



SPRINGLAND

華地國際控股有限公司
Springland International Holdings Limited

Incorporated in the Cayman Islands with limited liability

於開曼群島註冊成立的有限公司

Stock Code 股份代號：1700

Interim Report

2017

中期報告

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STATEMENT FROM THE CHAIRMAN

主席報告書

FINANCIAL REVIEW

According to China's National Bureau of Statistics, China's GDP grew 6.9% and Total Retail Sales of Consumer Goods increased by 10.4% in past first half year of 2017. The economic indicators came in above expectations which indicated the China's economy is holding steady. However, the growth in retail industry was significantly weaker than the overall GDP grew. Life depends more on the internet and technology, upgrading of consumer demand, innovation and transformation of enterprises in all aspects, all the above factors forcing the adjustment in the retail industry.

Under this environment, the Company adheres to consumer demand and returns to core commercial retail. We constantly enrich merchandise mix; improve operational efficiency as well as consumer experience and also strength the cost control in order to maintain the steady growth of retail business. During the reporting period, the Group achieved total sales proceeds of RMB5.67 billion. Profits before tax was RMB349 million flat with last year correspondence period. Profits attributable to shareholders was RMB227 million and basic earnings per share in the first half of 2017 was RMB10 cents.

BUSINESS REVIEW

Under the new environment, there is a dramatic change in consumer demand and market competition. There are a lot of directions of development in retail industry including full range of online and offline integration in retail operators, scenario-based consumption and multi business alliance that provide one-stop aggregated service, smart and efficient of supply chain system. All these factors push Springland's management into a higher standard. Focusing on core business and customer orientation, Springland continuous implement new technologies and embrace new retail interesting to improve operation efficiency were the main direction for past six months of 2017.

財務概況

根據國家統計局發佈的經濟資料，2017上半年我國GDP增長6.9%，社會消費品零售總額增長10.4%，各大經濟指標均超出預期，經濟形勢呈現穩中向好趨勢。但在零售業內，行業增長速度明顯低於GDP的增長速度。顧客生活互聯網化、消費需求不斷提升、企業創新轉型持續深入但多處實驗試點階段，這些因素導致零售企業依然繼續面臨較大的調整壓力。

在此環境下，本公司堅持以消費需求為導向，加快向商業零售本質回歸，不斷豐富商品供應、提升營運效率和消費體驗，加之嚴格的成本控制措施，確保零售業務的穩步增長。報告期內，累計實現銷售所得款項總額人民幣56.7億元。實現稅前利潤3.49億元，與同期基本持平。股東應佔溢利為人民幣2.27億元，2017年上半年每股基本溢利為人民幣10分。

業務回顧

新環境下，消費需求和市場競爭都發生巨大改變，零售行業呈現出諸多新的發展方向，如線上線下全方位深入融合、社交化場景化多元消費、多業態協同提供一站式聚合服務、供應鏈體系日益智慧高效等，這都對華地的經營管理提出新的要求。在回歸商業本質、真正以顧客為中心的基礎上，不斷實行創新發展，以積極姿態擁抱新零售，尋求經營效率提升，是2017年上半年華地的主攻方向。

STATEMENT FROM THE CHAIRMAN

主席報告書

The main tasks in the first half of the year are to clearly define store formats and find ways to improve business efficiency. Department store division has established three store formats including model department store, shopping mall and commercial property. Systematic procedure and standardized construction are set up for the three store formats. The renovation and upgrading in Wuxi Yaohan, Nantong Yaohan, Changxing Yaohan, Yixing Yaohan, Jiangyin Yaohan and Yangzhou Wanjiayu pave the path to meet local consumer behavior as well as characteristics and to strength their dominant in local market. Setting up of the standardize format will help the Group's expansion by coping the success store to build new benchmarking.

Springland is committed to enriching merchandise offering and meeting consumer expectation. As it introduced new visual, touch and motion elements to upgrade hardware at department stores and shopping malls, it carried out extensive brand replacement and structural adjustment to add more popular brands and online hit that were unique, stylish and trendy. This has appealed to the younger consumer groups and helped diversify the merchandise mix and boost sales. With regard to the supermarket business, Springland has expedited the phase out of old product types and brands while bringing in new product categories and brands based on the prevailing needs of clients, so as to keep product offerings at stores abreast of consumers' changing demand. With new business units such as juice bars, Daoyin ramen restaurants, general merchandise stores and cookware stores, Springland not only restructured and optimized the profit model, but also responded effectively to the new round of consumption upgrade, thereby catering the demands of consumers for quality life, supreme experience and healthy lifestyle.

For the purpose of strengthening product competitiveness, Springland expanded to upstream industry and developed advantages in the supply chain. Its efforts in developing the supply chain will allow it to have better product control, particularly for the supermarket division. During the reporting period, the supermarket division actively promoted renovation of the existing fresh food and vegetable base and the construction of the new base. Meanwhile, it expanded a number of remote direct procurement bases to boost profitability of the product category. The cold chain logistics and processing center for fresh food with a planned investment of RMB150 million has started structural construction at the beginning of the year and is expected to commence operation in 2018. Upon completion of the construction, Datonghua Supermarket will be able to provide fresher and more diverse products.

明確產品模型、持續挖潛增效是上半年的重要工作之一。百貨業態確立了現代百貨、類購物中心和商業物業三大產品模型，並緊緊圍繞這三個產品模型進行體系化建設與範本店面建設，對包括無錫八佰伴、南通八佰伴、長興八佰伴、宜興八佰伴、江陰八佰伴、揚州萬家福在內的多家門店進行調整升級，使其更符合當地消費特性，並全面提升在本地市場的領先優勢。而這種標準化產品模型的建立，也將有助於華地在後期的拓展中複製現有成功門店，打造新的標杆門店。

華地同樣致力於豐富商品供應、讓貨品更懂消費者。百貨與購物中心門店在升級硬體、針對視覺、觸覺及動感進行出新的同時，進行了大量的品牌替換及結構性調整，引入更多個性突出、時尚新穎的潮流品牌與網紅品牌，迎合年輕群體消費需求，豐富商品的多樣性和吸客能力。超市則快速汰換老舊品類、品牌，結合當前消費者新的需求特點，引進新品類、新品牌，使門店的品類及時跟上消費者的需求變化。新業務拓展了包括果汁吧、稻隱拉麵、雜品集合店、廚具集合店等等多種業務單元，不僅重構和完善企業盈利模型，更有效應對消費新升級，滿足消費者對品質生活、體驗生活、健康生活的需求。

不斷向上游衍生，構築供應鏈優勢，是華地提升商品力的又一方式。對供應鏈發力，將有助於華地，尤其是超市業務加強對商品的把控力度。報告期內，超市積極推進原有生鮮蔬菜基地的改造與新基地的建設，並拓展了多個遠端直採基地，以獲得品類更大的利潤空間。計畫投資1.5億元的生鮮冷鏈物流加工中心已於年初開始結構性施工，計畫於2018年建成投入運營。項目建成後將能更好的保證大統華超市產品的新鮮品質，並豐富大統華超市商品品類。

STATEMENT FROM THE CHAIRMAN

主席報告書

Apart from the wide range of merchandise offering, Springland also attached great importance to leveraging offline resources and building excellent customer experience. Hence, it launched the IP-BEST+ service designed for enterprises, which covered renovation service of department store functions, building and operation of online community, integrated marketing service and customized value-added services, so that consumers could enjoy convenient, personalized, flexible and transparent shopping experience.

During the reporting period, Springland continued to optimize fundamental management function. On the one hand, it adhered to its own development strategy and improved talent succession planning and talent development policy. For example, it organized training for key positions of different functions to raise professional standards. On the other hand, in view of the trend of customized store development, Springland streamlined the organizational structure to facilitate faster response to market demand and competition. While delegating power, headquarter provided timely guidance and carried out follow-up review through strict evaluation. Hence, headquarter and stores could work together for success.

PROSPECTS

Looking ahead, uncertainty still pervades the economy. The sluggish global economy will continue to weigh on export and the process of urbanization will bring profound adjustment of the real estate market and investment. Nonetheless, given the potential and resilience of the economy in the first half of the year, Springland believes that the market is likely to bottom out in 2017 as it transits from the “new stage” to the “normal stage” under the “New Norm”. In particular, it is expected that the policies and measures of the PRC government to safeguard people’s livelihood will lead to steady growth of citizens’ income, which will result in higher living standards and level of consumer activities such as shopping, traveling and catering. This will not only provide strong support to economic growth, but also boost the retail industry. Against this background, Springland will seek to adapt and act in keeping with the trend.

除提供豐富的商品外，進一步發揮線下優勢、打造良好的客戶體驗感也不可或缺。為此，華地推出了企業專屬的服務IP-BEST+，它涵蓋了門店功能性服務改造、線上社群運營、整合性行銷服務、個性化增值服務等多方面內容，給消費者提供一個便利、個性、靈活和透明的購物體驗。

報告期內，華地同樣對基礎管理進行了持續的完善。一方面，緊跟華地發展策略，企業優化了人才梯隊建設及人才開發策略，對關鍵崗位實施了分職類集訓，以提升各職類人才職業水準。另一方面，基於門店發展個性化的趨勢，建立更加扁平化的組織架構，更快回應市場需求和應對市場競爭。在放權的基礎上，總部做好及時指導，跟蹤輔導，嚴格考核，形成總部及門店的經營合力。

前景展望

展望未來，經濟發展還存在諸多不確定因素，世界經濟低迷依然導致出口不振，城鎮化矛盾帶來房地產市場及投資的深度調整。但上半年經濟態勢所呈現出的潛力和韌性，讓我們有理由相信，2017年實現低位企穩的概率較高，今年很可能成為新常態引領之中的由新入常之年。尤其在中國政府持續、大力度的保障基本民生的各項政策措施下，居民實現收入平穩增長，生活水準繼續平穩提高，購物、旅遊、餐飲等各類消費活動較為活躍，對經濟增長的托底作用比較穩定，也為零售行業帶來利好。如何順應大勢，順勢而為，是華地不斷實踐與探索的方向。

STATEMENT FROM THE CHAIRMAN

主席報告書

Springland believes that professional capability has contributed to our long-term success in the highly competitive market. Through developing new operating model for business integration, new sales model for transition from sales of merchandise to scenario-based sales practices, new organizational structure to streamline management functions and enhance responsiveness to market trend, new appraisal and incentive system to offer customized proposals for specific markets, and new consumption environment for differentiated business portfolio and brand image, Springland, a retailer focusing on the sales of merchandise, will actively promote innovation in pursuit of sustainable and steady profit growth.

I would like to take this opportunity to thank all the Director, senior management and staff members of the Group for their invaluable contribution to the Group, My gratitude also goes to all the shareholders and business partners for their constant care and support.

Chen Jianqiang
Chairman
11 August 2017

華地相信，在競爭激烈的市場贏得持續成功，需要企業用專業能力來獲取。身處以商品售賣為核心的零售業態，華地將積極實行創新發展，以獲得持續穩定的利潤增長。通過商業模式創新，做好業態融合；通過銷售模式創新，由單純商品銷售向場景銷售轉變；通過組織體系創新，壓縮管理層級，提高市場回應速度；通過考核激勵創新，讓個性化的方案配套個性化的市場；通過消費環境創新，讓業態組合與終端形象特色化。

本人藉此機會向全體公司董事、高級管理層及員工致意，感謝他們為本集團作出巨大貢獻。同時亦感謝各位股東及業務夥伴一直以來對本集團的熱愛及支持。

陳建強
主席
2017年8月11日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

Total sale proceeds (“TSP”)¹ and revenue

The Group’s TSP were RMB5,671 million for the six months ended 30 June 2017. TSP of the department store business decreased to RMB4,189 million, representing a decline of 1.0% and same store sales dropped by approximately 2.0% from the same period in 2016. TSP of supermarket business was RMB1,482 million, basically flat compared to correspondence period 2016 and same store sales dropped by approximately 7.2%.

財務回顧

銷售所得款項總額¹及收入

截至2017年6月30日止六個月，本集團的銷售所得款項總額為人民幣5,671百萬元。百貨業務銷售所得款項總額與2016年同期比較下降1.0%至人民幣4,189百萬元，同店銷售下降約2.0%。超市業務銷售所得款項總額為人民幣1,482百萬元，與2016年同期基本持平，同店銷售下降約7.2%。

		For the six months ended 30 June					
		2017			2016		
		2017年			2016年		
Department	store	Department		Total	Department		Total
		Supermarket	business		store	Supermarket	
business	business	business	business	business	business	business	business
百貨業務	超市業務	百貨業務	超市業務	合計	百貨業務	超市業務	合計
(RMB million)							
(人民幣百萬元)							
Revenue (as reported)	收入(如報告所述)	906	1,341	2,247	866	1,346	2,212
Add/(less)	增/(減)						
Provision of food and beverage services	提供餐飲服務	(2)	-	(2)	(1)	-	(1)
Commission income from concessionaire sales	特許專營銷售佣金收入	(638)	(25)	(663)	(643)	(24)	(667)
Gross revenue from concessionaire sales	特許專營銷售所得款	3,923	166	4,089	4,008	160	4,168
TSP	銷售所得款項總額	4,189	1,482	5,671	4,230	1,482	5,712
Representing	代表						
Direct sales	直接銷售	203	1,281	1,484	167	1,292	1,459
Gross revenue from concessionaire sales	特許專營銷售所得款	3,923	166	4,089	4,008	160	4,168
Rental income	租金收入	63	35	98	55	30	85
TSP	銷售所得款項總額	4,189	1,482	5,671	4,230	1,482	5,712
Same store sales change²	同店銷售變化²	-2.0%	-7.2%		-9.0%	-9.1%	

1 TSP = gross revenue from concessionaire sales + revenue from direct sales + rental income.

2 It represented the change in TSP for stores with operations through the comparable period.

1 銷售所得款項總額 = 特許專營銷售 + 直接銷售收入 + 租金收入。

2 同店銷售變化指於可比期間運營店的銷售所得款項總額的變動。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

For the six months ended 30 June 2017, the revenue of the Group amounted to RMB2,247 million, representing an increase of 1.6% from RMB2,212 million, as compared to the same period of 2016. Revenue from the department store business increased to approximately RMB906 million, representing an increase of 4.6% and revenue from the supermarket business decreased to approximately RMB1,341 million, representing a decrease of 0.4% as compared to the same period last year.

Department store business:

For the six months ended 30 June 2017, TSP from the department store business dropped 1.0% to RMB4,189 million (six months ended 30 June 2016: RMB4,230 million), and same store sales dropped by approximately 2.0%. During the period, gross revenue from concessionaire sales contributed approximately 93.7% (six months ended 30 June 2016: 94.7%) and direct sales contributed approximately 4.8% (six months ended 30 June 2016: 4.0%) to TSP in respect of the department store business.

TSP by Top Five Stores

The aggregate contribution to TSP from the five largest department stores decreased to 52.9% in the current period from approximately 53.9% in the same comparable period in 2016.

TSP by Merchandise Categories

The proportion of sale proceeds of department stores from various merchandise categories for the six months ended 30 June 2017 and the corresponding period in 2016 are as follows: fashion and apparel accounted for approximately 38.1% (same period 2016: 39.3%); merchandise related to cosmetics and accessories accounted for approximately 31.2% (same period 2016: 29.4%); footwear accounted for approximately 8.7% (same period 2016: 9.5%); and the remaining categories, including athletic apparel and casual wear, children's and home furnishing, household and electronic appliances, rental income and others, accounted for the remaining 22.0% (same period 2016: 21.8%).

截至2017年6月30日止六個月，本集團總收入為人民幣2,247百萬元，與2016年同期人民幣2,212百萬元比較增長1.6%。百貨業務的收入增長至人民幣906百萬元，與去年同期比較增長4.6%。超市業務的收入減少至人民幣1,341百萬元，與去年同期比較減少0.4%。

百貨業務：

截至2017年6月30日止六個月，百貨業務銷售所得款項總額下降1.0%至人民幣4,189百萬元（2016年6月30日止六個月：人民幣4,230百萬元），同店銷售下降2.0%。於有關期間，特許專營銷售所得款對百貨業務銷售所得款項總額的貢獻約為93.7%（2016年6月30日止六個月：94.7%）和直接銷售對百貨業務銷售所得款項總額的貢獻約為4.8%（2016年6月30日止六個月：4.0%）。

前五大店對銷售所得款項總額的貢獻

前五大百貨店對百貨業務銷售所得款項總額的累計貢獻從2016年同期約53.9%降至本期的52.9%。

按商品類別佔銷售所得款項總額

截至2017年6月30日止六個月及2016年同期，按商品類別佔百貨業務銷售所得款項總額的比例如下：時裝及服飾佔約38.1%（2016年同期：39.3%）；化妝品、珠寶及配飾佔約31.2%（2016年同期：29.4%）；鞋履佔約8.7%（2016年同期：9.5%）；其餘商品類別包括運動服及便服、童裝及家居、家用電器、租金收入及其他，佔餘下的22.0%（2016年同期：21.8%）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Commission Rate from Concessionaire Sales and Comprehensive Gross Margin³

For the six months ended 30 June 2017, the commission rate from concessionaire sales was 16.3%, representing a growing of 0.3 percentage points from 16.0% of the same period in 2016. The increase was mainly due to improvement in sales quality. The Group intends to maintain the stability of its commission rate by conducting periodic reviews and enhancing the merchandise mix to reflect the changing consumer demands. The Comprehensive Gross Margin was 21.8% for the six months ended 30 June 2017 (six months ended 30 June 2016: 21.4%).

Supermarket business:

For the six months ended 30 June 2017, TSP of supermarket business maintained RMB1,482 million being flat compared to corresponding period in 2016. It resulted from the net off of drop in same store sales of 7.2% and sales contributed from the newly opened supermarkets. During the period, direct sales contributed approximately 86.4% (six months ended 30 June 2016: 87.2%) and concessionaire sales contributed approximately 11.2% (six months ended 30 June 2016: 10.8%) of TSP of the supermarket business.

特許專營銷售佣金率及綜合毛利率³

截至2017年6月30日止六個月，特許專營銷售佣金率約16.3%，與2016年同期16.0%相比增長約0.3個百分點，增長主要由於銷售質量的提升。本集團將根據市場消費需求的變化，通過定期盤查並加強商品品類管理的方式來保持佣金率的穩定。截至2017年6月30日止六個月綜合毛利率為21.8%（2016年6月30日止六個月：21.4%）。

超市業務：

截至2017年6月30日止六個月，超市業務銷售所得款項總額保持人民幣1,482百萬元與2016年同期持平，為同店銷售下降7.2%和新開超市銷售額貢獻淨額所致。於有關期間，直接銷售對超市業務銷售所得款項總額的貢獻約為86.4%（2016年6月30日止六個月：87.2%）和特許專營銷售對超市業務銷售所得款項總額的貢獻約為11.2%（2016年6月30日止六個月：10.8%）。

³ Comprehensive Gross Margin = comprehensive gross profit / TSP. Comprehensive gross profit = gross profit of direct sales + commission income from concessionaire sales + rental income + other income (services fee collected from concessionaires and suppliers).

³ 綜合毛利率 = 綜合毛利/銷售所得款項總額。綜合毛利包括直接銷售毛利，特許專營銷售佣金收入，租金收入及其他收入（主要來自特許專營商及供貨商的服務費）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

TSP by Top Five Stores

The aggregate contribution to TSP generated from the five largest supermarkets decreased to 30.6% for the six months ended 30 June 2017 from approximately 33.8% for the same comparable period in 2016.

TSP by Merchandise Categories

The proportion of sale proceeds of supermarkets from various merchandise categories for the six months ended 30 June 2017 and the corresponding period in 2016 are as follow: fresh food accounted for approximately 40.3% (same period 2016: 40.4%); dry foods accounted for approximately 32.7% (same period 2016: 32.3%), non-food accounted for approximately 22.6% (same period 2016: 23.0%); and the remaining categories, including rental income and others, accounted for the remaining 4.4% (same period 2016: 4.3%).

Direct Sales Margin and Comprehensive Gross Margin

Revenue from direct sales in the supermarket business decreased from RMB1,292 million for the six months ended 30 June 2016 to RMB1,281 million for the six months ended 30 June 2017, representing a decrease of 0.9%. For the six months ended 30 June 2017, direct sales margin for supermarket business was 12.6%, representing a growing of 0.8 percentage points from 11.8% of the corresponding period in 2016 and Comprehensive Gross Margin was 23.9%, representing a decrease of 0.3 percentage point from 24.2% for the same period in 2016. The increase in direct sales margin was due to the improvement of operational quality.

前五大店對銷售所得款項總額的貢獻

前五大店對超市業務銷售所得款項總額的累計貢獻從2016年同期約33.8%降至2017年6月30日止六個月的30.6%。

按商品類別佔銷售所得款項總額

截至2017年6月30日止六個月及2016年同期，按商品類別佔超市業務銷售所得款項總額的比例如下：生鮮佔約40.3%（2016年同期：40.4%）；乾貨食品佔約32.7%（2016年同期：32.3%）；非食品佔約22.6%（2016年同期：23.0%）；其餘商品類別包括租金收入及其他，佔餘下的4.4%（2016年同期：4.3%）。

直接銷售毛利率及綜合毛利率

超市業務的直接銷售收入由2016年6月30日止六個月的人民幣1,292百萬元下降至2017年6月30日止六個月的人民幣1,281百萬元，同比下跌0.9%。截至2017年6月30日止六個月，超市業務直接銷售的毛利率為12.6%，與2016年同期11.8%相比增長0.8個百分點；本期的綜合毛利率約為23.9%，與2016年同期24.2%相比減少0.3個百分點。直接銷售毛利率上升主要由於改善營收質量所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Other income and gains

其他收入及收益

For the six months ended 30 June

截至6月30日止六個月

	2017 2017年			2016 2016年					Total 合計
	Department store business 百貨店業務	Supermarket business 超市業務	Headquarter 總部	Department store business 百貨店業務	Supermarket business 超市業務	Headquarter 總部	Total 合計		
Fee income from suppliers 供應商的其他收入	189	131	-	320	182	151	-	333	
Interest income 利息收入	-	-	11	11	-	-	17	17	
Subsidy income 補貼收入	-	-	11	11	-	-	11	11	
Others 其他	1	2	2	5	9	1	-	10	
	190	133	24	347	191	152	28	371	

Other income and gains included fee income from suppliers, government subsidy income, interest income and other gains.

其他收入及收益含收取供貨商的其他收入，政府補貼收入、利息收入及其他收益。

For the six months ended 30 June 2017, fee income from suppliers decreased to RMB320 million (30 June 2016: RMB333 million). Fee income from suppliers including promotion fees, management fees paid by suppliers for participating in the promotional activities, reimbursing electricity charge and material, etc.

截至2017年6月30日止六個月，供貨商的其他收入減少至人民幣320百萬元（2016年6月30日止六個月：人民幣333百萬元）。供貨商的其他收入包括供貨商參加商場營銷活動所需支付的促銷費、管理費，以及供貨商日常運營所需承擔的水電，物料消耗等費用。

Purchases of and changes in inventories

Purchases of and changes in inventories represented the cost of merchandise that purchased from suppliers for resale under the direct sales business model. For the six months ended 30 June 2017, purchases of and change in inventories increased to approximately RMB1,303 million, representing an increase of 0.8% as compared to the same period last year. The growth was due to the increase in direct sales.

購買存貨及存貨變動

購買存貨及存貨變動指在直接銷售業務模式下為轉售而從供貨商購買貨品的成本。截至2017年6月30日止六個月，購買存貨及存貨變動約人民幣1,303百萬元，較去年同期增長0.8%，其增長由於直接銷售增長所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Expenses

費用

For the six months ended 30 June
截至6月30日止六個月

		2017 2017年				2016 2016年					
Department		% of TSP				% of TSP					
store Supermarket		佔銷售				佔銷售					
business business Headquarter		所得款項				所得款項					
百貨業務 超市業務 總部		總額百分比				總額百分比					
		(RMB million)				(人民幣百萬元)					
		合計				合計					
Staff costs	員工成本	159	139	36	334	5.9%	158	126	44	328	5.7%
Depreciation and amortisation	折舊及攤銷	193	45	2	240	4.2%	174	44	2	220	3.9%
Rental expenses	租賃開支	12	40	2	54	1.0%	3	33	3	39	0.7%
Other expenses	其他開支	193	70	23	286	5.0%	211	67	35	313	5.5%
Total	合計	557	294	63	914	16.1%	546	270	84	900	15.8%

Expenses consisted of staff costs, depreciation and amortisation, rental and other expenses. Other expenses mainly include utility expenses, advertising and promotion expenses, losses on disposal of property, plant and equipment, impairment of goodwill, office expenses, maintenance costs, travelling expenses, entertainment expenses, property tax and government surcharges, foreign exchange (gains)/loss, loss in change of fair value and other miscellaneous expenses.

For the six months ended 30 June 2017, total expenses of the Group as a percentage of TSP increased to approximately 16.1% (six months ended 30 June 2016: 15.8%) and total expenses increased by 1.6% to RMB914 million (six months ended 30 June 2016: RMB900 million). The growth was primarily attributable to the increase in the number of stores in expansion of stores network, including a new opening of Anqin Yaohan Lifestyle Shopping Mall in December 2016, which resulted in the rise in staff costs, depreciation and amortization.

However, the Group's department stores and supermarkets that are sited in self-owned properties reached 95.0% and 34.9% of the gross floor areas respectively. The self-owned properties mitigated rental cost increases.

費用包括員工成本、折舊及攤銷、租賃及其他開支。其他開支主要包括水電開支，廣告宣傳、推廣費用，物業、廠房及設備的處置虧損，商譽減值準備，辦公室開支，維護及耗材費用，差旅費，業務招待費用，財產稅，政府附加費用，匯兌(收益)/損失，公平值變動損失和其他雜項開支。

截至2017年6月30日止六個月，本集團費用總額佔銷售所得款項總額的百分比上升至16.1% (2016年6月30日止六個月：15.8%) 和費用總額增長1.6%至人民幣914百萬元 (2016年6月30日止六個月：人民幣900百萬元)。該增加主要由於零售網絡的擴張，包括2016年12月開業的安慶八佰伴生活廣場，引致員工成本、折舊攤銷等經營費用增加。

然而，本集團百貨和超市的自有物業比例分別達到95.0%及34.9%，此舉可降低租金風險。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Operating profits and operating margin

An analysis of the profit for the period was as follows:

經營溢利及溢利率

期內溢利分析如下：

		For the six months ended 30 June 截至6月30日止六個月	
		2017 2017年	2016 2016年
		(RMB million) (人民幣百萬元)	
Operating profits by business unit:	經營溢利按業務單位：		
Department store	百貨	357	358
Supermarket	超市	60	89
		417	447
Head office and non-operating and unallocated expenses	總部非經營性及未分配的費用		
Other unallocated gains	其他未分配收益	13	11
Net finance expenses	利息支出淨額	(18)	(25)
Corporate and other unallocated expenses	公司及其他未分配開支	(63)	(84)
Profit before tax	除稅前溢利	349	349
Income tax expenses	所得稅開支	(122)	(110)
Profit for the period	期內溢利	227	239

Operations profit for the Group (excluding interest and unallocated gains, corporate and other unallocated expenses and finance costs) decreased to RMB417 million for the six months ended 30 June 2017 from RMB447 million for the corresponding period in 2016, representing a decrease of 6.7%.

For the six months ended 30 June 2017, operations profit for the department store business drop by 0.3% to RMB357 million (six months ended 30 June 2016: RMB358 million) and operation margin as a percentage of TSP for department stores maintained at 8.5% (six months ended 30 June 2016: 8.5%). For the supermarket business, profit from operations decreased by approximately 32.5% to RMB60 million (six months ended 30 June 2016: RMB89 million) and operating margin as a percentage of TSP decreased to approximately 4.0%, representing a drop of 2 percentage point from 6.0% for the same period last year. The drop in operating margin was due to the loss of the newly opening stores and the stores are in ramp up period.

本集團經營溢利(不包括利息及未分配收益、公司及其他未分配開支和融資成本)由2016年同期人民幣447百萬元下跌6.7%至2017年6月30日止六個月人民幣417百萬元。

截至2017年6月30日止六個月，百貨業務經營溢利下降0.3%至人民幣357百萬元(2016年6月30日止六個月：人民幣358百萬元)，百貨業務經營溢利佔銷售所得款項總額的百分比維持8.5%(2016年6月30日止六個月：8.5%)。超市業務經營溢利減少約32.5%至人民幣60百萬元(2016年6月30日止六個月：人民幣89百萬元)，經營溢利佔銷售所得款項總額的百分比約為4.0%，與去年同期的6.0%相比降低2個百分點。經營溢利下降主要由於處於培育期的新店及次新店的虧損影響。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Net finance expenses

Net finance expenses comprised finance charge on interest-bearing borrowings net interest income from surplus cash.

Total finance costs decreased from RMB42 million to RMB28 million during the six months ended 30 June 2017 compared with the corresponding period last year. The decrease in net finance expenses and finance costs were due to the decrease in total interest expenses. During the six months ended 30 June 2017, approximately RMB27 million (six months ended 30 June 2016: RMB26 million) of the interest expenses has been capitalized as property under development.

Profit before tax

Profit before tax kept at approximately RMB349 million for the six months ended 30 June 2017, basically the same with the corresponding period last year.

Income tax expenses

Income tax expenses for the six months ended 30 June 2017 increased RMB12 million from the same period in 2016. The effectively tax rate staged at 35.0% (six months ended 30 June 2016: 31.5%).

Profit for the period and earning per share

Profit for the period reached approximately RMB227 million for the six months ended 30 June 2017 (six months ended 30 June 2016: RMB239 million), representing a decline of approximately 5.0% from the same comparable period in 2016.

For the six months ended 30 June 2017, the net profit margin in term of TSP was 4.0% (six months ended 30 June 2016: 4.2%) and the net profit margin in term of revenue was 10.1% (six months ended 30 June 2016: 10.8%). Basic earnings per share attributable to ordinary equity holders of the parent was RMB10 cents for the period.

利息支出淨額

利息支出淨額為帶息債務的融資成本扣減來自於盈餘現金的利息收入。

融資成本總計較去年同期42百萬元減少至2017年6月30日止六個月人民幣28百萬元。利息支出淨額和融資成本減少主要由於總利息支出減少所致。截至2017年6月30日止六個月，約人民幣27百萬元（2016年6月30日止六個月：26百萬元）的利息開支被資本化於在建項目中。

除稅前溢利

截至2017年6月30日止六個月，除稅前溢利維持約人民幣349百萬元，與去年同期基本一致。

所得稅開支

截至2017年6月30日止六個月所得稅開支與去年相比上升12百萬元，有效稅率為35.0%（2016年6月30日止六個月：31.5%）。

期內溢利及母公司普通股權益

截至2017年6月30日止六個月，期內溢利約為人民幣227百萬元（2016年6月30日止六個月：人民幣239百萬元），與2016年同期相比下跌約5.0%。

截至2017年6月30日止六個月，按銷售所得款項總額計算所得的淨溢利率為4.0%（2016年6月30日止六個月：4.2%），按收入計算所得的淨溢利率約10.1%（2016年6月30日止六個月：10.8%）。母公司普通股權益擁有人應佔基本每股溢利為人民幣10分。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

EQUITY AND FINANCING

Equity

At 30 June 2017, the equity attributable to owners of the parent amounted to RMB5,101 million, representing an increase of RMB130 million from 31 December 2016.

During the six months ended 30 June 2017, the Company repurchased 17.8 million shares for a total consideration of approximately HK\$28.7 million.

Funding model

The Group has actively diversified the funding sources, maintained strong long-term relations with lenders as well as investors and has spread out maturities to reduce refinancing risk.

The Group obtained approval from the National Association of Financial Market Institutional Investors to issue medium term financing notes in one or more tranches with an aggregate principal amount of up to RMB2.0 billion with a term of 3 years from the date of issuance to domestic institutional investors in the PRC. The Group also obtained approval from the China Securities Regulatory Commission and the Shanghai Stock Exchange to issue the domestic corporate bonds in one or more tranches with an aggregate principal amount of up to RMB2.0 billion with a term of no more than 5 years from the date of issuance to qualified investors in the PRC.

On 25 March 2016, the Group issued the first tranche of medium term financing notes at par value of RMB300 million with the nominal interest rate of 4.78% per annum and the effective interest rate of 5.13% per annum. The medium term financing notes are issued to institutional investors in the Inter-bank Bond Market in the PRC. On 21 June 2016, the Group also issued the first tranche of corporate bonds at par value of RMB800 million with a term of 3 years with the nominal interest rate of 4.87% per annum and the effective interest rate of 5.22% per annum. The corporate bonds are issued to qualified investors in the PRC as well as listed and traded on the Shanghai Stock Exchange.

權益及籌資

權益

於2017年6月30日，母公司擁有人應佔權益為人民幣5,101百萬元，較2016年12月31日增加人民幣130百萬元。

截至2017年6月30日止六個月，本公司以總代價（包括費用）約港幣28.7百萬元購回約17.8百萬股股份。

融資模式

本集團保持融資渠道多樣化，與債權人及投資者維持長期穩定的關係，並使債務到期日分散以降低再融資風險。

本集團獲得中國銀行間市場交易商協會批准發行一期或一期以上本金總額不超過人民幣20億元並由發行日期起計為期3年的中期票據予中國境內機構投資者。本集團並獲得中國證券監督管理委員會及上海證券交易所批准發行一期或一期以上本金總額不超過人民幣20億元並由發行日期起計為期不超過5年的境內公司債券予中國合資格投資者。

於2016年3月25日，本集團發行第一期票面金額為人民幣3億元的中期票據，其名義年利率為4.78%，實際年利率為5.13%。該中期票據僅向中國銀行間債券市場機構投資者發行。並於2016年6月21日，本集團發行為期3年票面價值為人民幣8億元的公司債券，其名義年利率為4.87%及實際年利率為5.22%。公司債券發行予中國合資格投資者，並在上海證券交易所上市流通轉讓。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Debt Management

As at 30 June 2017, total interest bearing borrowings of the Group were RMB3,124 million, higher than 31 December 2016 by RMB261 million. The Group decreased borrowing denominated in foreign currencies and increased the interest bearing RMB borrowing to lower foreign exchange risk. The Group maintained an appropriate mix of fixed/floating interest rate loans and maturity profile to mitigate interest rate and re-financing risks. The table below shows the proportion of floating and fixed rates for bank borrowings, financing notes and corporate bonds.

債務管理

集團於2017年6月30日的帶息負債總額為人民幣3,124百萬元，較2016年12月31日增加人民幣261百萬元。集團減少了外幣借款總額，增加了帶息人民幣負債以減低外匯風險。集團保持合適的定息及浮息借貸及還款期組合，以減低利率及再融資的風險。下表列示銀行貸款、票據和公司債券的浮息及固定利率比重。

		30 June 2017 2017年6月30日		31 December 2016 2016年12月31日	
		RMB million 人民幣百萬元	% of total 所佔百分比	RMB million 人民幣百萬元	% of total 所佔百分比
Floating rates US\$ bank loans	美元浮息銀行貸款	1,165	37.3%	1,366	47.7%
Floating rates HK\$ bank loans	港元浮息銀行貸款	61	2.0%	63	2.2%
Fixed rates RMB bank loans	人民幣定息銀行貸款	800	25.6%	310	10.8%
Fixed rates financing notes and corporate bonds	固定利率票據和公司債券	1,098	35.1%	1,124	39.3%
Total borrowings	借貸總額	3,124	100%	2,863	100%

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Liquidity, foreign exchange and interest rate exposure

The Group's financing and treasury activities are centrally managed and controlled at the corporate level. The Group conducted its retail business in the PRC and its revenues and expenses were denominated in RMB. The Group relies principally on cash flow generated from its operating activities as a primary source of liquidity. The Group has always pursued a stable treasury management policy and is in a strong liquidity position with sufficient standby banking facilities and cash to cope with daily operations and capital demand for future development. Certain of the Group's bank balances, bank borrowings and deposits were denominated in HK\$, SGD or US\$ which exposed the Group to foreign exchange risks attributable to fluctuations in exchange rates between HK\$, SGD or US\$ and RMB.

The Group manages its foreign exchange risk and interest rate exposure by performing regular reviews of the Group's interest rate and net foreign exchange exposures. The Group's exposure to the risk of changes in market interest rates related primarily to the Group's bank loans with floating interest rates. The Group also uses derivative financial instruments for controlling or hedging foreign exchange risk exposures. Full amount of HK\$ bank loan and a portion of US\$ bank loan borrowing have been hedged by capped forward cross currency swap contracts.

Gearing

The Group has been carefully and healthy in using debt gearing to expand the business in accordance with the business strategy. At 30 June 2017, the Group's gearing ratio stayed at 53% (31 December 2016: 54%). The gearing ratio is calculated by net debt (including bank borrowings, medium term financing notes, corporate bonds, trade payables and other payables and accruals, less restricted cash, time deposits and cash and cash equivalents) divided by the capital plus net debt of the Group.

流動資金、外匯風險及利率風險

本集團的融資理財活動由總部集中管理及控制。本集團於中國經營百貨零售，其收入及開支均以人民幣結算，並主要依賴其經營活動的現金流作為流動資金的主要來源。本集團一直奉行穩健的財務管理政策，並有足夠備用的銀行信貸、現金以應付日常運營及未來發展的需求。本集團的若干銀行結餘、銀行借款及存款，以港幣、新加坡元或美元結算。港幣、新加坡元或美元及人民幣的匯率變化會對本集團造成外匯風險。

本集團定期審閱外匯風險淨額及利率風險以管理其外匯及利率風險。本集團承受的市場利率變動風險主要與本集團按浮動利率計息的銀行貸款有關。本集團已使用衍生金融工具以控制及對沖外匯風險，全數港元銀行借款及部分美元銀行借款已以加蓋交叉貨幣掉期合約對沖。

負債率

本集團按照業務策略運用穩健的債務負債以擴張業務。於2017年6月30日，本集團的負債率為53%（2016年12月31日：54%）。負債率按債務淨額（包括計息銀行借款、中期票據，公司債券、應付貿易款項、其他應付款項及應計費用扣除受限貨幣資金、定期存款及現金及現金等價物）除以資本加債務淨額計算。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Capital expenditure and capital commitment

Capital expenditure of the Group during the six months ended 30 June 2017 amounted to approximately RMB292 million (31 December 2016: RMB1,053 million). Capital expenditure consists of additions of property, plant and equipment and prepaid land premiums.

Capital commitment as of 30 June 2017 amounted to RMB752 million (31 December 2016: RMB757 million), representing mainly construction items which contracted but not provided for Xishan and Wuhu projects.

Cash and cash equivalents and time deposits

Cash at banks earns interest at floating rates based on daily bank deposit rates. Time deposits are made for varying periods of between one months and five years depending on the immediate cash requirements of the Group and earn interest at the respective time deposit rates. The bank balances are deposited with creditworthy banks.

Restricted cash

Pursuant to the relevant rules and regulations issued by the Ministry of Commerce of the PRC, the Group was required to deposit bank balances in the Group's designated accounts or through issuing the letter of bank guarantee, total amount of which shall not be less than 30% of the balance of advances from customers for sales of prepaid cards. As at 30 June 2017, the Group has deposited cash in the amount of RMB111 million (31 December 2016: RMB109 million) in the Group's designated accounts.

CONTINGENT LIABILITIES

As at 30 June 2017 and 31 December 2016, the Group had no material contingent liabilities.

HUMAN RESOURCES

As at 30 June 2017, the Group employed a total of 8,314 staff, including 3,663 served the department store division and 4,533 served the supermarket division (31 December 2016: 8,596 staff, including 3,988 served the department store division and 4,933 served the supermarket division).

資本開支和資本承擔

本集團於2017年6月30日止六個月內的資本開支約為人民幣292百萬元(2016年12月31日: 人民幣1,053百萬元)。資本開支包括添置物業、廠房及設備和預付土地出讓金。

於2017年6月30日, 本集團的資本承擔為人民幣752百萬元(2016年12月31日: 人民幣757百萬元), 主要為錫山和蕪湖項目已簽訂合同但未撥備款項。

現金及現金等價物和定期存款

銀行存款根據每日銀行存款利率賺取浮動利息。定期存款由一個月至五年期限不等, 視乎本集團的即時現金需求而定, 並按各自的定期存款利率賺取利息。銀行結餘存入具信譽的銀行。

受限貨幣資金

根據中國商務部頒發的相關法規, 本集團需存入或通過獲得銀行保函以擔保合共不少於銷售預付費卡的客戶預付款項餘額30%的款項於本集團指定賬戶。截至2017年6月30日, 本集團存放貨幣資金人民幣111百萬元(2016年12月31日: 人民幣109百萬元)於本集團的指定賬戶。

或然負債

於2017年6月30日和2016年12月31日, 本集團無重大或然負債。

僱員

截至2017年6月30日, 本集團僱用共8,314名僱員, 包括百貨業務有3,663名, 超市業務有4,533名員工(2016年12月31日: 9,086名僱員, 包括百貨業務3,988名, 超市業務4,933名員工)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

CONNECTED TRANSACTIONS

During the six months ended 30 June 2017, the Group entered into the following continuing connected transactions.

On 30 April 2014, indirect wholly owned subsidiaries of the Company, Jiangsu Springland International Holdings (Group) Ltd (“Jiangsu Springland”) and Wuxi Xishan Yaohan Lifestyle Center Co., Ltd (“Xishan Yaohan”), as sellers entered into agreements (the “Disposal Agreements”) with Mr. Chen Jianqiang whereby Jiangsu Springland disposed the Financial Product and Xishan Yaohan disposed the Deposit for RMB180 million and RMB100 million respectively to Mr. Chen. The consideration in the amount of RMB280 million were agreed be paid on or before 31 December 2014.

On 16 December 2014, Jiangsu Springland, Xishan Yaohan and Mr. Chen entered into the supplemental agreements and extended the payment date for the outstanding consideration under the Disposal Agreements of RMB182 million to 31 December 2016. On 1 December 2016, Jiangsu Springland, Xishan Yaohan and Mr. Chen entered into another supplemental agreements and further extended the payment date for the outstanding consideration of RMB118 million to 31 December 2019. Starting from 1 January 2015, interest is charged on the amount due from Mr. Chen under the Disposal Agreements with an interest rate of 3.5% per annum. During the six months ended 30 June 2017, Mr. Chen has paid RMB18 million to the Group as principal and interest of the outstanding consideration under the Disposal Agreements.

Mr. Chen, the Chairman and the controlling shareholder of the Company, is a connected person of the Company under the Listing Rules. Accordingly, loan for the outstanding consideration under the Disposal Agreement and its supplemental agreements constituted continuing connected transactions of the Company under the Listing Rules. Details of the transactions have been set out in the announcements dated 2 May 2014, 16 December 2014 and 1 December 2016 issued by the Company.

關連交易

本集團於2017年6月30日止六個月內進行以下持續關連交易。

於2014年4月30日，本公司間接全資附屬公司江蘇華地國際控股集團有限公司（「江蘇華地」）和無錫錫山八佰伴生活廣場有限公司（「錫山八佰伴」）作為賣方與陳建強先生訂立協議（「出售協議」），江蘇華地以人民幣1.8億元出售理財產品及錫山八佰伴以人民幣1億元出售定期存款予陳先生。雙方同意於2014年12月31日或之前支付。

於2014年12月16日，江蘇華地、錫山八佰伴與陳先生訂立補充協議，以延長出售協議中未付對價人民幣1.82億元之付款日期至2016年12月31日。於2016年12月1日，江蘇華地、錫山八佰伴與陳先生訂立另一份補充協議，以再延長未付對價人民幣1.18億元之付款日期至2019年12月31日。由2015年1月1日起，應收陳先生款項（出售協議中未付對價）按年利率3.5%計息。於2017年6月30日止六個月，陳先生支付本集團人民幣18百萬元作為出售協議中未付對價及其利息。

陳先生為本公司的主席及控股股東，彼根據上市規則為本公司的關連人士。根據上市規則出售協議及其補充協議中未付對價的貸款構成本公司持續關連交易。該交易的詳情已載於本公司在2014年5月2日、2014年12月16日和2016年12月1日刊發的公告。

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

CORPORATE GOVERNANCE CODE

The Company complied with the code provisions set out in the Code on Corporate Governance Practice (the “Corporate Governance Code”) under Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) throughout the six months ended 30 June 2017. No incident of non-compliance by Directors was noted by the Company in the period.

THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules on the Stock Exchange as its code of conduct regarding Directors’ securities transactions. Directors are reminded of their obligations under the Model Code on a regular basis. Specific confirmation has been obtained from each Director to confirm compliance with the required standards set out in the Model Code throughout the six months ended 30 June 2017.

企業管治守則

截至2017年6月30日止六個月內，本公司一直遵守香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四所載的企業管治常規守則（「企業管治守則」）。本公司於期內，並無發現任何董事之違規事件。

進行證券交易的標準守則

本公司已採納聯交所上市規則附錄十所載的上市發行人董事進行證券交易的標準守則（「標準守則」）作為本公司董事證券交易的行為守則。本公司亦定期提醒各董事於標準守則下須履行之責任。本公司已取得每位董事發出的書面確認，以確認在截至2017年6月30日止六個月內符合標準守則列載之規定。

CORPORATE GOVERNANCE AND OTHER INFORMATION

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MEMBERS OF THE BOARD

As at the date of this report, the current composition of the Board is set out as follows:

董事會成員

於本報告日期，董事會成員組成如下：

Executive Directors 執行董事	Non-executive Directors 非執行董事	Independent Non-executive Directors 獨立非執行董事
Chen Jianqiang (<i>Chairman</i>) 陳建強 (主席)	Fung Hiu Chuen, John 馮曉邨	Lin Zhijun 林志軍
Tao Qingrong (<i>Chief Executive Officer</i>) 陶慶榮 (行政總裁)		Zhang Weijiong 張維炯
Yu Yaoming 俞堯明		Cheung Yat Ming 張一鳴

The composition of the Board Committees remains the same as set out in the 2016 Annual Report.

董事委員會的組成與2016年年報所載者相同。

There were no substantial changes to the information of the Directors as disclosed on pages 42 to 46 of the 2016 Annual Report and on the Company's website.

刊載於2016年年報第42至46頁及公司網站的董事資料並無重大更改。

The Directors have disclosed to the Company the number and nature of offices they held in Hong Kong or overseas listed public companies or organisations and their other significant commitments, including the identity of the public companies or organisations and an indication of the time involved for each commitment. During the period, no Executive Directors hold any directorship in any other public companies.

董事已向公司披露他們於香港或海外上市的公眾公司或機構擔任職務的數目和性質，以及其他重大承擔，並提供了公眾公司或機構的名稱和擔任有關職務所涉及的時間。期內，無執行董事在任何其他公眾公司出任董事。

DIRECTORS' RESPONSIBILITY IN RESPECT OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the interim financial statements of the Company. The Directors consider that in preparing the unaudited condensed consolidated interim financial statements, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates and that all applicable accounting standards have been followed. The Directors are not aware of any material or significant exposures exist, other than as reflected in this report. The Directors therefore have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The unaudited condensed consolidated interim financial statements are continually prepared on a going concern basis.

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and the unaudited condensed consolidated interim financial statements for the six months ended 30 June 2017. The Audit Committee is appointed by the Board of Directors and has three members, all of whom are Independent Non-executive Directors, being Dr. Lin Zhijun (chairman), Dr. Zhang Weijiong and Mr. Cheung Yat Ming.

At the Company's Annual General Meeting held on 26 May 2017, shareholders approved the re-appointment of Ernst & Young as the Company's external auditor for the financial year ending 31 December 2017.

董事對財務報表的責任

董事知悉彼等對編製本公司的中期財務報表的責任。董事認為本公司於編製未經審核中期簡明綜合財務報表時已採用合適的會計政策、貫徹應用和依據合理而審慎的判斷及估計，並且已遵從所有適用的會計準則。除本公告所反映的情況外，董事並不知悉有任何主要及重大風險存在。因此，董事有理由預期本公司具備充裕資源在可見將來繼續經營現有業務。未經審核中期簡明綜合財務報表乃繼續按持續經營為基準編製。

審核委員會已審閱集團所採納的會計準則和實務，以及截至2017年6月30日止六個月的未經審核簡明綜合中期財務報表。審核委員會由董事會委任，共有三位成員，全為獨立非執行董事，分別是林志軍博士（主席）、張維炯博士及張一鳴先生。

在公司於2017年5月26日舉行的股東周年大會上，股東已通過續聘安永會計師事務所出任本公司截至2017年12月31日止年度的外聘核數師。

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2017, the interests of each Director and Chief Executive Officer of the Company in the shares and underlying shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register maintained by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 to the Listing Rules were as follows:

董事及主要行政人員於股份、相關股份及債券之權益及淡倉

於2017年6月30日，本公司根據證券及期貨條例（「證券及期貨條例」）第352條而存置之登記冊所記錄或根據上市規則附錄十所載之上市公司董事近行證券交易的標準守則（「標準守則」）另行知會本公司及聯交所，本公司各董事及行政總裁於本公司及其相聯法團（按證券及期貨條例第XV部之涵義）之股份，相關股份及債券之權益載列如下：

Long position in the Shares of the Company

本公司股份的好倉

Name of director	Nature of Interest	Number of ordinary Shares interested	Percentage of the Company's issued share capital 佔本公司已發行股本的百分比
董事姓名	權益性質	持有的普通股數目	
Chen Jianqiang 陳建強	Interest in controlled corporation 於受控制法團的權益	1,442,500,000 (Note) (附註)	62.72%

Note: These shares were held by Octopus (China) Holdings Limited, in which is wholly owned by Octopus Holdings Foundation. Mr. Chen as the sole shareholder of Octopus Holdings Foundation is deemed to be interested in the Shares held by Octopus (China) Holdings Limited. Both Octopus Holdings Foundation and Octopus (China) Holdings Limited are holding companies of the Company, each of them is an associated corporation of the Company under the SFO.

附註： 該等股份由Octopus (China) Holdings Limited持有，此公司由Octopus Holdings Foundation全資擁有。陳先生作為Octopus Holdings Foundation的唯一股東，故被視為對Octopus (China) Holdings Limited持有的股份擁有權益。Octopus Holdings Foundation和Octopus (China) Holdings Limited均為本公司控股公司，根據證券及期貨條例，他們每個均為本公司的關聯法團。

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

Long position in the Shares and underlying shares of associated corporations of the Company

本公司關聯法團的股份及相關股份的好倉

Name of director	Name of associated corporation	Nature of interest	Number and class of shares of the associated corporation held	Percentage of interest in the associated corporation
董事姓名	關聯法團名稱	權益性質	持有關聯法團股份的數目和類別	佔關聯法團權益的百分比
Chen Jianqiang	Octopus Holdings Foundation	Beneficial interest	1 ordinary share	100%
陳建強	Octopus Holdings Foundation	實益擁有人	1股普通股	(Note) (附註)
Chen Jianqiang	Octopus (China) Holdings Limited	Interest in controlled corporation	100 ordinary shares corporation	100%
陳建強	Octopus (China) Holdings Limited	於受控制法團	100股普通股的權益	(Note) (附註)

Note: 1,442,500,000 Shares were held by Octopus (China) Holdings Limited, in which is wholly-owned by Octopus Holdings Foundation. Mr. Chen as the sole shareholder of Octopus Holdings Foundation is deemed to be interested in the Shares held by Octopus (China) Holdings Limited. As each of Octopus Holdings Foundation and Octopus (China) Holdings Limited all are holding companies of the Company, each of them is an associated corporation of the Company under the SFO.

附註：1,442,500,000股份由Octopus (China) Holdings Limited持有，Octopus (China) Holdings Limited由Octopus Holdings Foundation全資擁有。陳先生作為Octopus Holdings Foundation的唯一股東，故被視為對Octopus (China) Holdings Limited持有的股份擁有權益。由於各Octopus Holdings Foundation和Octopus (China) Holdings Limited均為本公司控股公司。根據SFO，他們每個均為本公司的關聯法團。

Save as disclosed above, as at 30 June 2017, none of the Directors and chief executive of the Company had or was deemed to have any interest or short position in the Shares, underlying Shares or debentures of the Company or any of its associated corporations which were required to be recorded in the register kept under Section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文披露外，於2017年6月30日本公司董事及最高行政人員概無於本公司或任何關聯法團股份、相關股份或債券中持有或被視為持有根據SFO第352章須由本公司存置的登記冊上所記錄，或根據標準守則須知會本公司及聯交所的權益或淡倉。

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARE

As at 30 June 2017, so far as is known to any Directors and chief executive of the Company, the following persons (other than Directors or chief executive of the Company) had, or were deemed to have, interests of 5% or more in the shares of the Company notified to the Company under the provisions of the Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register kept by the Company under Section 336 of the SFO:

Long position in the shares of the Company

Name of shareholders 股東名稱	Capacity 身份	Number of ordinary shares 普通股數目	Approximate percentage of the Company's issued share capital 佔本公司已發行 股本的百分比
Octopus Holdings Foundation	Interest of controlled corporation 受控制法團權益	1,442,500,000 (Note) (附註)	62.72%
International Value Advisers, LLC	Investment manager 投資經理	262,644,000	11.42%
FIL Limited	Investment manager 投資經理	117,756,000	5.12%

Note: Octopus (China) Holdings Limited is wholly-owned by Octopus Holdings Foundation. Mr. Chen as the sole shareholder of Octopus Holdings Foundation is deemed to be interested in Shares held by Octopus (China) Holdings Limited.

Save as disclosed above, as at 30 June 2017, the Company had not been notified by any persons, other than the Directors and chief executive of the Company, of other interest or short position in the Shares, underlying Shares or debentures of the Company that was required to be recorded pursuant to Section 336 of the SFO.

主要股東及其他人士於本公司股份之權益

就本公司董事及最高行政人員所知，於2017年6月30日，根據證券及期貨條例第XV部第2及3分部的規定須知會本公司，或根據證券及期貨條例第336章本公司存置之登記冊所記錄，下列人士（本公司董事或最高行政人員除外）持有或被視為持有本公司股份5%或以上權益：

本公司股份的好倉

附註：Octopus (China) Holdings Limited由Octopus Holdings Foundation全資擁有。陳先生為Octopus Holdings Foundation的唯一股東，故被視為於Octopus (China) Holdings Limited持有的股份擁有權益。

除上文披露者外，於2017年6月30日，根據SFO第336章本公司須記錄，公司董事及最高行政人員除外並無知會有其他人士持有本公司股份、相關股份或債券之權益或淡倉。

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended 30 June 2017, pursuant to the general mandate given to the Directors of the Company, the Company repurchased a total of 17,773,000 ordinary shares of HK\$0.01 each of the Company on the Stock Exchange at an aggregate consideration of approximately HK\$28.7 million. During the six months ended 30 June 2017, 17,773,000 share repurchased during the period and 12,987,000 treasury shares were cancelled. The number of issued shares of the Company as of 30 June 2017 and the date of this report is 2,300,000,000. Particulars of the shares repurchased during the six months ended 30 June 2017 are as follows:

購買、出售或贖回本公司上市證券

截至2017年6月30日止六個月，根據授出予本公司董事之一般授權，本公司以總代價約港幣28.7百萬元於聯交所購回合共17,773,000股本公司每股面值港幣0.01元之普通股股份。於2017年6月30日止六個月17,773,000股於期內購回股份和12,987,000庫存股被註銷。於2017年6月30日及本報告日期，本公司之已發行股份數目為2,300,000,000股。於2017年6月30日止六個月已購回股份之詳情如下：

Month of repurchase	購回月份	No. of shares at HK\$0.01 each 每股面值港幣0.01元的股份數量	Price per share 每股股價		Aggregate consideration 總代價 HK\$' 000 港幣千元	Aggregate consideration equivalent to 相當於 總代價 RMB' 000 人民幣千元
			Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元		
March 2017	2017年3月	2,750,000	1.43	1.35	3,850	3,418
April 2017	2017年4月	3,000,000	1.44	1.40	4,247	3,762
May 2017	2017年5月	8,123,000	1.87	1.41	13,275	11,693
June 2017	2017年6月	3,900,000	1.88	1.84	7,308	6,343
		17,773,000			28,680	25,216

The Directors consider that the repurchases were made for the benefit of the Company and its shareholders as a whole with a view to enhancing the earnings per share and net asset value per share of the Company. Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the period.

董事認為該等購回可提高本公司的每股盈利及每股資產淨值，符合本公司及其股東的整體利益。除上文所披露者外，本公司或其任何附屬公司於期內概無購買、出售或贖回本公司任何上市證券。

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Scheme") pursuant to the resolutions of the Company passed on 30 September 2010. The Scheme will remain in force until 29 September 2020.

The purpose of the Scheme is to attract, retain and motivate talented participants, to strive for future developments and expansion of the Group. The Scheme shall be an incentive to encourage the participants to perform their best in achieving the goals of the Group and allow the participants to enjoy the results of the Company attained through their efforts and contributions. The Board may, at its absolute discretion, offer any employee, management member or Director of the Company, or any member of the Group, and third party service providers options to subscribe for shares on the terms set out in the Scheme.

Since the date of adoption of the Scheme and up to the date of this report, no options have been granted under the Scheme by the Company.

足夠公眾持股量

根據本公司取得之公開資料及就董事所知，公眾持有本公司已發行股本總額不少於25%。

購股權計劃

本公司已根據本公司股東於2010年9月30日通過的決議案採納一項購股權計劃。購股權計劃將持續有效至2020年9月29日止。

購股權計劃旨在於讓本集團招攬、挽留及激勵具備才幹的參與者，促進本集團的未來發展及拓展。購股權計劃應作為一種激勵鼓勵參與者盡自身最大的努力來達成本集團的目標及讓參與者享受通過他們的努力及貢獻達成的本公司的成果。董事會可全權酌情根據購股權計劃所載的條款，向本公司或本集團的任何成員公司的任何僱員、管理人員或董事及第三方服務供應商授出可認購股份的購股權。

自購股權計劃採納日期起直至本報告日期，本公司尚未根據購股權計劃授出任何購股權。

INTERIM DIVIDEND

The Board proposed to pay an interim dividend of HK\$3 cents per ordinary share of the Company for the six months ended 30 June 2017 to the shareholders whose names appear on the register of members of the Company on 21 September 2017. It is expected that the interim dividend will be paid on or about 3 October 2017.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 18 September 2017 to 21 September 2017 (both days inclusive) during which period no transfer of share(s) will be effected. In order to qualify for the interim dividend, all transfer documents, accompanied by the relevant share certificates, must be lodged with Computershare Hong Kong Investor Services Limited, the Company's Hong Kong branch share registrar and transfer office, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 15 September 2017.

中期股息

董事會擬向於2017年9月21日載於本公司股東名冊的股東派發截至2017年6月30日止六個月的中期股息每股港幣3仙。中期股息預計於2017年10月3日前後支付。

暫停股東登記

自2017年9月18日至2017年9月21日（包括首尾兩天）期間暫停辦理本公司股東登記手續，亦不辦理股份過戶手續。為符合資格獲取中期股息，所有過戶文件連同有關股票須於2017年9月15日下午四時三十分前交回本公司香港股份過戶登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室。

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

中期簡明綜合收益表

For the six months ended 30 June 2017

截至2017年6月30日止六個月

		For the six months ended 30 June		
		截至6月30日止六個月		
		2017	2016	
		2017年	2016年	
		(unaudited)	(unaudited)	
		(未經審核)	(未經審核)	
		RMB'000	RMB'000	
		人民幣千元	人民幣千元	
		Notes		
		附註		
REVENUE	收入	4	2,247,475	2,212,402
Other income and gains	其他收入及收益	5	346,909	371,036
Purchase of and changes in inventories	購買存貨及存貨變動		(1,303,162)	(1,293,124)
Staff costs	員工成本		(334,778)	(327,754)
Depreciation and amortisation	折舊及攤銷		(239,508)	(219,609)
Rental expenses	租賃開支		(54,226)	(39,141)
Other expenses	其他開支		(285,647)	(313,333)
Finance costs	融資成本	6	(28,582)	(41,766)
PROFIT BEFORE TAX	除稅前溢利	7	348,481	348,711
Income tax expense	所得稅開支	8	(121,881)	(109,843)
PROFIT FOR THE PERIOD	期內溢利		226,600	238,868
Attributable to:	以下各項應佔：			
Owners of the parent	母公司擁有人		227,377	239,374
Non-controlling interests	非控股權益		(777)	(506)
			226,600	238,868
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	母公司普通股權益 擁有人應佔每股 溢利			
Basic and diluted (RMB: cents)	基本及攤薄(人民幣：分)	10	10	10

Details of dividends paid and proposed for the period are disclosed in note 9 to these financial statements.

期內已付及擬派發股息詳情於財務報告附註9披露。

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

中期簡明綜合全面收益表

For the six months ended 30 June 2017
截至2017年6月30日止六個月

		For the six months ended 30 June 截至6月30日止六個月	
		2017 2017年 (unaudited) (未經審核) RMB'000 人民幣千元	2016 2016年 (unaudited) (未經審核) RMB'000 人民幣千元
PROFIT FOR THE PERIOD	期內溢利	226,600	238,868
OTHER COMPREHENSIVE LOSS Exchange differences on translation of foreign operations	其他全面損失 換算境外業務產生的匯兌差額	27,542	(19,906)
NET OTHER COMPREHENSIVE LOSS TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS	期後可重分類為損益的 其他全面損失，淨值	27,542	(19,906)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX	期內其他全面損失， 稅後淨值	27,542	(19,906)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	期內全面收益總額	254,142	218,962
Attributable to:	以下各項應佔：		
Owners of the parent	母公司擁有人	254,919	219,468
Non-controlling interests	非控股權益	(777)	(506)
		254,142	218,962

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

中期簡明綜合財務狀況表

30 June 2017
2017年6月30日

			30 June 2017 2017年 6月30日 (unaudited) (未經審核) RMB'000 人民幣千元	31 December 2016 2016年 12月31日 (audited) (經審核) RMB'000 人民幣千元
		<i>Notes</i> <i>附註</i>		
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	11	8,824,998	8,772,195
Prepaid land premiums	預付土地出讓金	12	1,652,298	1,676,148
Other intangible assets	其他無形資產	13	30,282	29,199
Goodwill	商譽		250,384	250,384
Available-for-sale investments	可供出售投資		5,188	2,550
Long-term prepayments	長期預付款項		11,395	19,371
Deferred tax assets	遞延稅項資產		122,606	111,290
Restricted cash	受限貨幣資金	16	111,015	108,908
Time deposits	定期存款	16	-	177,979
Due from the controlling shareholder	應收控股股東款項	26	101,646	117,974
Total non-current assets	非流動資產總額		11,109,812	11,265,998
CURRENT ASSETS	流動資產			
Inventories	存貨	14	294,622	417,646
Trade receivables	應收貿易款項	15	8,336	10,663
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		384,482	316,945
Derivative financial instruments	衍生金融工具		2,336	11,487
Cash and cash equivalents	現金及現金等價物	16	493,806	401,592
			1,183,582	1,158,333
Assets of a disposal group classified as held for sale	已終止經營業務分類為持有待售資產	23	26,400	26,400
Total current assets	流動資產總額		1,209,982	1,184,733

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

中期簡明綜合財務狀況表

30 June 2017
2017年6月30日

			30 June 2017 2017年 6月30日 (unaudited) (未經審核) RMB'000 人民幣千元	31 December 2016 2016年 12月31日 (audited) (經審核) RMB'000 人民幣千元
		<i>Notes 附註</i>		
CURRENT LIABILITIES	流動負債			
Interest-bearing bank borrowings	計息銀行借款	17	1,628,755	1,739,204
Trade payables	應付貿易款項	18	1,020,341	1,290,133
Other payables and accruals	其他應付款項及應計費用		2,205,742	2,471,663
Tax payable	應付稅項		51,398	56,547
			4,906,236	5,557,547
Liabilities directly associated with the assets classified as held for sales	持有待售資產直接相關的負債	23	4,769	4,769
Total current liabilities	流動負債總額		4,911,005	5,562,316
NET CURRENT LIABILITIES	流動負債淨額		(3,701,023)	(4,377,583)
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		7,408,789	6,888,415
NON-CURRENT LIABILITIES	非流動負債			
Interest-bearing bank borrowings	計息銀行借款	17	397,000	–
Medium-term notes	中期票據	19	302,292	309,074
Corporate bonds	公司債券	20	796,220	814,670
Long-term payables	長期應付款項		69,756	62,614
Deferred tax liabilities	遞延稅項負債		574,360	561,625
Total non-current liabilities	非流動負債總額		2,139,628	1,747,983
Net assets	資產淨值		5,269,161	5,140,432
EQUITY	權益			
Equity attributable to owners of the parent	母公司擁有人應佔權益			
Issued capital	已發行股本	21	19,861	20,127
Treasury shares	庫存股	21	–	(112)
Reserves	儲備		5,080,985	4,951,352
			5,100,846	4,971,367
Non-controlling interests	非控股權益		168,315	169,065
Total equity	權益總額		5,269,161	5,140,432

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

中期簡明綜合權益變動表

For the six months ended 30 June 2017

截至2017年6月30日止六個月

		Attributable to owners of the parent 母公司擁有人應佔												
		Issued capital	Treasury shares	Share premium	Contributed surplus	Capital reserve	Statutory surplus reserve	Discretionary reserve	Exchange fluctuation reserve	Retained earnings	Proposed final dividend	Total	Non-controlling interests	Total equity
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
(unaudited)	(未經審核)													
At 1 January 2017	於2017年1月1日	20,127	(112)	2,466,655	(1,512)	(103,542)	901,287	33,710	(111,515)	1,766,269	-	4,971,369	169,065	5,140,432
Profit for the period	期內溢利	-	-	-	-	-	-	-	-	227,377	-	227,377	(777)	226,600
Other comprehensive income for the period:	期內其他收益總額:													
Exchange differences on translation of foreign operations	海外業務的匯兌差額	-	-	-	-	-	-	-	27,542	-	-	27,542	-	27,542
Total comprehensive income for the period	期內全面收益總額	-	-	-	-	-	-	-	27,542	227,377	-	254,919	(777)	254,142
Appropriation to statutory surplus reserve	轉撥至法定盈餘公積金	-	-	-	-	-	6,764	-	-	(6,764)	-	-	-	-
Dividends paid to non-controlling shareholders	支付股息予非控股股東	-	-	-	-	-	-	-	-	-	-	-	(18)	(18)
Final 2016 dividend declared	已派發2016年末期股息	-	-	-	-	-	-	-	-	(100,220)	-	(100,220)	-	(100,220)
Cancellation of treasury shares	註銷庫存股	(112)	112	-	-	-	-	-	-	-	-	-	-	-
Repurchase and cancellation of shares	回購及註銷股份	(154)	-	(25,066)	-	-	-	-	-	-	-	(25,220)	-	(25,220)
Capital injection from non-controlling shareholders	非控股股東注資	-	-	-	-	-	-	-	-	-	-	-	45	45
At 30 June 2017 (Unaudited)	於2017年6月30日 (未經審核)	19,861	-	2,441,589*	(1,512)*	(103,542)*	908,051*	33,710*	(83,973)*	1,986,882*	(100,220)*	5,100,846	168,315	5,269,161
(unaudited)	(未經審核)													
At 1 January 2016	於2016年1月1日	20,907	-	1,034,204	(1,512)	-	813,926	33,710	(37,230)	3,163,813	-	5,027,818	189,890	5,217,708
Profit for the period	期內溢利	-	-	-	-	-	-	-	-	239,374	-	239,374	(506)	238,868
Other comprehensive income for the period:	期內其他收益總額:													
Exchange differences on translation of foreign operations	海外業務的匯兌差額	-	-	-	-	-	-	-	(19,906)	-	-	(19,906)	-	(19,906)
Total comprehensive income for the period	期內全面收益總額	-	-	-	-	-	-	-	(19,906)	239,374	-	219,468	(506)	218,962
Dividends paid to non-controlling shareholders	支付股息予非控股股東	-	-	-	-	-	-	-	-	-	-	-	(1,112)	(1,112)
Previous year dividend declared	宣告以前年度股息	-	-	-	-	-	-	-	-	-	-	-	(14,077)	(14,077)
Final 2015 dividend declared	已派發2015年末期股息	-	-	-	-	-	-	-	-	(142,332)	-	(142,332)	-	(142,332)
Repurchase and cancellation of shares	回購及註銷股份	(287)	(39)	(36,090)	-	-	-	-	-	-	-	(36,416)	-	(36,416)
Cancellation of a subsidiary	註銷附屬公司	-	-	-	-	-	(444)	-	-	444	-	-	-	-
Acquisition of non-controlling interests	收購非控股權益	-	-	-	-	-	-	-	-	(279)	-	(279)	(2,396)	(2,675)
At 30 June 2016 (Unaudited)	於2016年6月30日 (未經審核)	20,620	(39)	998,114	(1,512)	-	813,482	33,710	(57,136)	3,403,362	(142,332)	5,068,259	171,799	5,240,058

* These reserve accounts comprise the consolidated reserves of RMB5,080,985,000 (30 June 2016: RMB5,047,678,000) in the consolidated statement of financial position.

* 該等儲備賬戶組成綜合財務狀況表內的綜合儲備為人民幣5,080,985,000元 (2016年6月30日: 人民幣5,047,678,000元)。

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

中期簡明綜合現金流量表

For the six months ended 30 June 2017

截至2017年6月30日止六個月

		For the six months ended 30 June 截至6月30日止六個月	
		2017 2017年 (unaudited) (未經審核) RMB'000 人民幣千元	2016 2016年 (unaudited) (未經審核) RMB'000 人民幣千元
		Notes 附註	
Cash flows from operating activities	經營業務所得現金流量		
Profit before tax	除稅前溢利		348,481
Adjustments for:	就下列各項作出調整：		
Depreciation	折舊	7	222,627
Amortisation of prepaid land premiums	預付土地出讓金攤銷	7	15,598
Amortisation of other intangible assets	其他無形資產攤銷	7	1,283
Loss on disposal of items of property, plant and equipment	處置物業、廠房及設備損失	7	12,634
Foreign exchange differences	匯兌差額	7	(478)
Fair value loss, net:	公平值損失，淨額		
Derivative instruments	衍生金融工具		
– transactions not qualifying as hedges	– 不符合對沖之交易	7	12,995
Finance costs	融資成本	6	28,582
Interest income	利息收入	5	(10,787)
Provision/(write-back of provision) for slow-moving inventories	滯銷存貨撥備/(撥備撥回)		201
Impairment of goodwill	商譽減值準備		–
Impairment of property, plant and equipment	物業、廠房及設備減值準備		–
			631,136
Decrease in inventories	存貨減少		122,823
Increase in trade receivables, prepayments, deposits and other receivables	應收貿易款項、預付款項、按金及其他應收款項增加		(32,767)
Decrease in long-term prepayments	長期預付款項減少		7,976
Decrease in trade payables, other payables and accruals	應付貿易款項、其他應付款項及應計費用減少		(401,298)
Increase/(decrease) in long-term payables	長期應付款項增加/(減少)		7,142
Cash generated from operations	經營所得現金		335,012
Income tax paid	已付所得稅		(125,611)
Net cash flows from operating activities	經營業務現金流入淨額		209,401
			634,905
			44,288
			(40,263)
			5,154
			(266,800)
			(17,963)
			359,321
			(149,785)
			209,536

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

中期簡明綜合現金流量表

For the six months ended 30 June 2017

截至2017年6月30日止六個月

		For the six months ended 30 June 截至6月30日止六個月	
		2017 2017年 (unaudited) (未經審核) RMB'000 人民幣千元	2016 2016年 (unaudited) (未經審核) RMB'000 人民幣千元
Cash flows used in investing activities	投資活動所用現金流量		
Interest received	已收利息	3,485	8,259
Purchases of items of property, plant and equipment	購買物業、廠房及設備	(390,480)	(328,716)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備所得款項	810	14
Purchases of items of intangible assets	購買無形資產	(2,366)	-
Purchase of available-for-sale investments	購買可供出售投資	(2,638)	-
Decrease in amounts due from the controlling shareholder	應收控股股東款項的減少	18,000	32,094
(Increase)/decrease in time deposits	定期存款(增加)/減少	(5,030)	28,156
Net cash flows used in investing activities	投資活動所用現金流量	(378,219)	(260,193)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

中期簡明綜合現金流量表

For the six months ended 30 June 2017

截至2017年6月30日止六個月

		For the six months ended 30 June 截至6月30日止六個月	
		2017 2017年 (unaudited) (未經審核) RMB'000 人民幣千元	2016 2016年 (unaudited) (未經審核) RMB'000 人民幣千元
		<i>Notes 附註</i>	
Cash flows from financing activities	融資活動所得現金流量		
Repayment of bank borrowings	償還銀行借款	(997,301)	(2,731,947)
New bank borrowings	新造銀行借款	1,314,972	1,998,021
Acquisition of non-controlling interests	收購非控股權益	-	(73,774)
Proceeds from issuance of corporate bonds	發行公司債券所得款項	-	792,800
Proceeds from issuance of medium-term notes	發行中期票據所得款項	-	297,300
Proceeds from accepting investment from non-controlling shareholders	非控股股東貢獻	45	-
Repayment of investment from non-controlling shareholders	償付非控股股東投資	(601)	-
Repurchase of the Company's shares	購回公司股票	(25,220)	(36,416)
Dividends paid	已付股息	(100,220)	(142,332)
Dividends paid to non-controlling shareholders	已付非控股股東股息	(18)	(1,112)
Interest paid	已付利息	(85,175)	(38,771)
Net cash flows from/(used in) financing activities	融資活動所得/(所用)現金流量淨額	106,482	63,769
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額	(62,336)	13,112
Cash and cash equivalents at beginning of the period	年初現金及現金等價物	389,422	536,861
Effect of foreign exchange rate changes, net	外匯匯率變動的影響，淨額	(480)	4,385
Cash and cash equivalents at end of the period	期末現金及現金等價物	326,606	554,358

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

中期簡明綜合財務報表附註

For the six months ended 30 June 2017

截至2017年6月30日止六個月

1. CORPORATE INFORMATION

Springland International Holdings Limited (the “Company”) was incorporated as an exempted company with limited liability in the Cayman Islands on 21 June 2006 under the Companies Law, Cap.22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company was listed on the Main Board of the Stock Exchange on 21 October 2010.

The Company and its subsidiaries (collectively referred to as the “Group”) are principally engaged in the operation of department stores and supermarkets in Mainland China. In the opinion of the directors of the Company (the “Directors”), the ultimate holding company of the Group is Octopus Holdings Foundation, a company incorporated in the Cayman Islands.

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial statements for the six months ended 30 June 2017 have been prepared in accordance with International Accounting Standards (“IAS”) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board. These financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements as at 31 December 2016.

1. 公司資料

華地國際控股有限公司（「本公司」）於2006年6月21日根據開曼群島公司法第22章（1961年法例3，經綜合及修訂）在開曼群島註冊成立為獲豁免有限公司。本公司註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。本公司於2010年10月21日在聯交所主板上市。

本公司及其附屬公司（合稱「本集團」）主要於中國內地經營百貨店及超市。本公司董事（「董事」）認為，本集團的最終控股公司為Octopus Holdings Foundation，一間於開曼群島註冊成立的公司。

2.1 編製基準

截至2017年6月30日止六個月的中期簡明綜合財務報表乃按由國際會計準則委員會頒布的國際會計準則第34條「中期財務報告」準則而編製。本財務報表以人民幣為單位，所有數值均四捨五入，除非另有註明。

中期簡明綜合財務報表並不包括年度財務報表所需的全部資料及披露事項，並應與本集團於2016年12月31日的年度財務報表一併閱讀。

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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For the six months ended 30 June 2017
截至2017年6月30日止六個月

2.2 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2016, except for the adoption of the new standards and interpretations as of 1 January 2017, noted below:

Amendments to IAS 7	<i>Disclosure Initiative</i> ¹
Amendments to IAS 12	<i>Recognition of Deferred Tax Assets for Unrealised Losses</i> ¹
Amendments to IFRS 12	<i>Disclosure of Interests in Other Entities</i> ¹
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its and IAS Associate or Joint Venture</i> ²

¹ Effective for annual periods beginning on or after 1 January 2017.

² No mandatory effective date yet determined but is available for adoption.

The adoption of these new and revised IFRSs had no significant financial effect on these financial statements.

2.2 主要會計政策

編製中期簡明綜合財務報表採用的會計政策與編製本集團截至2016年12月31日止年度財務報表所遵循的會計政策一致，惟採納以下於2017年1月1日新準則及詮釋除外。

國際會計準則第7號 (修正案)	<i>披露計劃</i> ¹
國際會計準則第12號 (修正案)	<i>識別遞延稅項資產的未實現虧損</i> ¹
國際財務報告準則第12號(修正案)	<i>在其他主體中權益的披露</i> ¹
國際財務報告準則第10號、第28號 (修正案)	<i>投資方與其聯營公司或合營企業之間資產銷售或損贈資產</i> ²

¹ 於2017年1月1日或之後開始的年度間生效。

² 並未訂定強制性生效日期，惟已可作採納。

採用彼等新訂及經修訂國際財務報告準則對財務報表並無重大影響。

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

中期簡明綜合財務報表附註

For the six months ended 30 June 2017

截至2017年6月30日止六個月

2.3 NEW AND REVISED IFRSs AND NEW DISCLOSURE REQUIREMENTS UNDER THE HONG KONG COMPANIES ORDINANCE NOT YET ADOPTED

The Group has not applied the following new and revised IFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to IFRS 2	<i>Classification and Measurement of Share-based Payment Transactions</i> ¹
Amendments to IFRS 4	<i>Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts</i> ¹
IFRS 9	<i>Financial Instruments</i> ¹
IFRS 15	<i>Revenue from Contracts with Customers</i> ¹
Amendments to IFRS 15	<i>Clarifications to IFRS 15 Revenue from Contracts with Customers</i> ¹
IFRS 16	<i>Leases</i> ²
Amendments to IAS 40	<i>Transfers of Investment Property</i> ¹
IFRIC 22	<i>Foreign Currency Transactions and Advance Consideration</i> ¹
Amendments to IFRS 1 in Annual Improvements 2014-2016 Cycle	<i>First-time Adoption of International Financial Included Reporting Standards</i> ¹
Amendments to IAS 28 Included in Annual Improvements 2014-2016 Cycle	<i>Investments in Associates and Joint Ventures</i> ¹

¹ Effective for annual periods beginning on or after 1 January 2018

² Effective for annual periods beginning on or after 1 January 2019

The Group is in the process of making an assessment of the impact of these new and revised IFRSs upon initial application. So far, the Group considers that these new and revised IFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

2.3 尚未採納新增及經修訂的國際財務報告準則及新增的香港《公司條例》之披露規定

本集團於該等財務報表並未採用下列已頒佈但尚未生效的新訂及經修訂國際財務報告準則。

國際財務報告準則第2號 (修正案)	股份支付交易的分類與測量 ¹
國際財務報告準則第4號 (修正案)	國際財務報告準則第9號金融工具與國際財務報告準則第4號保險合同的應用 ¹
國際財務報告準則第9號	金融工具 ¹
國際財務報告準則第15號	客戶合約的收入 ¹
國際財務報告準則第15號 (修正案)	國際財務報告準則第15號中合約客戶收入的闡明 ¹
國際財務報告準則第16號	租賃 ²
國際會計準則第16號 (修正案)	投資房地產的轉移 ¹
準則解釋委員會解釋公告第22號	外匯交易和預付對價 ¹
國際財務報告準則第1號 (修正案) 2014年到2016年國際財務報告準則之修訂	首次採用國際財務報告準則 ¹
國際會計準則第28號 (修正案) 2014年到2016年國際會計準則之修訂	聯營和合營企業中的投資 ¹

¹ 於2018年1月1日或之後開始的年度期間生效

² 於2019年1月1日或之後開始的年度間生效

本集團在編制報表的進程中不斷評估這些新增或修訂的國際財務報告準則的潛在運用。至今，本集團認為這些新增或修訂的國際財務報告準則對本集團經營業績及財務狀況不會產生重大影響。

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For the six months ended 30 June 2017

截至2017年6月30日止六個月

3. OPERATING SEGMENT INFORMATION

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

- Department store segment
- Supermarket segment

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, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group's profit before tax except that interest income, finance costs, fair value gains/(losses) from the Group's financial instruments as well as head office and corporate expenses are excluded from this measurement.

Segment assets exclude available-for-sale investments, deferred tax assets, restricted cash, time deposits, tax recoverable, amounts due from the controlling shareholder, cash and cash equivalents, assets of a disposal group classified as held for sale and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank borrowings, medium-term notes, corporate bonds, tax payable, liabilities directly associated with the assets classified as held for sale, deferred tax liabilities and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

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.

3. 經營分部資料

出於管理需要，本集團根據其貨品及服務將業務分為多個業務單位，並分成以下兩個可報告經營分部：

- 百貨店分部
- 超市分部

管理層會分別監察經營分部的業績作出資源分配決定並評定其表現。分部表現評估乃根據可報告分部溢利，即經調整除稅前溢利進行。除不包含利息收入、融資成本、本集團金融工具的公平值變動收益/(損失)、總辦事處及公司開支外，經調整除稅前溢利之計量方法與本集團除稅前溢利一致。

分部資產不包括可供出售投資、遞延稅項資產、受限貨幣資金、定期存款、可收回稅項、應收控股股東款項、現金及現金等價物、已終止經營業務分類為持有待售資產和其它未分配總辦事處及公司資產，因該等資產按集團基準管理。

分部負債不包括計息銀行借款、中期票據、公司債券、應付稅項、持有待售資產直接有關的負債、遞延稅項負債和其它未分配總辦事處及公司負債，因該等負債按集團基準管理。

分部間銷售及轉讓根據當時市價向第三方銷售的售價進行交易。

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截至2017年6月30日止六個月

3. OPERATING SEGMENT INFORMATION (CONTINUED)

The following tables presented revenue and profit informations regarding the Group's operating segments for the six months ended 30 June 2017 and 30 June 2016, respectively:

For the six months ended 30 June 2017 (unaudited)

截至2017年6月30日止六個月(未經審核)

Segment revenue

Sales to external customers

分部收入

對外部客戶的銷售

Segment results

Reconciliation:

Interest income and unallocated gains

Corporate and other unallocated expenses

Finance costs

分部業績

對賬:

利息收入及未分配收益

公司及其他未分配開支

融資成本

Profit before tax

除稅前溢利

For the six months ended 30 June 2016 (unaudited)

截至2016年6月30日止六個月(未經審核)

Segment revenue

Sales to external customers

分部收入

對外部客戶的銷售

Segment results

Reconciliation:

Interest income and unallocated gains

Corporate and other unallocated expenses

Finance costs

分部業績

對賬:

利息收入及未分配收益

公司及其他未分配開支

融資成本

Profit before tax

除稅前溢利

3. 經營分部資料(續)

有關本集團截至2017年6月30日及2016年6月30日止六個月的經營分部收入及溢利資料如下:

	Department store 百貨店 RMB'000 人民幣千元	Supermarket 超市 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Segment revenue	906,329	1,341,146	2,247,475
Segment results	356,858	59,891	416,749
Reconciliation:			
Interest income and unallocated gains			23,354
Corporate and other unallocated expenses			(63,040)
Finance costs			(28,582)
Profit before tax			348,481

	Department store 百貨店 RMB'000 人民幣千元	Supermarket 超市 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Segment revenue	866,424	1,345,978	2,212,402
Segment results	358,018	88,785	446,803
Reconciliation:			
Interest income and unallocated gains			28,085
Corporate and other unallocated expenses			(84,411)
Finance costs			(41,766)
Profit before tax			348,711

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3. OPERATING SEGMENT INFORMATION (CONTINUED)

The following table presents segments assets of the Group's operating segments as at 30 June 2017 and 31 December 2016, respectively:

3. 經營分部資料(續)

於2017年6月30日及2016年12月31日，本集團經營分部的分部資產資料如下：

		Department store 百貨店 RMB'000 人民幣千元	Supermarket 超市 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
As at 30 June 2017 (unaudited) 於2017年6月30日(未經審核)				
Segment assets	分部資產	9,812,467	1,563,291	11,375,758
<i>Reconciliation:</i>	<i>對賬:</i>			
Corporate and other unallocated assets	公司及其他未分配資產			917,636
Assets of a disposal group classified as held for sale	已終止經營業務分類為持有待售資產			26,400
Total assets	總資產			12,319,794
Segment liabilities	分部負債	2,584,287	775,038	3,359,325
<i>Reconciliation:</i>	<i>對賬:</i>			
Corporate and other unallocated liabilities	公司及其他未分配負債			3,686,539
Liabilities directly associated with the assets classified as held for sale	持有待售資產直接相關的負債			4,769
Total liabilities	總負債			7,050,633
As at 31 December 2016 (unaudited) 於2016年12月31日(未經審核)				
Segment assets	分部資產	9,746,224	1,691,330	11,437,554
<i>Reconciliation:</i>	<i>對賬:</i>			
Corporate and other unallocated assets	公司及其他未分配資產			986,777
Assets of a disposal group classified as held for sale	已終止經營業務分類為持有待售資產			26,400
Total assets	總資產			12,450,731
Segment liabilities	分部負債	2,990,995	869,004	3,859,999
<i>Reconciliation:</i>	<i>對賬:</i>			
Corporate and other unallocated liabilities	公司及其他未分配負債			3,445,531
Liabilities directly associated with the assets classified as held for sale	持有待售資產直接相關的負債			4,769
Total liabilities	總負債			7,310,299

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截至2017年6月30日止六個月

3. OPERATING SEGMENT INFORMATION (CONTINUED)

Geographical information

All of the Group's revenue is derived from customers based in Mainland China and all of the non-current assets of the Group are located in Mainland China.

Information about major customers

No revenue derived from sales to a single customer or a group of customers under common control accounted for 10% or more of the Group's revenue for the six months ended 30 June 2017 and 30 June 2016.

4. REVENUE

Revenue represents the net amount received and receivable for goods sold by the Group to external customers, less allowances for returns and trade discounts; commission income from concessionaire sales, net of sales taxes and surcharges; and other revenue that arises in the ordinary course of business.

An analysis of revenue is as follows:

Sales of goods – direct sales	商品銷售 – 直接銷售
Commission income from concessionaire sales (Note)	特許專營銷售佣金收入 (附註)
Total turnover	總營業額
Rental income	租金收入
Provision of food and beverage service	提供餐飲服務
Total revenue	總收入

3. 經營分部資料 (續)

地區資料

本集團所有收入來自中國內地客戶，而本集團所有非流動資產位於中國內地。

主要客戶資料

截至2017年6月30日及2016年6月30日止六個月並無單一客戶或共同控制下的一組客戶的銷售佔本集團收入10%或以上。

4. 收入

收入指本集團向外部客戶銷售貨品之已收及應收款項減退貨及貿易折扣撥備；特許專營銷售佣金收入扣除銷售稅及附加費；以及一般業務過程中產生的其他收入。

收入分析呈列如下：

For the six months ended 30 June 截至6月30日止六個月	
2017 2017年 (unaudited) (未經審核) RMB'000 人民幣千元	2016 2016年 (unaudited) (未經審核) RMB'000 人民幣千元
1,483,698	1,459,770
663,139	666,726
2,146,837	2,126,496
98,175	85,138
2,463	768
2,247,475	2,212,402

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For the six months ended 30 June 2017

截至2017年6月30日止六個月

4. REVENUE (CONTINUED)

Note:

The commission income from concessionaire sales is analysed as follows:

4. 收入(續)

附註：

特許專營銷售佣金收入分析如下：

		For the six months ended 30 June 截至6月30日止六個月	
		2017 2017年 (unaudited) (未經審核) RMB'000 人民幣千元	2016 2016年 (unaudited) (未經審核) RMB'000 人民幣千元
Gross revenue from concessionaire sales	特許專營銷售所得款項	4,089,301	4,167,492
Commission income from concessionaire sales	特許專營銷售佣金收入	663,139	666,726

5. OTHER INCOME AND GAINS

5. 其他收入及收益

		For the six months ended 30 June 截至6月30日止六個月	
		2017 2017年 (unaudited) (未經審核) RMB'000 人民幣千元	2016 2016年 (unaudited) (未經審核) RMB'000 人民幣千元
Other income	其他收入		
Fee income from suppliers	供應商的其他收入	319,935	332,557
Interest income	利息收入	10,787	17,150
Subsidy income	補貼收入	10,976	10,870
Others	其他	5,211	10,459
		346,909	371,036

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截至2017年6月30日止六個月

6. FINANCE COSTS

Interest on short-term financing notes	短期融資券利息
Interest on medium-term notes	中期票據利息
Interest on corporate bonds	公司債券利息
Interest on bank borrowings wholly repayable within five years	須於五年內全部償還的銀行借款利息
Less: Interest capitalised	扣減：資本化利息

6. 融資成本

For the six months ended 30 June

截至6月30日止六個月

2017 2017年 (unaudited) (未經審核) RMB'000 人民幣千元	2016 2016年 (unaudited) (未經審核) RMB'000 人民幣千元
-	10,395
7,557	4,092
20,510	1,020
27,275	52,021
(26,760)	(25,762)
28,582	41,766

7. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

7. 除稅前溢利

本集團的除稅前溢利已扣除/(計入)下列各項：

Cost of inventories sold	存貨銷售成本	
Provision/(write-back of provision) for slow-moving inventories	滯銷存貨撥備/(撥備撥回)	
Depreciation	折舊	11
Amortisation of prepaid land premiums	預付土地出讓金攤銷	12
Amortisation of other intangible assets	其他無形資產攤銷	13
Loss on disposal of items of property, plant and equipment	處置物業、廠房及設備損失	
Minimal lease payments under operating leases:	經營租賃下最低租金：	
Land and buildings	土地及樓宇	
Staff costs	員工成本	
Foreign exchange differences, net	匯兌差額，淨額	
Fair value loss, net:	公平值損失，淨額：	
Derivative instruments	衍生金融工具	
- transactions not qualifying as hedges	- 不符合對沖定義之交易	

Notes 附註	2017 2017年 (unaudited) (未經審核) RMB'000 人民幣千元	2016 2016年 (unaudited) (未經審核) RMB'000 人民幣千元
	1,302,961	1,293,316
	201	(192)
	222,627	205,482
	15,598	12,595
	1,283	1,532
	12,634	48,699
	54,226	56,834
	334,778	327,754
	(478)	4,134
	12,995	-

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8. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operate. The Group and the Company are not liable for income tax in Hong Kong as they do not have assessable income sourced from Hong Kong during the period.

The Company is a tax-exempted company incorporated in the Cayman Islands.

Under the People's Republic of China (the "PRC") Corporate Income Tax Law, the income tax rate became 25% starting from 1 January 2008. Therefore, provision for the PRC income tax has been made at the applicable income tax rate of 25% (six months ended 30 June 2016: 25%) on the assessable profits of the Group's PRC subsidiaries.

8. 所得稅開支

本集團須以實體基準就本集團成員公司於其註冊及經營所在司法權區所產生或取得的溢利支付所得稅。本集團及本公司毋須繳納香港所得稅，因為其於有關期間並無源自香港的應課稅收入。

本公司為於開曼群島註冊成立的免稅公司。

依據中華人民共和國（「中國」）企業所得稅法，自2008年1月1日起所得稅率為25%。因此，對中國附屬公司應課稅溢利按適用所得稅率25%（2016年6月30日止六個月：25%）進行中國所得稅的撥備。

		For the six months ended 30 June 截至6月30日止六個月	
		2017 2017年 (unaudited) (未經審核) RMB'000 人民幣千元	2016 2016年 (unaudited) (未經審核) RMB'000 人民幣千元
Current – PRC corporate income tax charge for the period	即期－有關期間中國企業所得稅開支	114,976	109,479
Deferred	遞延稅項	6,905	364
Total tax charge for the period	有關期間稅項開支總額	121,881	109,843

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9. DIVIDENDS

9. 股息

		For the six months ended 30 June 截至6月30日止六個月	
		2017 2017年 (unaudited) (未經審核) RMB'000 人民幣千元	2016 2016年 (unaudited) (未經審核) RMB'000 人民幣千元
Dividends on ordinary shares declared and paid during the period	於有關期間已宣告及派發的普通股股息		
Final dividends for 2016: HK\$5 cents (2015: HK\$7 cents)	已派發2016年度末期股息： 港幣5仙(2015年：港幣7仙)	100,220	142,332
Dividends on ordinary shares proposed (not recognised as a liability as at 30 June):	擬派發普通股股息 (於6月30日未確認為負債)：		
Proposed interim dividend for 2017: HK\$3 cents (2016: HK\$3 cents)	擬派發2017年度中期股息： 港幣3仙(2016年：港幣3仙)	58,813	61,238

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

The calculation of basic earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the parent of RMB227,377,000 (six months ended 30 June 2016: RMB239,374,000) and the weighted average number of ordinary shares of 2,306,261,351 (six months ended 30 June 2016: 2,414,357,131) in issue during the period.

The Group had no potentially dilutive ordinary shares in issue during these periods.

10. 母公司普通股權持有人應佔每股溢利

每股基本溢利乃基於本期母公司普通股權持有人應佔溢利人民幣227,377,000元(2016年6月30日止六個月：人民幣239,374,000元)及本期已發行普通股加權平均數2,306,261,351股(2016年6月30日止六個月：2,414,357,131股)計算。

本集團於報告期內未發行對普通股有潛在攤薄影響的權益工具。

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11. PROPERTY, PLANT AND EQUIPMENT

11. 物業、廠房及設備

		30 June 2017 2017年 6月30日 (unaudited) (未經審核) RMB'000 人民幣千元	31 December 2016 2016年 12月31日 (audited) (經審核) RMB'000 人民幣千元
Carrying amount at 1 January	於1月1日的賬面值	8,772,195	8,199,356
Additions	添置	289,815	1,002,083
Depreciation provided during the period/year	期內/年度折舊撥備	(222,627)	(409,934)
Disposals	處置	(14,385)	(19,310)
Carrying amount at 30 June 2017/ 31 December 2016	於2017年6月30日/ 2016年12月31日賬面值	8,824,998	8,772,195

At 30 June 2017, the application for transferring the land use right certificate to property ownership certificate for the Group's land and buildings amounting to RMB1,588,825,000 (31 December 2016: RMB1,645,975,000) was still in progress.

於2017年6月30日，本集團仍在為價值人民幣1,588,825,000元（2016年12月31日：人民幣1,645,975,000元）的土地及樓宇申請物業所有權證。

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12. PREPAID LAND PREMIUMS

12. 預付土地出讓金

		30 June 2017 2017年 6月30日 (unaudited) (未經審核) RMB'000 人民幣千元	31 December 2016 2016年 12月31日 (audited) (經審核) RMB'000 人民幣千元
Carrying amount at 1 January	於1月1日的賬面值	1,676,148	1,680,781
Additions	添置	-	41,014
Amortisation capitalised as property, plant and equipment during the period/year	期內/年度攤銷資本化為 物業、廠房及設備	(8,252)	(19,773)
Recognised as expenses during the period/year	確認為期內/年度開支	(15,598)	(25,874)
Carrying amount at 30 June 2017/ 31 December 2016	於2017年6月30日/ 2016年12月31日賬面值	1,652,298	1,676,148

The leasehold land is situated in Mainland China and is held under a long-term lease.

租賃土地位於中國境內，並根據租約長期持有。

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13. OTHER INTANGIBLE ASSETS

13. 其他無形資產

		30 June 2017 2017年 6月30日 (unaudited) (未經審核) RMB'000 人民幣千元	31 December 2016 2016年 12月31日 (audited) (經審核) RMB'000 人民幣千元
Lease agreement buyouts	租賃協議買斷		
Carrying amount at 1 January	於1月1日賬面值	29,199	35,286
Additions	添加	2,366	-
Disposals	處置	-	(3,024)
Recognised as expense during the period/year	確認為期內/年度開支	(1,283)	(3,063)
Carrying amount at 30 June 2017/ 31 December 2016	於2017年6月30日/ 2016年12月31日的賬面值	30,282	29,199

The lease agreement buyouts represented the Group's payment to old tenants to buy out lease agreements, and were amortised over the lease terms on the straight-line basis.

租賃協議買斷指本集團向原租戶付款以買斷租賃協議，並按直線法在租賃期內攤銷。

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14. INVENTORIES

Store merchandise, at cost or net
realisable value
Low value consumables

店舖商品·按成本或
可變現淨額計值
低價消費品

15. TRADE RECEIVABLES

All of the Group's sales are on a cash basis except for certain bulk sales of merchandise which are credit sales. The credit terms offered to customers are generally one month.

None of the balances of the trade receivables at each reporting date is either past due or impaired and aged within one month based on the invoice date.

14. 存貨

30 June 2017 2017年 6月30日 (unaudited) (未經審核) RMB'000 人民幣千元	31 December 2016 2016年 12月31日 (audited) (經審核) RMB'000 人民幣千元
293,889	416,694
733	952
294,622	417,646

15. 應收貿易款項

除若干大宗商品銷售為信貸銷售外，本集團所有銷售均按現金基準進行。授予客戶的信貸期一般為一個月。

於各報告日期的所有應收貿易款項結餘並無逾期，亦無出現減值。並按發票日期劃分的賬齡均為一個月以內。

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16. CASH AND CASH EQUIVALENTS, RESTRICTED CASH AND TIME DEPOSITS

16. 現金及現金等價物、受限貨幣資金及定期存款

		30 June 2017 2017年 6月30日 (unaudited) (未經審核) RMB'000 人民幣千元	31 December 2016 2016年 12月31日 (audited) (經審核) RMB'000 人民幣千元
Cash and bank balances	現金及銀行結餘	326,606	337,394
Time deposits	定期存款	278,215	351,085
		604,821	688,479
Less:	減：		
Restricted cash with maturity date over one year	一年以上到期的受限貨幣資金	(111,015)	(108,908)
Long-term time deposits at bank	存於銀行的長期定期存款	-	(177,979)
Cash and cash equivalents	現金及現金等價物	493,806	401,592

The Group's cash and bank balances and time deposits at each reporting date are denominated in the following currencies:

本集團於各報告日期的現金及銀行結餘和定期存款按下列貨幣計算：

		30 June 2017 2017年 6月30日 (unaudited) (未經審核) RMB'000 人民幣千元	31 December 2016 2016年 12月31日 (audited) (經審核) RMB'000 人民幣千元
RMB	人民幣	517,725	601,695
US\$	美元	57,869	61,621
HK\$	港元	25,991	21,997
SGD\$	新加坡元	3,224	3,166
EUR€	歐元	12	-
		604,821	688,479

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16. CASH AND CASH EQUIVALENTS, RESTRICTED CASH AND TIME DEPOSITS (CONTINUED)

Cash at banks earns interest at floating rates based on daily bank deposit rates. Time deposits are made for varying periods of between six months and five years depending on the immediate cash requirements of the Group, and earn interest at the respective time deposit rates. The bank balances are deposited with creditworthy banks. The carrying amounts of the cash and cash equivalents and time deposits approximate to their fair values.

Pursuant to the relevant rules and regulations issued by the Ministry of Commerce of the People's Republic of China, the Group was required to deposit bank balances (or through issuing the letter of bank guarantee to deposit) in the Group's designated accounts, which amount was no less than 30% of the balance of advances from customers for sales of prepaid cards. As at 30 June 2017, certain of the Group's cash amounted to RMB111,015,000 (31 December 2016: RMB108,908,000) represents the above balances in the Group's designated accounts.

16. 現金及現金等價物、受限貨幣資金及定期存款(續)

銀行存款根據每日銀行存款利率賺取浮動利息。定期存款由六個月至五年期限不等，視乎本集團的即時現金需求而定，並按各自的定期存款利率賺取利息。銀行結餘存入具信譽銀行。現金及現金等價物、定期存款的賬面值與其公平值相若。

根據中華人民共和國商務部頒發的相關法規，本集團需存入或通過獲得銀行保函以擔保合共不少於銷售預付費卡的客戶預付款項餘額30%的款項於集團指定賬戶。於2017年6月30日，本集團人民幣111,015,000元(2016年12月31日：人民幣108,908,000元)的貨幣資金已存入集團的指定賬戶。

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17. INTEREST-BEARING BANK BORROWINGS

17. 計息銀行借款

		30 June 2017 2017年 6月30日 (unaudited) (未經審核) RMB'000 人民幣千元	31 December 2016 2016年 12月31日 (audited) (經審核) RMB'000 人民幣千元
Bank loans:	銀行貸款：		
Secured	有擔保	-	-
Unsecured	無擔保	2,025,755	1,739,204
		2,025,755	1,739,204
Bank loans repayable:	應償還銀行貸款：		
Within one year or on demand	一年以內或即時	1,628,755	1,739,204
Over one year but within two years	一年以上但兩年內	3,000	-
Over two years but within five years	兩年以上但五年內	394,000	-
		2,025,755	1,739,204
Total bank borrowings	銀行借款總額	2,025,755	1,739,204
Less: Portion classified as current liabilities	減：分類為流動負債的部份	(1,628,755)	(1,739,204)
Long-term portion	長期部份	397,000	-

Bank loans bear interest at fixed rates or floating rates.

銀行貸款按固定利率或浮動利率計息。

The Group's bank loans bore effective interest rates from 1.8% to 4.8% per annum as at 30 June 2017 and 1.8% to 4.8% per annum as at 31 December 2016.

於2017年6月30日本集團的銀行貸款有效年利率由1.8%至4.8%；2016年12月31日有效年利率由1.8%至4.8%。

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17. INTEREST-BEARING BANK BORROWINGS (CONTINUED)

The Group's interest-bearing bank borrowings at each reporting date are denominated in the following currencies:

RMB	人民幣
US\$	美元
HK\$	港元

18. TRADE PAYABLES

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

Within three months	三個月內
Over three months but within six months	三個月以上但六個月內
Over six months but within one year	六個月以上但一年內
Over one year	一年以上

The trade payables are non-interest-bearing and are normally settled on terms of up to 60 days.

17. 計息銀行借款(續)

本集團於各報告日期的計息銀行借款按下列貨幣計值：

30 June 2017 2017年 6月30日 (unaudited) (未經審核) RMB'000 人民幣千元	31 December 2016 2016年 12月31日 (audited) (經審核) RMB'000 人民幣千元
800,000	310,000
1,165,002	1,366,589
60,753	62,615
2,025,755	1,739,204

18. 應付貿易款項

於各報告日期應付貿易款項按發票日的賬齡分析如下：

30 June 2017 2017年 6月30日 (unaudited) (未經審核) RMB'000 人民幣千元	31 December 2016 2016年 12月31日 (audited) (經審核) RMB'000 人民幣千元
830,712	1,101,521
103,939	90,563
43,707	55,075
41,983	42,974
1,020,341	1,290,133

應付貿易款項均為免息且通常在60日內結清。

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19. MEDIUM-TERM NOTES

In February 2016, subject to the aggregate principal amount of up to RMB2.0 billion approved by the National Association of Financial Market Institutional Investors the Group issued its first tranche of medium-term notes at par value of RMB300 million to domestic institutional investors in the PRC on 25 March 2016. The nominal interest rate is 4.78% per annum and the effective interest rate is 5.13% per annum. The term of the medium-term notes was 3 years from the date of issuance. The interest shall be paid on an annual basis. In March 2017, the Group paid the interest of first year in the amount of RMB14.34 million.

20. CORPORATE BONDS

In May 2016, subject to the aggregate principal amount of up to RMB2.0 billion approved by the China Securities Regulatory Commission and the Shanghai Stock Exchange, the Group has issued its first tranche of corporate bonds at par value of RMB800 million to public qualified investors in the PRC on 21 June 2016. The nominal interest rate is 4.87% per annum and the effective interest rate is 5.22% per annum. The term of the financing notes was 3 years from the date of issuance. The interest shall be paid on an annual basis. In June 2017, the Group paid the interest of first year in the amount of RMB38.96 million.

19. 中期票據

於2016年2月，本集團取得銀行間市場交易商協會的批准發行本金總額不超過人民幣20億元的中期票據，並於2016年3月25日完成首期本金總額人民幣3億元中期票據的發行。按年名義利率為4.78%，實際利率為5.13%。中期票據的期限為3年期。利息按年支付。2017年3月，本集團支付了第一年的利息人民幣1,434萬元。

20. 公司債券

於2016年5月，本集團取得中國證監會及上海交易所的批准發行本金總額不超過人民幣20億元的公司債券，並於2016年6月21日完成首期本金總額人民幣8億元公司債券的發行。按年名義利率為4.87%，實際利率為5.22%。公司債券的期限為3年期。利息按年支付。2017年6月，本集團支付了第一年的利息人民幣3,896萬元。

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21. ISSUED CAPITAL

Issued and fully paid:	已發行及繳足：
2,300,000,000	2,300,000,000
(31 December 2016:	(2016年12月31日：
2,330,760,000) ordinary share	2,330,760,000) 普通股

A summary of the movements of the Company's issued capital is as follows:

21. 已發行股本

30 June 2017 2017年 6月30日 (unaudited) (未經審核) RMB'000 人民幣千元	31 December 2016 2016年 12月31日 (audited) (經審核) RMB'000 人民幣千元
19,861	20,127

本公司已發行股本的變動概要如下：

		HK\$0.01 each Thousands 每股面值 港幣0.01元的 股份數量 千股	RMB'000 人民幣千元
At 1 January 2016	於2016年1月1日	2,421,050	20,907
Share repurchased and cancelled	股票購回和註銷	(90,290)	(780)
At 31 December 2016 and 1 January 2017	於2016年12月31日及 2017年1月1日	2,330,760	20,127
Cancellation of treasury shares	註銷庫存股	(12,987)	(112)
Share repurchased and cancelled	股票購回和註銷	(17,773)	(154)
At 30 June 2017 (unaudited)	於2017年6月30日(未經審核)	2,300,000	19,861

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21. ISSUED CAPITAL (CONTINUED)

During the period, the Company repurchased its own shares through the Stock Exchange as follows:

Month of repurchase	購回月份	No. of shares at HK\$0.01 each Thousands 每股面值港幣0.01元的股份數量 千股	Price per share 每股股價		Aggregate consideration 總代價 HK\$'000 港幣千元	Aggregate consideration equivalent to 相當於 總代價 RMB'000 人民幣千元
			Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元		
March 2017	2017年3月	2,750	1.43	1.35	3,850	3,418
April 2017	2017年4月	3,000	1.44	1.40	4,247	3,762
May 2017	2017年5月	8,123	1.87	1.41	13,275	11,693
June 2017	2017年6月	3,900	1.88	1.84	7,308	6,343
		17,773			28,680	25,216

The Company repurchased and cancelled 17,773,000 shares during the six months ended 30 June 2017. The nominal value of approximately HK\$178,000, equivalent to RMB154,000 (31 December 2016: HK\$1,033,000, equivalent to RMB892,000) was credited to issued capital account, and the premium paid or payable and the related costs incurred for the share repurchase of approximately HK\$28,562,000, equivalent to RMB25,067,000 (31 December 2016: HK\$119,118,000, equivalent to RMB102,486,000) was charged against share premium account of the Company.

As at 31 December 2016, 12,987,000 shares were repurchased but not cancelled and still recognised as treasury shares, the nominal value was approximately HK\$130,000, equivalent to RMB112,000, and the premium paid and the related costs incurred for the share repurchased of approximately HK\$16,008,000, equivalent to RMB14,321,000. These shares were cancelled during the six months ended 30 June 2017 and was credited to issued capital account from treasury share accounts.

21. 已發行股本(續)

於有關期間，本公司透過聯交所購回本公司股份如下：

截至2017年6月30日止六個月，本公司購回並注銷了17,773,000股股份。股本面值約為178,000港元，相當於人民幣154,000元（2016年12月31日：1,033,000港元，相當於人民幣892,000元）已計入已發行股本賬戶，而就購回股份已付或應付的溢價及相關費用約28,562,000港元，相當於人民幣25,067,000元（2016年12月31日：119,118,000港元，相當於人民幣102,486,000元）已計入本公司股份溢價賬戶。

於2016年12月31日，回購股票中的12,987,000股尚未注銷，仍被確認為庫存股，其股本面值約為130,000港元，相當於人民幣112,000元，而就購回股份已付的溢價及相關費用約16,008,000港元，相當於人民幣14,321,000元。截至2017年6月30日止六個月，此股份被注銷，並從庫存股賬戶計入本公司已發行股本賬戶。

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22. CONTINGENT LIABILITIES, OPERATING LEASE ARRANGEMENTS AND CAPITAL COMMITMENTS

(a) Contingent liabilities

As at 30 June 2017, neither the Group nor the Company had any significant contingent liabilities.

(b) Operating lease arrangements

Group as lessee

The Group leases certain of its land and buildings under operating lease arrangements with lease terms ranging from one to twenty years.

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

Within one year	一年以內
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年)
After five years	五年以上

22. 或然負債、經營租賃安排及資本承擔

(a) 或然負債

於2017年6月30日，本集團及本公司均無重大或然負債。

(b) 經營租賃安排

本集團作為承租人

本集團依據經營租賃安排租賃若干土地及樓宇，租期為一至二十年。

於各報告期末，本集團根據不可撤銷經營租賃的未來最低應付租金總額如下：

30 June 2017 2017年 6月30日 (unaudited) (未經審核) RMB'000 人民幣千元	31 December 2016 2016年 12月31日 (unaudited) (經審核) RMB'000 人民幣千元
90,830	98,701
429,347	477,113
816,549	1,000,362
1,336,726	1,576,176

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22. CONTINGENT LIABILITIES, OPERATING LEASE ARRANGEMENTS AND CAPITAL COMMITMENTS (CONTINUED)

(b) Operating lease arrangements (continued)

Group as lessor

The Group leases out certain of its land and buildings under operating lease arrangements with lease terms ranging from one to twenty years.

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

Within one year	一年內
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年)
After five years	五年以上

(c) Capital commitments

Contracted, but not provided for:
Property, plant and equipment

已簽訂但未撥備：
物業、廠房及設備

22. 或然負債、經營租賃安排及資本承擔(續)

(b) 經營租賃安排(續)

本集團作為出租人

本集團根據經營租賃安排出租若干土地及樓宇，租期為一至二十年。

於各報告期末，本集團根據不可撤銷經營租賃的未來最低應收租金總額如下：

30 June 2017 2017年 6月30日 (unaudited) (未經審核) RMB'000 人民幣千元	31 December 2016 2016年 12月31日 (audited) (經審核) RMB'000 人民幣千元
119,582	155,754
214,229	264,617
138,699	143,662
472,510	564,033

(c) 資本承擔

30 June 2017 2017年 6月30日 (unaudited) (未經審核) RMB'000 人民幣千元	31 December 2016 2016年 12月31日 (audited) (經審核) RMB'000 人民幣千元
752,437	757,304

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23. ASSETS OF A DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE AND DIRECTLY ASSOCIATED LIABILITIES

At the acquisition date of Yangzhou Fengxiang Commerce Co., Ltd. in the year 2012, the Group decided to dispose of certain non-current assets and a subsidiary acquired from that business combination, which are not relevant to the principal operation of the Group. According to IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*, the Group classified these non-current assets and the subsidiary as held for sale at the acquisition date and measured them at fair value less costs to sell.

The Group did not change the intention of selling the rest of the subsidiary and it was still classified as held for sale. As at 30 June 2017, the disposal of the rest of the held for sale subsidiary was still in progress.

24. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group had the following material transactions with related parties during the six months ended 30 June 2017 and 30 June 2016:

(a) Transactions with related parties

On 15 April 2013, an indirect wholly-owned subsidiary of the Company, Jiangsu Springland International Holding (Group) Ltd. ("Jiangsu Springland"), purchased a financial product (the "Financial Product") from China Construction Bank Corporation Wuxi Chengbei Branch for RMB200,000,000 maturing on 17 April 2014. However, a balance of RMB180,000,000 remained outstanding under the Financial Product after the maturity on 17 April 2014. In the course of enquiries with the bank, it was discovered that a pledge had been registered on a one-year fixed deposit of RMB100,000,000 with China Construction Bank Corporation Wuxi Yingbin Branch, which is placed in January 2014, by an indirect wholly-owned subsidiary of the Company, Wuxi Xishan Yaohan Lifestyle Center Co., Ltd. ("Xishan Yaohan"), with an interest rate equal to 3.25% per annum (the "Deposit"), payable upon maturity.

23. 已終止經營業務分類為持有待售資產及直接相關負債

於2012年收購揚州豐祥商業有限公司之日起，本集團決定處置若干從本次業務合併中獲得的，與本集團主營業務無關的，非流動資產及一間附屬公司。依據國際財務報告準則第5號持有待售非流動資產及已終止經營業務，本集團將該等非流動資產及附屬公司於收購日劃分為持作待售資產並按公平價值減銷售成本計量。

本集團並沒有改變出售餘下子公司的意圖，仍將其歸類為持有待售資產。於2017年6月30日，餘下持有待售子公司的最終處置仍在進行中。

24. 關聯方交易

除於財務報表其他章節披露的交易和餘額外，本集團截至2017年6月30日及2016年6月30日止六個月內與關聯方有如下重大交易：

(a) 與關聯方的交易

於2013年4月15日，江蘇華地國際控股集團有限公司（「江蘇華地」），本公司間接全資附屬公司，向中國建設銀行股份有限公司無錫城北支行購買人民幣2億元的理財產品（「理財產品」），並於2014年4月17日到期，然而餘額為人民幣1.8億元理財產品於2014年4月17日到期後尚未收回。在向銀行的查詢過程中，公司發現無錫錫山八佰伴生活廣場有限公司（「錫山八佰伴」），本公司間接全資附屬公司，在2014年1月存放於中國建設銀行股份有限公司無錫迎賓支行之人民幣1億元，年收益率為3.25%的一年定期存款（「定期存款」）已經被質押。

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24. RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transactions with related parties (continued)

On 30 April 2014, to prevent possible losses and incurrance of further time and costs by the Group, Jiangsu Springland and Xishan Yaohan as sellers entered into an agreement with Mr. Chen Jianqiang (the "Controlling Shareholder") as purchaser, whereby Jiangsu Springland agreed to dispose of the Financial Product to the Controlling Shareholder for a cash consideration equal to RMB180,000,000 and Xishan Yaohan agreed to dispose of the Deposit to the Controlling Shareholder for a cash consideration equal to RMB100,000,000. The considerations were determined after considering the costs paid by Jiangsu Springland for the Financial Product and Xishan Yaohan for the Deposit, respectively. The considerations shall be paid by the Controlling Shareholder on/before 31 December 2014.

On 16 December 2014, Jiangsu Springland, Xishan Yaohan and the Controlling Shareholder entered into a supplemental agreement whereby the outstanding consideration became interest bearing at a rate of 3.5% per annum from 1 January 2015 to 31 December 2016. On 1 December 2016, this agreement was extended to 31 December 2019.

As at 30 June 2017, the amount due from the Controlling Shareholder was RMB101,646,000 (31 December 2016: RMB117,974,000). The Controlling Shareholder repaid RMB18,000,000 to the principal and RMB360,000 to the interest this period. And interest accrued on the principal amount during the six months ended 30 June 2017 was RMB2,033,000.

24. 關聯方交易(續)

(a) 與關聯方的交易(續)

於2014年4月30日，為避免本集團可能產生任何損失和免於產生更多的時間和費用，江蘇華地和錫山八佰伴作為賣方與陳建強先生(「控股股東」)作為買方訂立協議，江蘇華地同意向控股股東以現金對價人民幣1.8億元出售理財產品及錫山八佰伴同意向控股股東以現金對價1億元出售定期存款。對價乃基於江蘇華地為購買理財產品及錫山八佰伴存放定期存款所支付的成本價釐定，且應由控股股東於2014年12月31日或之前支付。

於2014年12月16日，江蘇華地、錫山八佰伴於控股股東訂立補充協議，對價結餘由2015年1月1日起需支付年利率3.5%利息及付款日期延長至2016年12月31日。於2016年12月1日，協議期限已延長至2019年12月31日。

於2017年6月30日，應收控股股東款項為人民幣101,646,000元(2016年12月31日：人民幣117,974,000元)。控股股東已於本期償還本金人民幣18,000,000元及利息人民幣360,000元。截至2017年6月30日止六個月由本金產生的利息為人民幣2,033,000元。

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24. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Outstanding balances with related parties:

Due from the controlling shareholder	應收控股股東款項
Due from a related party	應收關聯方

As disclosed above, the Group had an outstanding balance due from the Controlling Shareholder of RMB101,646,000 (RMB100,000,000 as principal and RMB 1,646,000 as accrued interest) as at 30 June 2017 (31 December 2016: RMB118,000,000 as principal and RMB26,000 as interest prepayment). The amount is unsecured and included in the outstanding balance, the remaining principal bear interest at a rate of 3.5% from 1 January 2016 and shall be repaid on/ before 31 December 2019.

(c) Compensation of key management personnel of the Group

Short-term employee benefits	當期僱員薪酬
Post-employment benefits	退休金
Total compensation	薪金總額

24. 關聯方交易 (續)

(b) 與關聯方的結餘：

30 June 2017 2017年 6月30日 (unaudited) (未經審核) RMB'000 人民幣千元	31 December 2016 2016年 12月31日 (audited) (經審核) RMB'000 人民幣千元
101,646	117,974
-	896
101,646	118,870

依據上述披露，本集團於2017年6月30日應收控股股東款項為人民幣101,646,000元（本金人民幣100,000,000元及應計利息人民幣1,646,000元）（2016年12月31日：本金人民幣118,000,000元及利息提前償還人民幣26,000元）。上述款項屬無抵押，剩餘的本金乃自2016年1月1日起計息，年利率為3.5%，且應在2019年12月31日之前償還。

(c) 本集團主要管理人員薪金

For the six months ended 30 June 截至6月30日止六個月	
2017 2017年 (unaudited) (未經審核) RMB'000 人民幣千元	2016 2016年 (unaudited) (未經審核) RMB'000 人民幣千元
5,190	5,026
173	141
5,363	5,167

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25. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of reporting period are as follows:

30 June 2017 (unaudited)

Financial assets

Available-for-sale investments	可供出售投資	-	-	5,188	5,188
Trade receivables	應收貿易款項	-	8,336	-	8,336
Due from the Controlling Shareholder	應收控股股東款項	-	101,646	-	101,646
Financial assets included in prepayments, deposits and other receivables	計入預付款項，按金及其他應收款項的金融資產	-	233,505	-	233,505
Derivative financial instruments	衍生金融工具	2,336	-	-	2,336
Restricted cash	受限貨幣資金	-	111,015	-	111,015
Cash and cash equivalents	現金及現金等價物	-	493,806	-	493,806
		2,336	948,308	5,188	955,832

25. 按類別劃分的金融工具

於各報告期末，各類金融工具的賬面值如下：

2017年6月30日（未經審核）

金融資產

Held for trading	Loans and receivables	Available-for-sale financial assets	Total
持作交易	貸款及應收款項	可供出售金融資產	總計
RMB'000	RMB'000	RMB'000	RMB'000
人民幣千元	人民幣千元	人民幣千元	人民幣千元
-	-	5,188	5,188
-	8,336	-	8,336
-	101,646	-	101,646
-	233,505	-	233,505
2,336	-	-	2,336
-	111,015	-	111,015
-	493,806	-	493,806
2,336	948,308	5,188	955,832

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25. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

Financial liabilities

Trade payables
Financial liabilities included in
other payables and accruals
Interest-bearing bank borrowings
Medium-term notes
Corporate bonds

31 December 2016 (audited)
Financial assets

25. 按類別劃分的金融工具(續)

金融負債

	Financial liabilities at amortised cost 按攤銷成本計值的金融負債 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
	1,020,341	1,020,341
	772,986	772,986
	2,025,755	2,025,755
	302,292	302,292
	796,220	796,220
	4,917,594	4,917,594

2016年12月31日(經審核)
金融資產

	Held for trading 持作交易 RMB' 000 人民幣千元	Loans and receivables 貸款及應收款項 RMB' 000 人民幣千元	Available-for-sale financial assets 可供出售金融資產 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
Available-for-sale investments	-	-	2,550	2,550
Trade receivables	-	10,663	-	10,663
Due from the controlling shareholder	-	117,974	-	117,974
Financial assets included in prepayments, deposits and other receivables	-	246,172	-	246,172
Derivative financial instruments	11,487	-	-	11,487
Restricted cash	-	108,908	-	108,908
Time deposits	-	177,979	-	177,979
Cash and cash equivalents	-	401,592	-	401,592
	11,487	1,063,288	2,550	1,077,325

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25. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

Financial liabilities

25. 按類別劃分的金融工具(續)

金融負債

		Financial liabilities at amortised cost	Total
		按攤銷成本計值的金融負債	總計
		RMB' 000	RMB' 000
		人民幣千元	人民幣千元
Trade payables	應付貿易款項	1,290,133	1,290,133
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用的金融負債	874,409	874,409
Corporate bonds	公司債券	814,670	814,670
Medium term financing notes	中期票據	309,074	309,074
Interest-bearing bank borrowings	計息銀行借款	1,739,204	1,739,204
		5,027,490	5,027,490

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26. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, restricted cash, available-for-sale investments, trade receivables, trade payables, financial assets included in prepayments, deposits and other receivables, financial liabilities included in other payables and accruals, approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of medium-term notes, corporate bonds and interest-bearing bank borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for medium-term notes, corporate bonds and interest-bearing bank borrowings as at 30 June 2017 was assessed to be insignificant.

27. EVENTS AFTER THE INTERIM REPORTING PERIOD

At a meeting held on 11 August 2017, the Directors declared an interim dividend of HK3 cents per ordinary share. This proposed dividend, based on the number of shares outstanding at the date of the meeting, is not reflected as dividend payable in this interim financial statement.

26. 金融工具的公平值及公平值等級架構

管理層在評估現金及現金等價物、受限貨幣資金、可供出售投資、應收貿易款項、應付貿易款項、計入預付款項、按金及其他應收款項的金融資產、計入其他應付款項及應計費用的金融負債的公平值時，由於其期限較短，該等資產或負債的公平值與其賬面值相若。

除去一些強迫性的交易或者資產清算，在一般自願的交易下，金融資產和金融負債的帳面值包括其公平值。下面的方法與假設是用來估計公平值：

中期票據，公司債券和計息銀行借款的公平值計算是根據預期未來現金流的貼現息確定，參考現可用類似工具的貼現息，信用風險和到期日確定。本集團於2017年6月30日的中期票據，公司債券和計息銀行借款的自有非績效風險被認定是不重大的。

27. 中期報告期後事項

於2017年8月11日召開的會議中，董事宣佈派發普通股中期股息每股港幣3仙。擬派發股息並未根據會議日的股份數目在中期財務報告中呈現為應付股息。

BOARD OF DIRECTORS

Chen Jianqiang (*Chairman*)
Tao Qingrong (*Chief Executive Officer*)
Yu Yaoming
Fung Hiu Chuen, John*
Lin Zhijun**
Zhang Weijiong**
Cheung Yat Ming**

AUDIT COMMITTEE

Lin Zhijun (*Chairman*)
Zhang Weijiong
Cheung Yat Ming

REMUNERATION COMMITTEE

Zhang Weijiong (*Chairman*)
Lin Zhijun
Cheung Yat Ming
Fung Hiu Chuen, John

NOMINATION COMMITTEE

Zhang Weijiong (*Chairman*)
Lin Zhijun
Cheung Yat Ming
Fung Hiu Chuen, John

COMPANY SECRETARY

Hon Yin Wah, Eva

REGISTERED OFFICE

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

* Non-executive Director

** Independent Non-executive Director

董事會

陳建強 (*主席*)
陶慶榮 (*行政總裁*)
俞堯明
馮曉邨*
林志軍**
張維炯**
張一鳴**

審核委員會

林志軍 (*主席*)
張維炯
張一鳴

薪酬委員會

張維炯 (*主席*)
林志軍
張一鳴
馮曉邨

提名委員會

張維炯 (*主席*)
林志軍
張一鳴
馮曉邨

公司秘書

韓燕華

註冊辦事處

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* 非執行董事

** 獨立非執行董事

CORPORATE INFORMATION

公司資料

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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Taikoo Shang, Hong Kong

HEAD OFFICE

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Wuxi City, Jiangsu, PRC

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
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HONG KONG SHARE REGISTRAR

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AUDITORS

Ernst & Young

STOCK CODE

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香港證券登記處

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香港灣仔
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核數師

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