Mainland China	4,388,357	3,436,811

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2016

### 23. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions and balances detailed elsewhere in the interim financial information, the Group had the following material transactions with related parties during the period:

	Notes	For the six months ended 30 June	
		2016 RMB'000 (Unaudited)	2015 RMB'000 (Unaudited)
Service fees from joint ventures	(i)	87,266	78,490
Service fees from associates	(i)	88,689	155,105
Service fees from companies controlled by Right Won	(i)	3,254	118
Service fees to a joint venture	(i)	26,022	6,157
Rental income from joint ventures	(ii)	2,058	322
Rental income from companies controlled by Right Won	(ii)	1,422	934
Rental expense to a company controlled by Right Won	(ii)	720	708
Consulting fees from joint ventures	(iii)	—	9,668
Interest income from associates	(iv)	4,800	3,422
Interest expense to a joint venture	(iv)	504	—

Notes:

- (i) The service fees were related to the construction services, landscaping services and property management services provided by the Group at rates determined in accordance with the terms and conditions set out in the contracts entered into between the related parties.
- (ii) The rentals were determined at rates mutually agreed by the related parties.
- (iii) The consulting fees were charged for the project design, implementation and management services provided by the Group at rates determined in accordance with the terms and conditions set out in contracts entered into between the related parties.
- (iv) The interest income was related to advances made by the Group to associates. The interest expense was related to a loan from a joint venture to the Group. The interest rates were mutually agreed with the related parties.

In the opinion of the Directors, the above transactions were entered into in the ordinary course of business of the Group.

**23. RELATED PARTY TRANSACTIONS (Continued)**

- (b) Compensation of key management personnel of the Group

In the opinion of the Directors, the Directors represent the key management personnel of the Group. Compensation of key management personnel of the Group, including directors' remuneration, is as follows:

	For the six months ended 30 June	
	2016 RMB'000 (Unaudited)	2015 RMB'000 (Unaudited)
Short term employee benefits	3,559	2,459
Post-employment benefits	83	80
	<b>3,642</b>	2,539

- (c) As at 30 June 2016, included in the Group's other receivables are amounts due from joint ventures of RMB429,193,000 (31 December 2015: RMB730,115,000), which are unsecured, interest-free and repayable on demand.

As at 30 June 2016, included in the Group's other receivables are amounts due from joint ventures of RMB58,000,000 (31 December 2015: RMB38,000,000), which are unsecured, bear interest ranging from 4.75% to 4.99% per annum, of which RMB38,000,000 is repayable in 2017 and the remaining RMB20,000,000 is repayable in 2018, respectively, and RMB10,481,000 (31 December 2015: RMB4,650,000), where is unsecured, bears interest at 5.06% per annum and is repayable in 2017.

As at 30 June 2016, included in the Group's other receivables are amounts due from associates of RMB234,248,000 (31 December 2015: RMB231,364,000), which are unsecured, bear interest at 4.8% per annum and are repayable in 2017.

- (d) As at 30 June 2016, included in the Group's other payables are amounts due to joint ventures of RMB259,430,000 (31 December 2015: RMB351,236,000), which are unsecured, interest-free and repayable on demand.



## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2016

### 24. FAIR VALUE AND FAIR VALUE HIERARCHY

#### At 30 June 2016 (Unaudited)

	Carrying amounts RMB'000	Fair values RMB'000
<b>Financial assets</b>		
Loans to associates	104,602	104,602
<b>Financial liabilities</b>		
Derivative financial instruments (note 16)	476,911	476,911
Interest-bearing bank and other borrowings (note 15)	17,819,449	17,819,449
	18,296,360	18,296,360

#### At 31 December 2015 (Audited)

	Carrying amounts RMB'000	Fair values RMB'000
<b>Financial assets</b>		
Loans to associates	101,088	101,088
<b>Financial liabilities</b>		
Derivative financial instruments (note 16)	399,521	399,521
Interest-bearing bank and other borrowings (note 15)	16,231,036	16,231,036
	16,630,557	16,630,557

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2016

### 24. FAIR VALUE AND FAIR VALUE HIERARCHY (Continued)

#### Fair value hierarchy as at 30 June 2016 (Unaudited)

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
<b>Assets measured at fair value:</b>				
Investment properties	—	—	11,027,873	11,027,873
<b>Assets measured at amortised cost:</b>				
Loans to associates	—	—	104,602	104,602
<b>Liabilities measured at fair value:</b>				
Derivative financial instruments (note 16)	—	—	476,911	476,911
<b>Liabilities measured at amortised cost:</b>				
Interest-bearing bank and other borrowings (note 15)	—	—	17,819,449	17,819,449

#### Fair value hierarchy as at 31 December 2015 (Audited)

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
<b>Assets measured at fair value:</b>				
Investment properties	—	—	10,926,523	10,926,523
<b>Assets measured at amortised cost:</b>				
Loans to associates	—	—	101,088	101,088
<b>Liabilities measured at fair value:</b>				
Derivative financial instruments (note 16)	—	—	399,521	399,521
<b>Liabilities measured at amortised cost:</b>				
Interest-bearing bank and other borrowings (note 15)	—	—	16,231,036	16,231,036

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2016

### 24. FAIR VALUE AND FAIR VALUE HIERARCHY (Continued)

The fair values of the non-current portion of loans to joint ventures and associates and interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments on similar terms, credit risk and remaining maturities. The Group assessed the credit risks as at the end of the reporting period of loans to joint ventures and associates to be insignificant. The Group's own non-performance risk for interest bearing bank and other borrowings as at the end of each of the reporting period was assessed to be insignificant.

The details of valuation technique and the inputs used in the fair value measurement of investment properties and derivative financial instruments have been disclosed in note 11 and note 16 to the interim financial information, respectively.

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

### 25. EVENT AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, the Group announced that Sichuan Yixing Real Estate Development Company Limited ("**Sichuan Yixing**"), a wholly-owned subsidiary of the Company, Sino Delight Investments Limited ("**Sino Delight**") and Crown Speed Investments Limited ("**Crown Speed**") entered into the equity transfer agreements, pursuant to which Sichuan Yixing agreed to purchase from Sino Delight and Crown Speed the equity interests in Dalian Software Park Ambo Development Company Limited ("**Dalian Ambo**") and Dalian Software Park Shitong Development Company Limited ("**Dalian Shitong**") at a total consideration of RMB209,520,000 and RMB226,900,000, respectively.

As at the date of approval of this interim financial information, each of Dalian Ambo and Dalian Shitong is held as to 51.00% by Sichuan Yixing, 40.06% by Crown Speed and 8.94% by Sino Delight and is accounted for as a joint venture of the Group. Upon completion of the acquisitions, each of Dalian Ambo and Dalian Shitong will be wholly-owned by Sichuan Yixing and hence an indirect wholly-owned subsidiary of the Company.

### 26. APPROVAL OF THE INTERIM FINANCIAL INFORMATION

This interim financial information was approved and authorised for issue by the board of directors on 18 August 2016.



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