

香港交易及結算所有限公司及香港聯合交易所有限公司對本公告的內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示概不就因本公告全部或任何部分內容而產生或因依賴該等內容而引致的任何損失承擔任何責任。

本公告僅供參考，並不構成收購、購買或認購證券的邀請或招攬要約，或訂立協議以作出任何上述事宜的邀請，亦非旨在邀請任何收購、購買或認購任何證券的要約。

本公告不會於美國境內或帶進美國直接或間接分派。本公告及其所載資料並不構成或組成於美國境內購買、認購或出售證券的要約的一部分。除非已根據一九三三年美國證券法(經修訂)(「證券法」)登記，或根據該等登記規定獲適當豁免，否則一概不可於美國境內提呈發售或出售證券。於美國境內公開發售任何證券須以發售章程形式進行，而該章程須載有關於本公司及其管理層的詳盡資料以及財務報表。本公告提述的證券未曾且不會根據證券法登記，亦不會於美國境內公開發售證券。本公告所述證券將根據所有適用法例及法規出售。本公告或其所載資料並非旨在招攬金錢、證券或其他代價，而倘為回應本公告或其所載資料而寄出金錢、證券或其他代價，將不獲接納。



CIFI Holdings (Group) Co. Ltd.
旭輝控股(集團)有限公司
(於開曼群島註冊成立的有限公司)
(股份代號：00884)

海外監管公告

本海外監管公告乃根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)第13.10B條刊發。

茲提述旭輝控股(集團)有限公司(「本公司」)日期為二零一八年一月二十六日的公告(「該公告」)及二零一八年一月三十一日的公告，內容有關建議發行該等債券。除另有界定者外，本公告所用的所有詞彙與該公告所界定者具相同涵義。

請參閱隨附有關該等債券的發售通函，該發售通函於二零一八年二月二十日在新加坡證券交易所有限公司網站可供查閱。

在聯交所網站登載發售通函僅為方便向香港投資者同步發佈資訊及遵守上市規則第13.10B條，除此之外並無任何其他目的。

發售通函並不構成向任何司法權區的公眾人士提呈出售任何證券的發售章程、通告、通函、宣傳冊或廣告，亦非向公眾人士發出邀請以就認購或購買任何證券作出要約，亦非旨在邀請公眾人士提呈認購或購買任何證券的要約。

發售通函不應被視為認購或購買本公司任何證券的勸誘，亦非旨在就此作出勸誘。投資者不應根據發售通函所載資料作出任何投資決定。

承董事會命
旭輝控股(集團)有限公司
主席
林中

香港，二零一八年二月二十一日

於本公告日期，董事會成員包括執行董事林中先生、林偉先生、林峰先生、陳東彪先生及楊欣先生；非執行董事鄒益民先生；以及獨立非執行董事顧雲昌先生、張永岳先生及陳偉成先生。

IMPORTANT NOTICE

THIS OFFERING IS AVAILABLE ONLY TO NON-U.S. PERSONS WHO ARE OUTSIDE OF THE U.S.

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

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

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

The following offering circular is not a prospectus for the purposes of the European Union's Directive 2003/71/EC (as amended, including by Directive 2010/73/EU, and including any relevant implementing measure in the relevant member state of the European Economic Area, the "Prospectus Directive").

The communication of the attached offering circular and any other document or materials relating to the issue of the securities described therein is not being made, and such documents and/or materials have not been approved, by an authorized person for the purposes of section 21 of the United Kingdom's Financial Services and Markets Act 2000, as amended ("FSMA"). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Financial Promotion Order")), or within Article 49(2)(a) to (d) of the Financial Promotion Order, or to any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order (all such persons together being referred to as "relevant persons"). In the United Kingdom, the securities described in the attached offering circular are only available to, and any investment or investment activity to which the attached offering circular relates will be engaged in only with, relevant persons. Any person in the United Kingdom that is not a relevant person should not act or rely on the attached offering circular or any of its contents.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS — The Bonds described in the following offering circular are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a customer within the meaning of Directive 2002/92/EC (as amended, "IMD"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "PRIIPs Regulation") for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MIFID II product governance — Any distributor subject to MiFID II (as defined above) that is offering, selling or recommending the Bonds is responsible for undertaking its own target market assessment in respect of the Bonds and determining its own distribution channels for the purposes of the MiFID product governance rules under Commission Delegated Directive (EU) 2017/593 ("Delegated Directive"). Neither we nor the Joint Lead Managers make any representations or warranties as to a distributor's compliance with the Delegated Directive.

CONFIRMATION AND YOUR REPRESENTATION: IN ORDER TO BE ELIGIBLE TO VIEW THIS OFFERING CIRCULAR OR MAKE AN INVESTMENT DECISION WITH RESPECT TO THE SECURITIES, INVESTORS MUST BE NON-U.S. PERSONS (AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT) OUTSIDE THE UNITED STATES. BY ACCEPTING THE E-MAIL AND ACCESSING THIS OFFERING CIRCULAR, YOU SHALL BE DEEMED TO HAVE REPRESENTED TO CREDIT SUISSE (HONG KONG) LIMITED, MORGAN STANLEY & CO. INTERNATIONAL PLC AND HAITONG INTERNATIONAL SECURITIES COMPANY LIMITED AS JOINT LEAD MANAGERS (COLLECTIVELY, THE "JOINT LEAD MANAGERS"). THAT (1) YOU AND ANY CUSTOMERS YOU REPRESENT ARE NON-U.S. PERSONS OUTSIDE THE UNITED STATES AND THAT THE E-MAIL ADDRESS THAT YOU GAVE US AND TO WHICH THIS E-MAIL HAS BEEN DELIVERED IS NOT LOCATED IN THE UNITED STATES AND (2) THAT YOU CONSENT TO DELIVERY OF SUCH OFFERING CIRCULAR BY ELECTRONIC TRANSMISSION.

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

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Joint Lead Managers or any affiliate of the Joint Lead Managers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Joint Lead Managers or such affiliate on behalf of the issuer in such jurisdiction.

This offering circular has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently, none of the Joint Lead Managers, or any person who controls any of them or any director, officer, employee or agent of any of them or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the offering circular distributed to you in electronic format and the hard copy version available to you on request from the Joint Lead Managers.

You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.



CIFI Holdings (Group) Co. Ltd.

(incorporated in the Cayman Islands with limited liability)

HK\$2,790,000,000 Zero Coupon Guaranteed Convertible Bonds Due 2019

Issue Price to the Joint Lead Managers: 100%

HK\$2,790,000,000 in aggregate principal amount of Zero Coupon Secured Guaranteed Convertible Bonds Due 2019 (the “**Bonds**”, which term shall include, unless the context requires otherwise, any further bonds issued in accordance with the terms and conditions of the Bonds set out in “*Terms and Conditions of the Bonds*” (the “**Conditions**”) and consolidated and forming a single series therewith) will be issued by CIFI Holdings (Group) Co. Ltd. (旭辉控股(集团)有限公司) (the “**Issuer**”). The Bonds will be guaranteed by the Subsidiary Guarantors (as defined in the Conditions) on a joint and several basis. Each Bond will, at the option of the holder, be convertible (unless previously redeemed or purchased and cancelled) into ordinary shares of par value of HK\$0.10 of the Issuer (the “**Shares**”) at an initial conversion price of HK\$9.30 per Share, during the conversion period and subject to adjustment as provided in, and otherwise on the terms of, the Conditions.

Unless previously redeemed, converted or repurchased and cancelled, the Issuer will redeem each Bond at 101.50 per cent. of its principal amount on February 12, 2019. On giving not less than 30 nor more than 60 days’ notice, the Issuer may redeem the Bonds in whole, but not in part, of the Bonds at the Early Redemption Amount (as defined in the Conditions) (a) on the occurrence of certain tax-related events or (b) if, prior to the date of such notice, at least 90 per cent. in principal amount of the Bonds originally issued (including any further bonds issued in accordance with the Conditions and consolidated and forming a single series therewith) has already been converted, redeemed or purchased and cancelled, in each case, pursuant to and in accordance with the Conditions. If (i) the Shares cease to be listed or admitted to trading, or are suspended from trading for a period equal to or exceeding 21 consecutive Trading Days (as defined in the Conditions), on the Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) or, if applicable, the Alternative Stock Exchange (as defined in the Conditions), (ii) less than 25 per cent. of the Issuer’s issued Common Stock (as defined in the Conditions) is held by the public (as defined in the Listing Rules of the Hong Kong Stock Exchange) or (iii) there is a Change of Control (as defined in the Conditions), the holder of each Bond will have the right at such holder’s option to require the Issuer to redeem all or some only of such holder’s Bonds on the Relevant Event Redemption Date (as defined in the Conditions) at the Early Redemption Amount. See “*Terms and Conditions of the Bonds*”.

The Bonds constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law and subject to Condition 4, at all times rank at least equally with all of the Issuer’s other present and future unsecured and unsubordinated obligations, including the Existing Guaranteed Indebtedness (as defined in the Conditions).

Investing in the Bonds involves risks. See the section entitled “Risk Factors” beginning on page 12.

Approval in-principle has been received from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the listing and quotation of the Bonds on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Approval in-principle from, admission to the Official List of, and listing and quotation of the Bonds on, the SGX-ST are not to be taken as an indication of the merits of the Bonds, the Issuer and/or the Subsidiary Guarantors.

The Bonds are issued in the denomination of HK\$2,000,000 each and integral multiples of HK\$1,000,000 in excess thereof.

The Bonds, the Shares to be issued upon conversion of the Bonds and the Guarantee of the Bonds (as defined in the Conditions) have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as such terms are defined in Regulation S under the U.S. Securities Act (“**Regulation S**”)) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. The Bonds are being offered and sold only to non-U.S. persons outside the United States in offshore transactions in reliance on Regulation S. For a description of certain restrictions on resale or transfer, see the section entitled “Transfer Restrictions.”

The Bonds will be evidenced by a global certificate (the “**Global Certificate**”) in registered form, which will be registered in the name of a nominee of, and deposited with, a common depositary for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream**”). Beneficial interests in the Global Certificate will be shown on, and transfers thereof will be effected only through, the records maintained by Euroclear and Clearstream and their respective accountholders. Except in the limited circumstances set out herein, individual certificates for the Bonds will not be issued in exchange for beneficial interests in the Global Certificate. It is expected that delivery of the Global Certificate will be made on the Issue Date or such later date as may be agreed by the Issuer and the Joint Lead Managers.

Joint Global Coordinators

Morgan Stanley

Credit Suisse

Joint Bookrunners and Joint Lead Managers

Morgan Stanley

Credit Suisse

**Haitong
International**

The date of this offering circular is February 9, 2018.

TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
SUMMARY	1	MANAGEMENT	171
THE OFFERING	5	PRINCIPAL SHAREHOLDERS	179
SUMMARY CONSOLIDATED		RELATED PARTY TRANSACTIONS ..	180
FINANCIAL AND OTHER DATA ...	9	DESCRIPTION OF OTHER	
RISK FACTORS	12	MATERIAL INDEBTEDNESS	
USE OF PROCEEDS	50	AND OBLIGATIONS	183
EXCHANGE RATE INFORMATION ..	51	TERMS AND CONDITIONS	
CAPITALIZATION AND		OF THE BONDS	200
INDEBTEDNESS	54	TAXATION	236
SELECTED CONSOLIDATED		SUBSCRIPTION AND SALE	238
FINANCIAL AND OTHER DATA ...	56	TRANSFER RESTRICTIONS	244
MANAGEMENT’S DISCUSSION AND		SUMMARY OF PROVISIONS	
ANALYSIS OF FINANCIAL		RELATING TO THE BONDS	
CONDITION AND RESULTS OF		IN GLOBAL FORM	246
OPERATIONS	59	LEGAL MATTERS	248
INDUSTRY OVERVIEW	94	INDEPENDENT ACCOUNTANTS	248
CORPORATE STRUCTURE	109	GENERAL INFORMATION	249
BUSINESS	112	INDEX TO FINANCIAL STATEMENTS	F-1
REGULATION	136		

This offering circular does not constitute an offer to sell to, or a solicitation of an offer to buy from, any person in any jurisdiction to whom it is unlawful to make the offer or solicitation in such jurisdiction. Neither the delivery of this offering circular nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in our affairs since the date of this offering circular or that the information contained in this offering circular is correct as of any time after that date.

This offering circular is not a prospectus for the purposes of the European Union’s Directive 2003/71/EC (as amended, including by Directive 2010/73/EU, and including any relevant implementing measure in the relevant member state of the European Economic Area, the “Prospectus Directive”).

The communication of the attached offering circular and any other document or materials relating to the issue of the securities described therein is not being made, and such documents and/or materials have not been approved, by an authorized person for the purposes of section 21 of the United Kingdom’s Financial Services and Markets Act 2000, as amended (“FSMA”). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Financial Promotion Order”)), or within Article 49(2)(a) to (d) of the Financial Promotion Order, or to any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order (all such persons together being referred to as “relevant persons”). In the United Kingdom, the securities described in the attached offering circular are only available to, and any investment or investment activity to which the attached offering circular relates will be engaged in only with, relevant persons. Any person in the United Kingdom that is not a relevant person should not act or rely on the attached offering circular or any of its contents.

We, having made all reasonable inquiries, confirm that: (i) this offering circular contains all information with respect to us, our subsidiaries and affiliates referred to in this offering circular and the Bonds, that is material in the context of the issue and offering of the Bonds; (ii) the statements contained in this offering circular relating to us and our subsidiaries and our affiliates are in every material respect true and accurate and not misleading; (iii) the opinions and intentions expressed in this offering circular with regard to us and our subsidiaries and affiliates are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions; (iv) there are no other facts in relation to us, our subsidiaries and affiliates, the Bonds, the omission of which would, in the context of the issue and offering of the Bonds, make this offering circular, as a whole, misleading in any material respect; and (v) we have made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. We accept responsibility accordingly.

This offering circular is highly confidential. We are providing it solely for the purpose of enabling you to consider a purchase of the Bonds. You should read this offering circular before making a decision whether to purchase the Bonds. You must not use this offering circular for any other purpose, or disclose any information in this offering circular to any other person.

We have prepared this offering circular, and we are solely responsible for its contents. You are responsible for making your own examination of us and your own assessment of the merits and risks of investing in the Bonds. By purchasing the Bonds, you will be deemed to have acknowledged that you have made certain acknowledgements, representations and agreements as set forth under the section entitled “Transfer Restrictions” below.

No representation or warranty, express or implied, is made by Credit Suisse (Hong Kong) Limited, Morgan Stanley & Co. International plc and Haitong International Securities Company Limited (the “Joint Lead Managers”), Citicorp International Limited (the “Trustee”), Citibank, N.A., London Branch as principal paying and transfer agent (the “Principal Paying and Transfer Agent”) and Citigroup Global Markets Deutschland AG as registrar (the “Registrar” and together with the Principal Paying and Transfer Agent, the “Agents”) or any of their respective affiliates or advisors as to the accuracy or completeness of the information set forth herein, and nothing contained in this offering circular is, or should be relied upon as, a promise or representation, whether as to the past or the future. To the fullest extent permitted by law, none of the Joint Lead Managers accepts any responsibility for the contents of this offering circular or for any statement made or purported to be made by the Joint Lead Managers or on their behalf in connection with the Issuer, the Group, or the issue and offering of the Bonds. The Joint Lead Managers accordingly disclaim all and any liability whether arising in tort or contract or otherwise (save as referred to above) which they might otherwise have in respect of this offering circular or any such statement.

Each person receiving this offering circular acknowledges that: (i) such person has been afforded an opportunity to request from us and to review, and has received, all additional information considered by it to be necessary to verify the accuracy of, or to supplement, the information contained herein; (ii) such person has not relied on the Joint Lead Managers, the Trustee, the Agents or any person affiliated with the Joint Lead Managers, the Trustee or the Agents in connection with any investigation of the accuracy of such information or its investment decision; and (iii) no person has been authorized to give any information or to make any representation concerning us, our subsidiaries and affiliates, the Bonds (other than as contained herein and information given by our duly authorized officers and employees in connection with investors’ examination of our company and the terms of the offering of the Bonds) and, if given or made, any such other information or representation should not be relied upon as having been authorized by us, the Joint Lead Managers, the Trustee or the Agents.

The Bonds, the Shares to be issued upon conversion of the Bonds and the Guarantee of the Bonds have not been approved or disapproved by the United States Securities and Exchange Commission (the “SEC”), any state securities commission in the United States or any other United States regulatory

authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering or the accuracy or adequacy of this offering circular. Any representation to the contrary is a criminal offense in the United States.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS — The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or (ii) a customer within the meaning of Directive 2002/92/EC (as amended, “**IMD**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the “**PRIIPs Regulation**”) for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

MIFID II product governance — Any distributor subject to MiFID II (as defined above) that is offering, selling or recommending the Bonds is responsible for undertaking its own target market assessment in respect of the Bonds and determining its own distribution channels for the purposes of the MiFID product governance rules under Commission Delegated Directive (EU) 2017/593 (“**Delegated Directive**”). Neither we nor the Joint Lead Managers make any representations or warranties as to a distributor’s compliance with the Delegated Directive.

We are not, and the Joint Lead Managers are not, making an offer to sell the Bonds in any jurisdiction except where an offer or sale is permitted. The distribution of this offering circular and the offering of these securities may in certain jurisdictions be restricted by law. Persons into whose possession this offering circular comes are required by us and the Joint Lead Managers to inform themselves about and to observe any such restrictions. For a description of the restrictions on offers, sales and resales of the securities, including the Bonds, and distribution of this offering circular, see the sections entitled “Subscription and Sale” and “Transfer Restrictions” below.

This offering circular summarizes certain material documents and other information, and we refer you to them for a more complete understanding of what we discuss in this offering circular. In making an investment decision, you must rely on your own examination of us and the terms of the offering, including the merits and risks involved. We are not making any representation to you regarding the legality of an investment in the Bonds by you under any legal, investment or similar laws or regulations. You should not consider any information in this offering circular to be legal, business or tax advice. You should consult your own professional advisors for legal, business, tax and other advice regarding an investment in the Bonds.

We reserve the right to withdraw the offering of the Bonds at any time, and the Joint Lead Managers reserve the right to reject any commitment to subscribe for or purchase of the Bonds in whole or in part and to allot to any prospective purchaser less than the full amount of the Bonds sought by such purchaser. The Joint Lead Managers and certain related entities may acquire for their own account a portion of the Bonds.

CERTAIN DEFINITIONS, CONVENTIONS AND CURRENCY PRESENTATION

We have prepared this offering circular using a number of conventions, which you should consider when reading the information contained herein. When we use the terms “we,” “us,” “our,” the “Issuer,” the “Company,” the “Group” and words of similar import, we are referring to CIFI Holdings (Group) Co. Ltd. itself or CIFI Holdings (Group) Co. Ltd. and its consolidated subsidiaries, as the context requires.

Market data, industry forecasts and the PRC and property industry statistics in this offering circular have been obtained from both public and private sources, including market research, publicly available information and industry publications. Although we believe this information to be reliable, it has not been independently verified by us or the Joint Lead Managers or our or their respective directors and advisors, and neither we, the Joint Lead Managers nor our or their directors and advisors make any representation as to the accuracy or completeness of that information. In addition, third-party information providers may have obtained information from market participants and such information may not have been independently verified. Due to possibly inconsistent collection methods and other problems, such statistics herein may be inaccurate. You should not unduly rely on such market data, industry forecast and the PRC and property industry statistics.

In this offering circular, all references to “HK\$” and “H.K. dollars” are to Hong Kong dollars, the official currency of the Hong Kong Special Administrative Region of the PRC (“Hong Kong” or “HK”); all references to “RMB” or “Renminbi” are to the Renminbi, the official currency of the People’s Republic of China (“China” or the “PRC”); and all references to “US\$” and “U.S. dollars” are to United States dollars, the official currency of the United States of America (the “United States” or “U.S.”).

We record and publish our financial statements in Renminbi. Unless otherwise stated in this offering circular, all translations from Renminbi amounts to U.S. dollars were made at the rate of RMB6.7793 to US\$1.00, the exchange rate set forth in the H.10 statistical release of the Federal Reserve Board on June 30, 2017, and all translations from H.K. dollars into U.S. dollars were made at the rate of HK\$7.8055 to US\$1.00, the exchange rate set forth in the H.10 statistical release of the Federal Reserve Board on June 30, 2017. All such translations in this offering circular are provided solely for your convenience and no representation is made that the Renminbi amounts referred to herein have been, could have been or could be converted into U.S. dollars or H.K. dollars, or vice versa, at any particular rate or at all. For further information relating to the exchange rates, see the section entitled “Exchange Rate Information.”

References to “PRC” and “China,” in the context of statistical information and description of laws and regulations in this offering circular, except where the context otherwise requires, do not include Hong Kong, Macau Special Administrative Region of the PRC (“Macau”) or Taiwan. “PRC government” or “State” means the central government of the PRC, including all political subdivisions (including provincial, municipal and other regional or local governments) and instrumentalities thereof, or, where the context requires, any of them.

Our financial statements are prepared in accordance with International Financial Reporting Standards (the “IFRS”) which differ in certain respects from generally accepted accounting principles in certain other countries.

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

References to “2014 Notes” are to our 8.875% senior notes due 2019 issued on January 27, 2014 in the aggregate principal amount of US\$200,000,000 (the “Original 2014 Notes”) and further issued on January 9, 2015 in the aggregate principal amount of US\$200,000,000 (the “Additional 2014 Notes,” which were consolidated and formed a single class with the Original 2014 Notes). We have fully redeemed the 2014 Notes as of the date of this offering circular.

References to “2015 Notes” are to our 7.75% senior notes due 2020 issued on June 5, 2015 in the aggregate principal amount of US\$400,000,000.

References to “2017 Notes” are to our 5.5% senior notes due 2022 issued on January 23, 2017 in the aggregate principal amount of US\$285,000,000.

References to “August 2017 Perpetual Securities” are to our 5.375% senior perpetual capital securities issued on August 24, 2017 in the aggregate principal amount of US\$300,000,000.

References to “December 2017 Perpetual Securities” are to our 5.375% senior perpetual capital securities issued on December 19, 2017 in the aggregate principal amount of US\$300,000,000.

References to “2018 Notes” are to our 5.5% senior notes due 2023 issued on January 23, 2018 in the aggregate principal amount of US\$300,000,000.

References to “First Tranche of 2015 Onshore Bonds” are to our 4.95% public domestic corporate bonds due 2020 issued on October 15, 2015 in the aggregate principal amount of RMB3,495,000,000.

References to “Second Tranche of 2015 Onshore Bonds” are to our 5.96% public domestic corporate bonds due 2020 issued on November 12, 2015 in the aggregate principal amount of RMB500,000,000.

References to “First Tranche of 2016 Onshore Bonds” are to our 4.99% non-public domestic corporate bonds due 2018 issued on January 22, 2016 in the aggregate principal amount of RMB2,000,000,000.

References to “Second Tranche of 2016 Onshore Bonds” are to our non-public domestic corporate bonds in the aggregate principal amount of RMB4,000,000,000 due 2021 issued on September 26, 2016 comprising (i) RMB3,500,000,000 bonds with interest rate of 4.30% per annum and (ii) RMB500,000,000 bonds with interest rate of 5.50% per annum.

References to the “2015 Club Loan Facilities” are to certain multi-currency term loan facilities, including a US\$100,000,000 facility and a HK\$156,000,000 facility under a facility agreement with a greenshoe option that we entered into with a lender on January 20, 2015, together with Additional Lender Accession Letter for a total of US\$10,000,000 signed by various additional lenders dated January 20, 2015. See “Description of Other Material Indebtedness and Obligations — 2015 Club Loan Facilities” for details.

References to “2016 Club Loan Facilities” are to certain multi-currency term loan facilities, including a US\$340,000,000 facility and a HK\$624,000,000 facility under a facility agreement with a greenshoe option that we entered into with a syndicate of lenders on March 11, 2016, together with Additional Lender Accession Letters for a total of US\$155,000,000 and HK\$195,000,000 signed by various additional lenders dated March 15, 2016 and March 18, 2016. See “Description of Other Material Indebtedness and Obligations — 2016 Club Loan Facilities” for details.

References to “2017 Club Loan Facilities” are to certain multi-currency term loan facilities, including a RMB1,980,000,000 facility and a HK\$1,916,250,000 facility under a facility agreement we entered into with a syndicate of lenders on December 30, 2016, together with Additional Accession

Letters for a total of HK\$1,004,000,000 signed by various additional lenders dated February 8, 2017 and March 22, 2017, respectively. RMB1,180,000,000 of the RMB facility has been cancelled on January 25, 2017. See “Description of Other Material Indebtedness and Obligation — 2017 Club Loan Facilities” for details.

References to “September 2017 Club Loan Facilities” are to our US\$135,000,000 loan facilities under a facility agreement we entered into with a syndicate of lenders on September 4, 2017. See “Description of Other Material Indebtedness and Obligation — September 2017 Club Loan Facilities” for details.

References to “ASP” are to average selling price.

References to “CIFI Group Co., Ltd.” are to 旭輝集團股份有限公司, a joint stock company established in the PRC with limited liability on August 15, 2000 and our indirect wholly owned subsidiary.

References to “share” are to, unless the context indicates otherwise, an ordinary share, with a nominal value of HK\$0.01, in our share capital.

References to “sq.m.” are to square meters.

A property is considered sold after we have executed the purchase contract with a customer and have delivered the property to the customer. All site area and gross floor area (“GFA”) information presented in this offering circular represents the site area and GFA of entire projects, including areas attributable to the minority shareholders of our non-wholly owned project companies.

In this offering circular, unless the context otherwise requires, all references to “affiliate” are to a person or entity directly or indirectly controlled by, or under the direct or indirect common control of, another person or entity; all references to “subsidiary” are used with the meaning ascribed to it in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended (the “Listing Rules”), which includes: (i) a “subsidiary undertaking” as defined in the twenty-third schedule to the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) (the “Companies Ordinance”), (ii) any entity which is accounted for and consolidated in the audited consolidated accounts of another entity as a subsidiary pursuant to IFRS or Hong Kong Financial Reporting Standards, as applicable, and (iii) any entity which will, as a result of acquisition of its equity interest by another entity, be accounted for and consolidated in the next audited consolidated accounts of such other entity as a subsidiary pursuant to IFRS or Hong Kong Financial Reporting Standards, as applicable; all references to “associate” are used with the meaning ascribed thereto under the Listing Rules, which includes: (i) in relation to an individual, his spouse and children under the age of 18, certain trustees, his or his family holding companies, as well as companies over which he, his family, trustee interests and holding companies exercise at least 30% voting power, (ii) in relation to a company, its subsidiaries, its holding companies, subsidiaries of such holding companies, certain trustees, as well as companies over which such company and its subsidiaries, trustee interests, holding companies and subsidiaries of such holding companies together exercise at least 30% voting power and (iii) in the context of connected transactions, certain connected persons and enlarged family members of a director, chief executive or substantial shareholder of a listed issuer; and all references to “controlling shareholder” are used with the meaning ascribed thereto under the Listing Rules, including any person or group of persons who are entitled to exercise 30% or more of the voting power at our general meetings or are in a position to control the composition of a majority of our board of directors, and “controlling interest” will be construed accordingly.

In this offering circular, a land grant contract refers to a state-owned land use rights grant contract (國有土地使用權出讓合同) between a developer and the relevant PRC governmental land administrative authorities, typically the local state-owned land bureaus.

In this offering circular, a land use rights certificate refers to a state-owned land use rights certificate (國有土地使用權證) issued by a local real estate and land resources bureau with respect to the land use rights; a construction land planning permit refers to a construction land planning permit (建設用地規劃許可證) issued by local urban zoning and planning bureaus or equivalent authorities in China; a construction work planning permit refers to a construction work planning permit (建設工程規劃許可證) issued by local urban zoning and planning bureaus or equivalent authorities in China; a construction permit refers to a construction work commencement permit (建築工程施工許可證) issued by local construction committees or equivalent authorities in China; a pre-sale permit refers to a commodity property pre-sale permit (商品房預售許可證) issued by local housing and building administrative bureaus or equivalent authorities with respect to the pre-sale of relevant properties; a certificate of completion refers to a construction project clearance certificate (建設工程竣工驗收備案登記證) issued by local urban zoning and planning bureaus or equivalent authorities or equivalent certificate issued by relevant authorities in China with respect to the completion of property projects subsequent to their on-site examination and inspection; and a land use rights ownership certificate refers to a property ownership and land use rights certificate (國有土地使用權證) issued by a local real estate and land resources bureau with respect to the land use rights and the ownership rights of the buildings on the relevant land.

References to our “land bank,” “development projects,” “property projects” or “projects” refer to our property projects with land for which we have obtained land-use rights and property projects for which we have not obtained land-use rights but have entered into the land grant contracts or received successful tender auction confirmations.

The site area information for an entire project is based on the relevant land use rights certificates, land grant contracts or tender documents, depending on which documents are available. If more than one document is available, such information is based on the most recent document available.

The figures for GFA are based on figures provided in or estimates based on the relevant governmental documents, such as the property ownership certificate, the construction work planning permit, the pre-sale permit, the construction land planning permit or the land use rights certificate.

In this offering circular, where information has been presented in thousands, millions or billions of units, amounts may have been rounded up or down. Accordingly, totals of columns or rows of numbers in tables may not be equal to the apparent total of the individual items and actual numbers may differ from those contained herein due to such rounding.

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

FORWARD-LOOKING STATEMENTS

This offering circular includes “forward-looking statements.” All statements other than statements of historical fact contained in this offering circular, including, without limitation, those regarding our future financial position and results of operations, strategies, plans, objectives, goals and targets, future developments in the markets where we participate or are seeking to participate, and any statements preceded by, followed by or that include, the words “believe,” “expect,” “aim,” “intend,” “will,” “may,” “anticipate,” “seek,” “should,” “could,” “would,” “plan,” “potential,” “continue,” “estimate” or similar expressions or the negative thereof, are forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors, some of which are beyond our control, which may cause our actual results, performance or achievements, or industry results to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such statements reflect the current views of our management with respect to future events, operations, results, liquidity and capital resources and are not guarantees of future performance and some of which may not materialize or may change. These forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Important factors that could cause our actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, the following:

- the performance and future developments of the property market in the PRC or any region in the PRC in which we engage in property development;
- the global economic environment and industry outlook generally;
- any prospective financial information regarding our businesses;
- our dividend policy;
- projects under development or held for future development;
- the availability and costs of and changes to bank loans and other forms of financing;
- changes in political, economic, legal and social conditions in the PRC, including the PRC government’s specific policies which affect land supply, the availability and cost of financing, and pre-sales, pricing and volume of our property development;
- changes in competitive conditions and our ability to compete under these conditions;
- our ability to manage our growth and our geographically diversified business;
- our ability to acquire and develop land;
- the cost and supply of construction materials and labor;
- the performance of the obligations and undertakings of the independent contractors under various construction, building, interior decoration, material and equipment supply and installation contracts;
- the timely repayments by purchasers of our properties of mortgage loans guaranteed by us;
- relationship with our joint venture partners and the performance of the obligations and commitments of our joint venture partners under the existing and future joint venture agreements;

- changes in currency exchange rates;
- our business and operating strategies;
- our capital expenditure and property development plans;
- the amount and nature of, and potential for, future development of our business;
- various business opportunities that we may pursue;
- the interpretation and implementation of the existing rules and regulations relating to land appreciation tax and its future changes in enactment, interpretation or enforcement;
- the regulatory environment of our industry in general;
- significant delay in obtaining various permits, proper legal titles or approvals for our properties under development or held for future development, and for our operations; and
- other factors beyond our control.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under “Risk Factors” and elsewhere in this offering circular. Although we believe that the expectations reflected in these forward-looking statements are reasonable, we cannot assure you that those expectations will prove to be correct, and you are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this offering circular. Subject to the requirements of applicable laws, rules and regulations, we do not have any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. As a result of these and other risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this offering circular might not occur in the way we expect, or at all.

ENFORCEMENT OF CIVIL LIABILITIES

We are an exempted company incorporated in the Cayman Islands with limited liability. The Cayman Islands has a different body of securities laws from the United States and protections for investors may differ.

All of our assets are located outside the United States. In addition, all of our directors and officers are nationals or residents of countries other than the United States (principally in the PRC), and all or a substantial portion of such persons’ assets are located outside the United States. As a result, it may be difficult for investors to effect service of process within the United States upon us or such persons or to enforce against us or such persons judgments obtained in United States courts, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any state thereof.

We have been advised by our Cayman Islands legal advisors, Maples and Calder (Hong Kong) LLP, that the courts of the Cayman Islands are unlikely (i) to recognize or enforce against us judgments of courts of the England predicated upon the securities laws of the England and Wales; and (ii) in original actions brought in the Cayman Islands, to impose liabilities against us predicated upon the civil liability provisions of the securities laws of the England and Wales, on the grounds that such provisions are penal in nature. However, in the case of laws that are not penal in nature, although there is no statutory enforcement in the Cayman Islands of judgments obtained in the United States, the courts of the Cayman Islands will recognize and enforce a foreign money judgment of a foreign court of competent jurisdiction without retrial on the merits based on the principle that a judgment of a

competent foreign court imposes upon the judgment debtor an obligation to pay the sum for which judgment has been given provided certain conditions are met. For a foreign judgment to be enforced in the Cayman Islands, such judgment must be final and conclusive and for a liquidated sum, and must not be in respect of taxes or a fine or penalty, inconsistent with a Cayman Islands judgment in respect of the same matter, impeachable on the grounds of fraud or obtained in a manner, and or be of a kind the enforcement of which is, contrary to natural justice or the public policy of the Cayman Islands (awards of punitive or multiple damages may well be held to be contrary to public policy). A Cayman Islands court may stay enforcement proceedings if concurrent proceedings are being brought elsewhere.

Further, we have been advised by our PRC legal advisors, Commerce & Finance Law Offices, that there is uncertainty as to whether the courts of the PRC would (i) enforce judgments of the courts of England obtained against us or our directors and officers predicated upon the laws of the England and Wales or (ii) entertain original actions brought in the courts of the PRC against us or our directors and officers predicated upon the laws of the England and Wales.

SUMMARY

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

OVERVIEW

Headquartered in Shanghai, we are engaged in property development and property investment in the PRC. In 2017, in terms of contracted sales amount, we were ranked 15th according to the list of “China Real Estate Enterprises Sales Ranking in 2017” published by China Real Estate Information Corporation Information Group.

We principally focus on developing high quality and end-users driven properties in first- and second-tier cities in China. Our development projects cover various properties types including residential, office and commercial complexes. For our residential property development, we mainly develop residential products that offer our end-users comfortable living environment and proximity to good ancillary facilities and transportation links. For our commercial property development, we mainly develop offices and community commercial properties.

We have achieved a nationwide geographical coverage and a strong presence in selected first-tier cities and second-tier cities in China. Our business operations are diversified in terms of geographic locations, which facilitates our future expansion. As of June 30, 2017, we had projects in 29 cities in four geographic regions in the PRC: the Yangtze River Delta Region, which includes Shanghai, Suzhou, Hangzhou, Hefei, Nanjing, Ningbo, Zhenjiang, Yixing, Wuxi, Taicang, Wenzhou and Jiaxing, the Pan Bohai Rim, which includes Beijing, Tianjin, Shenyang, Jinan, Qingdao, Dalian and Langfang, the Central Western Region, which includes Chongqing, Chengdu, Zhengzhou, Xi’an, Changsha and Wuhan, and the South China Region, which includes Hong Kong, Sanya, Guangzhou and Foshan. As of June 30, 2017, we had a land bank with an aggregate total GFA of approximately 22.1 million sq.m. and an aggregate GFA attributable to us of approximately 12.4 million sq.m.

Leveraging our effective business model focused on rapid asset turnover, strong execution capabilities and business strategies developed in line with government policies on China’s real estate sector, we are poised to continue our rapid growth and develop into a renowned nationwide property developer.

RECENT DEVELOPMENTS

Subsequent to June 30, 2017, we have purchased 68 land projects. The following table sets forth certain information concerning such land projects.

City	Project	Intended Primary Use	Group's equity interest (%)	Total Planned GFA (excluding carparks) (sq.m.)	Total Consideration (RMB)	Attributable consideration (RMB)	Average land cost (RMB/sq.m.)
1 Hangzhou	Jiangan District, Yuanzhuyihao Project	Office/Commercial	100.0	26,100	230,000,000	230,000,000	8,807
2 Hefei	New Station District, No. 215 Project	Residential	100.0	154,000	1,179,900,000	1,179,900,000	7,664
3 Hefei	Binhu District, No. 25 Project	Residential/Commercial	21.5	295,900	2,089,000,000	449,140,000	7,060
4 Ji'an	Licheng District, Fengshenlu Project	Residential	100.0	112,000	1,712,600,000	1,712,600,000	15,291
5 Dalian	Shahekou District, Police Affairs Training Base Project	Residential/Commercial	100.0	16,300	225,980,000	225,980,000	13,847
6 Wenzhou	Ouhai District, Chashan Project	Residential	100.0	139,100	1,172,000,000	1,172,000,000	8,426
7 Jiaxing	Pinghu county, Danghujiedao No. 1 Project	Residential	100.0	39,000	378,930,000	378,930,000	9,728
8 Jiaxing	Jiashan County, Weitang Project	Residential	100.0	214,600	1,609,740,000	1,609,740,000	7,500
9 Xi'an	Economic and Technological Development Zone, Ronghua International Project	Office/Commercial	100.0	87,500	875,000,000	875,000,000	10,006
10 Xi'an	Chanba Ecological District Project	Office/Commercial	70.0	151,100	435,710,000	305,000,000	2,883
11 Qingdao	Huangdao District, Xingyuecheng Project	Residential	50.0	187,000	430,090,000	215,050,000	2,300
12 Nanjing	Jiangning District, G54 Project	Residential	49.0	80,500	1,610,000,000	788,900,000	19,991
13 Taichang	Shaxi Town Project	Residential	28.0	102,000	386,130,000	108,120,000	3,786
14 Nanjing	Jiangning District, G56 Project	Residential	49.0	231,500	3,720,000,000	1,822,800,000	16,069
15 Chongqing	Yubei District, Huayu Lijia Project	Residential/Commercial	30.0	601,600	4,440,000,000	1,332,000,000	7,380
16 Hefei	Shushan District, W1611 Project	Residential	30.0	229,700	2,013,500,000	604,050,000	8,766
17 Hefei	Binhu District, No. 20 Project	Residential/Commercial	25.4	387,100	2,780,000,000	706,120,000	7,181
18 Wuhan	Hongshan District, Qingling Village K1-2-4 Project	Residential/Commercial	55.0	784,800	5,101,200,000	2,805,660,000	6,500
19 Wuhan	Hongshan District, Qingling Village, K3 Project	Residential	51.0	658,800	4,611,680,000	2,351,956,800	7,000
20 Qingdao	Chengyang District, Qingwei Road Project	Residential	50.0	243,700	1,462,300,000	731,150,000	6,000
21 Hangzhou	Xihu District, Jiang Village Project	Office/Commercial	49.0	183,500	1,400,000,000	686,000,000	7,631
22 Chongqing	Dadukou District, Masangxi No. 66 Project	Residential/Commercial	33.0	340,100	1,540,000,000	508,200,000	4,528
23 Nanjing	Jiangning District, G36 project	Residential/Commercial	20.0	178,200	1,700,000,000	340,000,000	9,538
24 Ningbo	Jiangbei District, Tianshui Jiayuan, No. 2 Project	Residential	50.0	103,200	1,044,910,000	522,455,000	10,122
25 Jinan	Lixia District, Jinyulanshan Project	Residential	50.0	102,800	617,800,000	308,920,000	6,008
26 Hangzhou	Xiaoshan District, Haishang Mingyue West Project	Residential	33.0	46,700	434,000,000	143,220,000	9,301
27 Chongqing	Yuzhong District, Shidaitianje Project	Residential	33.0	60,000	484,000,000	159,720,000	8,067
28 Beijing	Shunyi District, Shayu Town Matouzhuang Project	Residential/Commercial	24.5	120,200	4,950,000,000	1,212,750,000	41,181
29 Xi'an	New Area District, Daming Palace Residential Project	Residential	70.0	107,500	237,000,000	165,900,000	2,206
30 Wuhan	Wuchang District, Phoenix Building Project	Office	51.0	49,200	981,150,000	500,390,000	19,926
31 Beijing	Chaoyang District, Dongba Project	Residential	26.0	194,900	4,980,000,000	1,294,800,000	25,547
32 Nanjing	Jiangning, District, Tangshan Road, G66 Project	Residential	100.00	29,400	310,000,000	310,000,000	10,537
33 Xiamen	Xiangan District, 12 Mu Project	Residential	100.00	19,400	246,000,000	246,000,000	12,680
34 Nanning	Liangqing District, GC2017-095 Project	Residential	100.00	67,500	316,180,000	316,180,000	4,900
35 Dongguan	Shipai Village, No. 25 Project	Residential	100.00	84,700	864,040,000	864,040,000	10,207
36 Shenyang	Yuhong District, Xihe Road, No 2 Project	Residential/Commercial	100.00	188,300	1,110,800,000	1,110,800,000	5,900
37 Shenyang	Guhuang District, Baihua Group Project	Residential/Commercial	20.00	113,700	822,340,000	164,470,000	7,235
38 Shijiazhuang	Yuhua District, Nanli Village Project	Residential/Commercial	77.00	92,200	302,000,000	232,540,000	3,277

City	Project	Intended Primary Use	Group's equity interest (%)	Total Planned GFA (excluding carparks) (sq.m.)	Total Consideration (RMB)	Attributable consideration (RMB)	Average land cost (RMB/sq.m.)	
39	Wenzhou	Jingkai District, Jinhai Yuanqu Project	Residential	50.00	149,700	677,000,000	338,500,000	4,524
40	Jinan	Licheng District, Hancanghe Project	Residential/Commercial	43.50	278,600	2,170,000,000	943,950,000	7,789
41	Qingdao	Jiaozhou City, Taihu Road Project	Residential/Commercial	37.50	299,200	738,310,000	276,870,000	2,468
42	Chengdu	Shuangliu District, 75 Mu Project	Residential/Commercial	51.00	99,600	756,600,000	385,870,000	7,600
43	Zhongshan	Nantou Town, Suixi Village Project	Residential	100.00	65,900	265,210,000	265,210,000	4,030
44	Linyi	Luozhuang, Guangfazhiye Project	Residential/Commercial	25.50	408,700	594,660,000	151,640,000	1,455
45	Tianjin	Dongli District, Haishang International City Project	Residential	20.00	561,000	3,045,720,000	609,140,000	5,428
46	Taicang	Liuhe Town, Yinhewan Project	Residential	16.70	74,900	195,510,000	32,650,000	2,609
47	Hangzhou	Linan District, Tianmushan Project	Commercial	100.00	49,900	159,830,000	159,830,000	3,201
48	Hangzhou	Linan District, Yuqian Project	Commercial	100.00	35,900	68,620,000	68,620,000	1,913
49	Hangzhou	Linan District, Qingshanhu, Keji Cheng Project	Residential	50.00	158,700	1,763,500,000	881,750,000	11,113
50	Taizhou	Jiaojiang District, Hongjia Street Project	Residential/Commercial	100.00	57,400	346,200,000	346,200,000	6,027
51	Hefei	Luyang District, No.1704 Project	Residential	100.00	174,200	1,784,700,000	1,784,700,000	10,247
52	Zhangjiagang	Nanhu Road, No. 2013-B28-A Project	Residential	100.00	73,300	609,770,000	609,770,000	8,317
53	Zhangjiagang	Jingang Avenue, No. 2013-B27 Project	Residential	100.00	40,600	287,460,000	287,460,000	7,074
54	Shanghai	Yangpu District, Dinghai Community Project	Office/Commercial	50.00	109,500	2,980,000,000	1,490,000,000	27,222
55	Beijing	Chaoyang District, Sunhe Project	Residential	50.00	58,900	3,365,000,000	1,682,500,000	57,152
56	Qingdao	Jiaozhou District, Boguanjinan East Project	Residential	50.00	21,600	95,620,000	47,810,000	4,427
57	Qingdao	Jiaozhou District, Boguanjinan West Project	Residential	50.00	136,200	402,520,000	201,260,000	2,955
58	Qingdao	Huangdao District, Boguanxinghai First Phrase Project	Residential	50.00	58,700	148,300,000	74,150,000	2,528
59	Qingdao	Huangdao District, Boguanxinghai Second Phrase Project	Residential	50.00	34,900	161,620,000	80,810,000	4,629
60	Qingdao	Chengyang District, Boguanyipin Project	Residential/Commercial	50.00	34,700	154,740,000	77,370,000	4,455
61	Qingdao	Chengyang District, Dejun Fifth Phrase Project	Residential	50.00	70,500	173,820,000	86,910,000	2,466
62	Qingdao	Chengyang District, Shuxiangjiayuan Project	Residential	50.00	44,200	304,320,000	152,160,000	6,892
63	Jinan	Shizhong District, Boguanshanyue Project	Residential	25.50	60,300	185,730,000	47,360,000	3,078
64	Linyi	Beicheng District, Boguanxincheng East Project	Residential	35.00	153,000	291,890,000	102,160,000	1,940
65	Linyi	Beicheng District, Boguanxincheng West Project	Residential	35.00	221,100	302,370,000	105,830,000	1,391
66	Jiaxing	Jiashan County, No. 2012-42 Project	Residential	50.00	45,200	401,860,000	200,930,000	8,889
67	Jiaxing	Jiashan County, No. 2016-7 Project	Residential	50.00	29,000	232,080,000	116,040,000	8,000
68	Jiaxing	Jiashan County, Huimin Project	Residential	50.00	106,000	789,260,000	394,630,000	7,444

Issuance of the August 2017 Perpetual Securities, the December 2017 Perpetual Securities and the 2018 Notes

In August and December 2017, we issued 5.375% senior perpetual securities in an aggregate amount of US\$300,000,000 and US\$300,000,000, respectively. In addition, in January 2018, we issued 5.5% senior notes in an aggregate amount of US\$300,000,000. For details, see “Description of Other Material Indebtedness and Obligations.”

OUR COMPETITIVE STRENGTHS

Our focused operating strategies give us the following competitive strengths:

- We principally focus on developing high quality and end-user driven residential, office and community commercial properties, primarily in first- and second-tier cities in the PRC;
- We adopt a high asset turnover and high sell-through business model with strong execution capabilities that allows us to achieve a development cycle of typically three years, which not only improves our return and operating cash flow but also helps us achieve financial stability;
- We have achieved a nationwide geographical coverage and a solid presence in our selected first- and second-tier cities in the PRC;
- We have a highly disciplined and systematic approach to land acquisitions and have strategically acquired low-cost land reserves in a prudent manner;
- We have adopted coherent business and financial strategies which balance solid growth and financial prudence; and
- We have a highly experienced senior management team and an efficient management structure between our headquarters and regional companies which support nationwide coverage.

OUR BUSINESS STRATEGIES

We aim to become (i) one of the leading real estate enterprises in the PRC in terms of sales, (ii) a nationally renowned real estate brand name, and (iii) a mainstream real estate company in each city where we have a presence. We plan to implement the following future business strategies:

- We adopt the “balanced development and sustainable growth” strategy to pursue sustainable and quality growth;
- We seek to maintain appropriate pace for land acquisition with precise product positioning and execution of development and sales;
- We plan to further enhance our brand recognition and improve customer satisfaction and loyalty; and
- We aim to further improve our product capabilities and apply innovations to our operations.

GENERAL INFORMATION

We were incorporated in the Cayman Islands on May 20, 2011, as an exempted company with limited liability. Our shares have been listed on the Hong Kong Stock Exchange since November 23, 2012. Our corporate headquarters is at CIFI Center, Lane 1088, No. 39 Shenhong Road, Minhang District, Shanghai, PRC. Our place of business in Hong Kong is at Suites 2002–2003, 20th Floor, One Pacific Place, 88 Queensway, Hong Kong. Our registered office is located at P.O. Box 309, Uglan House, Grand Cayman KY1-1104, Cayman Islands. Our website is www.cifi.com.cn. Information contained on our website does not constitute part of this offering circular.

THE OFFERING

The following is a brief summary of the terms of this offering and is qualified in its entirety by the remainder of this offering circular. Terms used in this summary and not otherwise defined shall have the meanings given to them in “Terms and Conditions of the Bonds.”

Issuer	CIFI Holdings (Group) Co. Ltd.
Bonds Offered	HK\$2,790,000,000 in aggregate principal amount of Zero Coupon Guaranteed Convertible Bonds Due 2019 (the “Bonds”).
Issue Price to the Joint Lead Managers	100 per cent. of the principal amount of the Bonds.
Status of the Bonds	The Bonds constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and shall at all times rank <i>pari passu</i> and without any preference or priority among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law and subject to Condition 4, at all times rank at least equally with all of the Issuer’s other present and future unsecured and unsubordinated obligations, including the Existing Guaranteed Indebtedness (as defined in the Conditions).
Guarantee of the Bonds	Each initial Subsidiary Guarantor has unconditionally and irrevocably guaranteed, on a joint and several basis, the due payment of all sums expressed to be payable by the Company under the Bonds, the Trust Deed and the Agency Agreement.
Form and Denomination	The Bonds are issued in registered form in the denomination of HK\$2,000,000 each and higher integral multiples of HK\$1,000,000.
Expected Issue Date	February 14, 2018.
Maturity Date	February 12, 2019.
Coupon	Zero.
Initial Conversion Price	HK\$9.30 per Share. The Conversion Price is subject to adjustment upon the occurrence of certain prescribed events including, consolidation, subdivision or reclassification of shares, capitalization of profits or reserves, distributions, rights issues or options over Shares, rights issues of other securities, issues at less than current market price, modification of rights of conversion, a change of control and certain other dilutive events as set out in the Conditions.
Initial Conversion Ratio	215,054 Shares per HK\$2,000,000 principal amount of the Bonds at the Initial Conversion Price.

Conversion Period	Convertible into the Shares at the election of the bondholders at any time starting March 27, 2018 to 10 days before the Maturity Date.
Redemption Price at Maturity	Unless previously redeemed, converted or repurchased and cancelled, the Issuer will redeem each Bond at 101.50 per cent. of its principal amount on the Maturity Date.
Negative Pledge	So long as any Bond remains outstanding (as defined in the Trust Deed), the Issuer shall not, and shall procure that none of its Subsidiaries will, create or permit to subsist any Security Interest upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure any Relevant Indebtedness or guarantee of Relevant Indebtedness without (a) at the same time or prior thereto securing the Bonds equally and rateably therewith to the satisfaction of the Trustee or (b) providing such other security for the Bonds as may be approved by an Extraordinary Resolution (as defined in the Trust Deed) of Bondholders.
Taxation	All payments made by the Issuer and any Subsidiary Guarantor under or in respect of the Bonds, the Guarantee of the Bonds and the Trust Deed will be made free from any restriction or condition and be made without deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by (i) any jurisdiction where the Issuer or a Subsidiary Guarantor is organised or otherwise considered by a taxing authority to be resident for tax purposes or any political organisation or governmental authority thereof or therein having power to tax or (ii) the Cayman Islands, Hong Kong, or any political organisation or governmental authority thereof or therein having power to tax, unless deduction or withholding of such taxes, duties, assessments or governmental charges is compelled by law. In such event, the Issuer or, as the case may be, the relevant Subsidiary Guarantor will, subject to the limited exceptions specified in Condition 9 (<i>Taxation</i>), pay such additional amounts as will result in the receipt by the Bondholders of the net amounts after such deduction or withholding equal to the amounts which would otherwise have been receivable by them had no such deduction or withholding been required.

<p>Redemption for Taxation Reasons</p>	<p>The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Bondholders (which notice shall be irrevocable) at the amount which represents a gross yield of 1.5% per annum on the Bonds, calculated on a semi-annual basis from the Issue Date up to the redemption date (the "Early Redemption Amount") if (1) the Issuer has or will become obliged to pay Additional Tax Amounts as provided or referred to in Condition 9 (<i>Taxation</i>) as a result of any change in, or amendment to, the laws or regulations or rulings (including a holding by a court of competent jurisdiction) of any Relevant Tax Jurisdiction, or any change in the general application or official interpretation of or the standing of an official position with respect to, such laws, regulations or rulings, which change or amendment becomes effective, or official position is announced, on or after January 25, 2018, and (2) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no Tax Redemption Notice shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Tax Amounts were a payment in respect of the Bonds then due.</p>
<p>Redemption at the Option of the Issuer</p>	<p>The Issuer may at any time prior to the Maturity Date at its option, on giving not less than 60 days' notice to the holders of Bonds and the Trustee (which notice will be irrevocable), redeem in whole, but not in part, the Bonds for the time being outstanding at the Early Redemption Amount provided that prior to the date of such notice at least 90 per cent. in principal amount of the Bonds originally issued (including any further Bonds issued pursuant to Condition 15 (<i>Further Issues</i>) and consolidated and forming a single series with the Bonds) has already been converted, redeemed or purchased and cancelled.</p>
<p>Redemption for Relevant Event . . .</p>	<p>Following the occurrence of a Relevant Event (as defined below), the holder of each Bond will have the right at such holder's option, to require the Issuer to redeem all or some only (subject to the principal amount of such holder's Bonds redeemed and the principal amount of the balance of such holder's Bonds not redeemed being an Authorised Denomination) of such holder's Bonds on the Relevant Event Redemption Date at the Early Redemption Amount.</p>
<p>Holders' Tax Option</p>	<p>If the Issuer gives a Tax Redemption Notice pursuant to Condition 8(B)(i) (<i>Redemption, Purchase and Cancellation</i>), each holder of Bonds will have the right to elect that its Bond(s) shall not be redeemed and that the provisions of Condition 9 (<i>Taxation</i>) shall not apply in respect of any payment to be made in respect of such Bond(s) whereupon no Additional Tax Amounts shall be payable in respect thereof pursuant to Condition 9 (<i>Taxation</i>) and payment of all amounts shall be made subject to the deduction or withholding of any tax required to be deducted or withheld.</p>

Use of Proceeds	The Issuer intends to use the net proceeds for refinancing existing indebtedness and general working capital. See “Use of Proceeds.”				
Delivery of the Bonds	The Issuer expects to make delivery of the Bonds, against payment in same-day funds on or about February 14, 2018.				
Trustee	Citicorp International Limited.				
Principal Agent, Paying Agent and Transfer Agent	Citibank, N.A. London Branch.				
Registrar	Citigroup Global Markets Deutschland AG.				
Listing and Trading	Approval in-principle has been received from the SGX-ST for the listing and quotation of the Bonds on the SGX-ST. For so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require, the Bonds, if traded on the SGX-ST, will be traded in a minimum board lot size of S\$200,000 (or its equivalent in foreign currencies). Accordingly the Bonds, if traded on the SGX-ST, will be traded in a minimum board lot size of HK\$2,000,000.				
Clearance and Settlement	The Bonds have been accepted for clearance by Euroclear and Clearstream under the following codes:				
	<table border="0" style="width: 100%;"> <tr> <td style="text-align: center;"><u>ISIN</u></td> <td style="text-align: center;"><u>Common Code</u></td> </tr> <tr> <td style="text-align: center;">XS1763165518</td> <td style="text-align: center;">176316551</td> </tr> </table>	<u>ISIN</u>	<u>Common Code</u>	XS1763165518	176316551
<u>ISIN</u>	<u>Common Code</u>				
XS1763165518	176316551				
	The Bonds will be represented by beneficial interests in the Global Certificate, which will be registered in the name of a nominee of, and deposited on the Issue Date with a common depositary for, Euroclear and Clearstream. Beneficial interests in the Global Certificate will be shown on and transfers thereof will be effected only through records maintained by Euroclear and Clearstream. Except as described herein, certificates for Bonds will not be issued in exchange for beneficial interests in the Global Certificate.				
Governing Law	The Bonds, the Trust Deed and the Agency Agreement and any non-contractual obligations arising out of or in connection with them will be governed by, and will be construed in accordance with, the laws of England.				
Risk Factors	For a discussion of certain factors that should be considered in evaluating an investment in the Bonds, see “Risk Factors.”				

SUMMARY CONSOLIDATED FINANCIAL AND OTHER DATA

The following table presents our summary financial and other data. The summary consolidated statement of comprehensive income data for 2014, 2015 and 2016 and the summary consolidated financial position data as of December 31, 2014, 2015 and 2016 set forth below (except for EBITDA data) have been derived from our consolidated financial statements for such periods and as of such dates, as audited by Deloitte Touche Tohmatsu, independent certified public accountants, and included elsewhere in this offering circular. The summary condensed consolidated statement of comprehensive income data for the six months ended June 30, 2016 and 2017 and the summary condensed consolidated statement of financial position data as of June 30, 2017 set forth below (except for EBITDA data) have been derived from our unaudited condensed consolidated interim financial statements for such periods and as of such date and included elsewhere in this offering circular. Historical results are not necessarily indicative of results that may be achieved in any future period, and results for interim periods are not indicative of the results for the full year. Our financial statements have been prepared and presented in accordance with IFRS, which differ in certain respects from generally accepted accounting principles in other jurisdictions. The summary financial data below should be read in conjunction with the section entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements and the notes to those statements included elsewhere in this offering circular.

Summary Consolidated Statements of Comprehensive Income and Other Financial Data

	For the year ended December 31,				For the six months ended June 30,		
	2014	2015	2016		2016	2017	
	RMB'000	RMB'000	RMB'000	US\$'000	RMB'000	RMB'000	US\$'000
Revenue	16,179,334	18,230,788	22,224,447	3,278,281	8,744,121	11,235,359	1,657,304
Cost of sales and services	<u>(11,992,548)</u>	<u>(14,087,196)</u>	<u>(16,578,838)</u>	<u>(2,445,509)</u>	<u>(6,377,396)</u>	<u>(7,680,373)</u>	<u>(1,132,915)</u>
Gross profit	4,186,786	4,143,592	5,645,609	832,772	2,366,725	3,554,986	524,389
Other income, gains and losses	246,604	541,660	161,834	23,872	(127,572)	40,717	6,006
Change in fair value of investment properties	241,166	128,100	(100,433)	(14,815)	(66,108)	19,286	2,845
Change in fair value of trust and other loans related derivatives	4,000	—	—	—	—	—	—
Selling and marketing expenses	(319,404)	(370,910)	(524,456)	(77,361)	(217,837)	(271,021)	(39,978)
Administrative expenses	(529,391)	(607,355)	(878,878)	(129,642)	(314,619)	(598,808)	(88,329)
Share of results of joint ventures	(118,708)	205,533	1,007,416	148,602	261,124	1,204,327	177,648
Share of results of associates	—	(32,908)	55,324	8,161	(21,629)	319,124	47,073
Finance costs	<u>(386,228)</u>	<u>(202,885)</u>	<u>(529,651)</u>	<u>(78,128)</u>	<u>(108,190)</u>	<u>(99,587)</u>	<u>(14,690)</u>
Profit before taxation	3,324,825	3,804,827	4,836,765	713,461	1,771,894	4,169,024	614,964
Income tax expense	<u>(1,325,237)</u>	<u>(1,334,039)</u>	<u>(1,672,390)</u>	<u>(246,691)</u>	<u>(722,508)</u>	<u>(1,561,131)</u>	<u>(230,279)</u>
Profit and total comprehensive income for the year/period.	1,999,588	2,470,788	3,164,375	466,770	1,049,386	2,607,893	384,685
Attributable to:							
Equity owners of the Company	1,861,149	2,095,464	2,807,549	414,135	838,480	2,156,233	318,061
Owners of perpetual capital instruments	35,913	38,030	—	—	—	—	—
Other non-controlling interests	<u>102,526</u>	<u>337,294</u>	<u>356,826</u>	<u>52,635</u>	<u>210,906</u>	<u>451,660</u>	<u>66,624</u>
Profit and total comprehensive income for the year/period	<u>1,999,588</u>	<u>2,470,788</u>	<u>3,164,375</u>	<u>466,770</u>	<u>1,049,386</u>	<u>2,607,893</u>	<u>384,684</u>
Other financial data:							
EBITDA ⁽¹⁾	4,505,469	5,486,466	7,007,416	1,033,649	2,384,620	4,139,131	610,554
EBITDA margin ⁽²⁾	27.8%	30.1%	31.5%	31.5%	27.3%	36.8%	36.8%
Core net profit and total comprehensive income for the year/period ⁽³⁾	2,063,716	2,574,344	3,161,000	466,272	1,159,030	1,968,720	290,402
Core net profit attributable to equity owners of the Company for the year/period ⁽⁴⁾	1,938,558	2,209,817	2,824,000	416,562	948,124	1,537,505	226,794

Notes:

- (1) EBITDA consists of profit and total comprehensive income for the year/period before fair value changes from investment properties (including investment properties from joint venture), trust and other loans related derivatives, and derivative financial instrument, interest expense (including interest capitalized in costs of sales), amortization, income tax expense, depreciation, gain from business combination and re-measurement, exchange loss (including exchange loss from joint venture) and loss on early redemption of senior notes. EBITDA is not a standard measure under IFRS. EBITDA is a widely used financial indicator of a company's ability to service and incur debt. EBITDA should not be considered in isolation or construed as an alternative to cash flows, net income or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities. In evaluating EBITDA, we believe that investors should consider, among other things, the components of EBITDA such as sales and operating expenses and the amount by which EBITDA exceeds capital expenditures and other charges. We have included EBITDA because we believe it is a useful supplement to cash flow data as a measure of our performance and our ability to generate cash flow from operations to cover debt service and taxes. EBITDA presented herein may not be comparable to similarly titled measures presented by other companies. Investors should not compare our EBITDA to EBITDA presented by other companies because not all companies use the same definition. See the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operation — Non-GAAP financial measures" for a reconciliation of our profit for the year/period under IFRS to our definition of EBITDA. Interest expense excludes amounts capitalized.
- (2) EBITDA margin is calculated by dividing EBITDA by revenue.
- (3) Core net profit and total comprehensive income for the year/period includes non-controlling interests and consists of profit and total comprehensive income for the year/period before fair value gains/losses, net exchange loss/gain, expenses relating to share option grants, loss on early redemption of senior notes, and share of fair value gains/losses and net exchange loss/gain at joint ventures and associated companies, net of deferred taxes. It is not a standard measure under IFRS.
- (4) Core net profit attributable to equity owners for the year/period consists of profit and total comprehensive income for the year/period before fair value gains/losses, net exchange loss/gain, expenses relating to share option grants, loss on early redemption of senior notes, and share of fair value gains/losses and net exchange loss/gain at joint ventures and associates, net of deferred taxes. It is not a standard measure under IFRS.

Summary Consolidated Statements of Financial Position

	As of December 31,				As of June 30,	
	2014	2015	2016		2017	
	RMB'000	RMB'000	RMB'000	US\$'000	RMB'000	US\$'000
Non-Current Assets						
Investment properties	5,206,200	5,842,300	5,773,100	851,578	12,019,900	1,773,030
Property, plant and equipment	48,078	48,604	75,783	11,178	84,177	12,417
Prepaid lease payments	57,645	32,742	32,742	4,830	32,742	4,830
Interest in associates	15,300	588,620	1,334,453	196,842	1,987,706	293,202
Interests in joint ventures	7,891,784	7,109,797	7,504,466	1,106,968	5,333,244	786,695
Investments in property projects	—	—	529,225	78,065	713,086	105,186
Available-for-sale investment	54,023	54,023	740,976	109,300	1,145,722	169,003
Derivative financial instruments	—	—	314,768	46,431	25,916	3,823
Deferred taxation assets	213,551	286,753	319,795	47,172	321,520	47,427
Deposits paid for acquisitions of equity interests	—	—	622,213	91,781	593,692	87,574
Long-term deposit	—	—	300,000	44,252	300,000	44,252
	<u>13,486,581</u>	<u>13,962,839</u>	<u>17,547,521</u>	<u>2,588,397</u>	<u>22,557,705</u>	<u>3,327,439</u>
Current Assets						
Properties held for sale	5,419,473	6,917,170	6,829,221	1,007,364	7,683,345	1,133,354
Properties under development for sale	9,803,747	20,167,382	21,254,355	3,135,184	33,737,351	4,976,524
Accounts and other receivables, deposits and prepayments	3,975,308	5,711,469	9,625,149	1,419,785	14,684,861	2,166,132
Amounts due from non-controlling interests	104,704	831,339	2,387,678	352,201	4,779,409	705,000
Amounts due from joint ventures and associates	1,041,654	2,593,242	4,620,932	681,624	6,497,292	958,402
Deposits for land use rights for properties held for sale	2,256,720	1,818,236	4,383,075	646,538	1,346,394	198,604
Taxation recoverable	326,798	544,851	812,197	119,806	1,203,343	177,503
Pledged bank deposits	30,000	31,500	348,855	51,459	758,807	111,930
Bank balances and cash	7,093,654	14,873,736	20,328,397	2,998,598	25,034,770	3,692,825
Financial assets at fair value through profit or loss ("FVTPL")	—	—	352,829	52,045	474,608	70,008
	<u>30,052,058</u>	<u>53,488,925</u>	<u>70,932,688</u>	<u>10,463,129</u>	<u>96,200,180</u>	<u>14,190,282</u>

	As of December 31,				As of June 30,	
	2014	2015	2016		2017	
	RMB'000	RMB'000	RMB'000	US\$'000	RMB'000	US\$'000
Current Liabilities						
Accounts payables and accrued charges	5,183,049	7,319,089	7,854,327	1,158,575	16,730,073	2,467,817
Deposits received from property sales	5,015,996	10,396,275	15,391,289	2,270,336	22,603,258	3,334,158
Amounts due to non-controlling interests	477,307	995,208	965,649	142,441	1,887,470	278,417
Amounts due to joint ventures and an associate	4,926,725	6,895,062	14,419,441	2,126,981	10,098,113	1,489,551
Taxation payable	1,472,710	1,334,245	1,838,829	271,242	2,523,877	372,292
Bank and other borrowings — due within one year	3,035,362	2,793,500	2,367,536	349,230	4,984,163	735,203
Corporate bonds	—	—	2,088,970	308,139	1,529,558	225,622
	<u>20,111,149</u>	<u>29,733,379</u>	<u>44,926,041</u>	<u>6,626,944</u>	<u>60,356,512</u>	<u>8,903,060</u>
Non-Current Liabilities						
Bank and other borrowings — due after one year	6,468,435	8,864,403	11,199,111	1,651,957	20,174,776	2,975,938
Senior notes	4,356,950	8,275,958	5,683,011	838,289	4,623,798	682,047
Corporate bonds	—	4,021,032	8,052,498	1,187,807	8,244,546	1,216,135
Deferred taxation liabilities	1,019,187	1,273,830	1,336,535	197,149	2,145,269	316,444
	<u>11,844,572</u>	<u>22,435,223</u>	<u>26,271,155</u>	<u>3,875,202</u>	<u>35,188,389</u>	<u>5,190,564</u>
Equity attributable to equity owners of the Company	10,205,049	12,827,097	14,980,162	2,209,691	16,391,278	2,417,842
Perpetual capital instruments	585,710	—	—	—	—	—
Other non-controlling interests	792,159	2,456,065	2,302,851	339,689	6,821,706	1,006,255
Total Equity	<u>11,582,918</u>	<u>15,283,162</u>	<u>17,283,013</u>	<u>2,549,380</u>	<u>23,212,984</u>	<u>3,424,097</u>

RISK FACTORS

You should carefully consider the risks and uncertainties described below and other information contained in this offering circular before making an investment decision. The risks and uncertainties described below may not be the only ones that we face. Additional risks and uncertainties that we are not aware of or that we currently believe are immaterial may also adversely affect our business, financial condition or results of operations. If any of the possible events described below occur, our business, financial condition or results of operations could be materially and adversely affected. In such case, we may not be able to satisfy our obligations under the Bonds, and you could lose all or part of your investment.

RISKS RELATING TO OUR BUSINESS

We are dependent on the performance of the property market in the PRC, particularly in the cities in which we develop our property projects and manage the properties we have developed.

Our business depends on the performance of the property market in the PRC, particularly in the cities where we have property projects. Any real estate market downturn in China generally or in the cities in which we have property projects may materially and adversely affect our business, financial condition and results of operations. The property market in the PRC is affected by many factors, including changes in the PRC's social, political, economic and legal environment, changes in the PRC government's fiscal and monetary policy, the lack of a mature and active secondary market for residential and commercial properties in China and consumer spending, all of which are beyond our control. In the event that we expand into markets outside of PRC in the future, our operations will also be subject to the performance of local property markets and government policies.

In addition, there may be over-supply of properties, economic downturn in China or austerity measures imposed by the PRC government generally or particularly in the cities where we have property projects, any of which may result in a decline in property sales or property prices nationally or regionally, resulting in a material adverse effect on our business, financial condition and results of operations.

Our profitability and results of operations are affected by the success of our business model and our ability to successfully expand our business in China and other markets.

Our business model is to have a business operation that is diversified in terms of geographic locations and the groups of customers whom we target. We have established a strong market position in Shanghai, Suzhou and other second-tier cities in the Yangtze River Delta, and have been active in expanding our business in Beijing, as well as in other selected second-tier cities in the PRC. Our success is dependent on our managerial and operational resources, capital contributions, and our knowledge of the needs of our target customers. We cannot assure you that our business model will be successful in all cities where we have a presence. If we fail to establish or expand our business model as anticipated, our business, financial condition and results of operations may be materially and adversely affected.

We also intend to further expand into other selected emerging cities in China and other markets with growth potential through land acquisitions or acquisition of companies with suitable land reserves. Expansion may place substantial strains on our managerial, operational and financial resources. In addition, we may not have the same level of familiarity with contractors, business practices, regulations, customer preferences, behavior and spending pattern as other local and more experienced property developers in such cities, which may put us in a less competitive position as compared to such property developers. Any failure to leverage our experience or failure to understand the property market of a city to which we want to expand in the PRC and other markets may have a material adverse effect on our business, financial condition and results of operations.

Our profit margin varies with each property development project, and we may not be able to sustain our existing profit margin.

We recorded gross profit margin of approximately 25.9%, 22.7% (24.1% as adjusted for the accounting effects due to an increase of equity interests in certain projects) and 25.4% and 31.6% for 2014, 2015 and 2016 and the six months ended June 30, 2017, respectively. Factors that may affect our gross profit margin include: (i) product mix, (ii) selling price and (iii) cost of development. We cannot assure you that we can always maintain or increase our gross profit margin. If we are unable to maintain our gross profit margin, our profitability may be materially and adversely affected.

We may not have adequate resources to fund our existing and future property development.

Property development is capital intensive. We historically have financed our property development projects primarily through a combination of internally generated funds, external financing including bank borrowings, trust financings and funds raised from capital markets. Our ability to procure sufficient financing for property development depends on a number of factors that are beyond our control, including general economic conditions in the PRC, performance and outlook of the property development industry in the PRC, our financial strength and performance, availability of credit from financial institutions, and regulatory measures instituted by the PRC government. We cannot assure you that we will be able to meet our sales targets or that we will be able to secure external financing on terms acceptable to us or at all. As a result, we may not be able to raise adequate funds for our operations in the future. As of June 30, 2017, our outstanding long-term and short-term bank and other borrowings under IFRS (not including senior notes and onshore bonds) were RMB20,174.8 million (US\$2,975.9 million) and RMB4,984.2 million (US\$735.2 million), respectively. As of June 30, 2017, we also had outstanding the 2015 Notes, the 2017 Notes, the First Tranche of 2015 Onshore Bonds, the Second Tranche of 2015 Onshore Bonds, the First Tranche of 2016 Onshore Bonds and the Second Tranche of 2016 Onshore Bonds with aggregate carrying amounts of RMB14,397.9 million (US\$2,123.8 million). Subsequent to June 30, 2017, we issued the August 2017 Perpetual Securities and the December 2017 Perpetual Securities in the aggregate principal amount of US\$300,000,000 and US\$300,000,000 on August 24, 2017 and on December 19, 2017, respectively. In addition, we issued the 2018 Notes in the aggregate principal amount of US\$300,000,000 on January 23, 2018.

The PRC government has in recent years taken a number of policy initiatives in the financial sector to further tighten lending requirements for property developers, which, among other things:

- forbid PRC commercial banks from extending loans to property developers to finance land premiums;
- restrict the grant or extension of revolving credit facilities to property developers that hold a large amount of idle land and vacant commodity properties;
- prohibit commercial banks from taking commodity properties that have been vacant for more than three years as security for mortgage loans;
- forbid property developers from using borrowings obtained from any local banks to fund property developments outside that local region;
- the minimum down payment of land premium of 50% must be paid within one month after the signing of a land grant contract and the rest of the land premium must be fully paid within one year after the signing of a land grant contract; and

- forbid commercial banks from issuing loans or providing loan extension services to a developer for its new projects if the developer has a record of maintaining idle land, changing the land use purpose and nature without proper approval, delaying the construction commencement or completion date, hoarding properties or other forms of non-compliance.

In addition, the People's Bank of China (the "PBOC") regulates the reserve requirement ratio for commercial banks in the PRC, which affects the availability and cost of financing from PRC commercial banks. The PBOC has adjusted the bank reserve requirement ratio six times in 2010, seven times in 2011 and twice in 2012. From January 2014 to February 2016, PBOC further adjusted the reserve requirement ratio eight times. The current reserve requirement ratio ranges from 13.0% to 16.5%.

We cannot assure you that the PRC government will not introduce other initiatives which may limit our access to capital resources. The foregoing and other initiatives introduced by the PRC government may limit our flexibility and ability to use bank loans or other forms of financing (such as trust financing) to finance our property developments and, therefore, may require us to maintain a relatively high level of internally sourced cash. We cannot assure you that we will be able to obtain sufficient financing or renew our existing credit facilities. As a result, our business, financial condition and results of operations may be materially and adversely affected.

We may not always be able to obtain land reserves that are suitable for our property development at commercially acceptable prices.

We derive our revenue principally from the sale of properties that we have developed. To maintain sustainable growth, we must replenish our land bank with suitable sites for development. Our ability to identify and acquire suitable land is subject to a number of factors, some of which are beyond our control. To the extent that we are unable to acquire suitable sites at commercially acceptable prices for our project development on a timely basis or at prices which will enable us to achieve reasonable returns, our business, financial condition and results of operations may be materially and adversely affected.

The PRC government controls all new land supply in the PRC and regulates land sales in the secondary market. As a result, the PRC government's land supply policies have a direct impact on our ability to acquire land use rights and our costs of acquisition. In recent years, the PRC central and local governments have implemented various measures to regulate the means by which property developers may obtain land and the manner in which land can be developed. The PRC government also controls land supply through zoning, land usage regulations and other measures. All these measures could intensify the competition for land in China among property developers. Please refer to the section headed "— Risks Relating to Our Industry — Our operations are subject to extensive governmental regulations, and in particular, we are susceptible to changes in policies related to the real estate industry in the PRC and the PRC government may adopt further measures to slow down growth in the real estate sector."

We maintain a certain level of indebtedness. Any recurrence of the global financial crisis and economic downturn or a deterioration of our cash flow position may materially and adversely affect our ability to service our indebtedness and to continue our operations.

We maintain a certain level of indebtedness to finance our operations. As of June 30, 2017, our total outstanding bank and other borrowings under IFRS (not including senior notes and onshore bonds) amounted to RMB25,158.9 million (US\$3,711.1 million). We also had outstanding the 2015 Notes, the 2017 Notes, the First Tranche of 2015 Onshore Bonds, the Second Tranche of 2015 Onshore Bonds, the First Tranche of 2016 Onshore Bonds and the Second Tranche of 2016 Onshore Bonds with carrying amounts of RMB14,397.9 million (US\$2,123.8 million) as of June 30, 2017. Subsequent to June 30, 2017, we issued the August 2017 Perpetual Securities and the December 2017 Perpetual Securities in the

aggregate principal amount of US\$300,000,000 and US\$300,000,000 on August 24, 2017 and on December 19, 2017, respectively. In addition, we issued the 2018 Notes in the aggregate principal amount of US\$300,000,000 on January 23, 2018. The cash flow and results of operations of our operating subsidiaries will affect our liquidity and our ability to service our indebtedness. We cannot assure you that we will be able to generate sufficient cash to service our indebtedness. If we are unable to make scheduled payments in connection with our debts and other fixed payment obligations when they become due, we may need to refinance such obligations or obtain additional financing. Our ability to do so will depend on a number of factors, many of which are beyond our control. We cannot assure you that our refinancing efforts would be successful or timely or that we could secure additional financing on acceptable terms, or at all. Furthermore, we have entered into loan agreements with various financial institutions in Hong Kong or in the PRC under which we have pledged certain collateral to secure their obligations. If we fail to maintain sufficient cash flow to service our indebtedness or if our refinancing efforts are otherwise unsuccessful, we may lose part or all of the pledged collateral, and our business, financial condition and results of operations may be materially and adversely affected.

In addition, the global capital and credit markets have in recent years experienced periods of extreme volatility and disruption. The global financial crisis in these years has caused banks and other credit providers to restrict the availability of new credit facilities and to require more collateral and higher pricing upon the renewal of existing credit facilities. The recurrence of the global financial crisis or prolonged disruptions to the credit market may further slow down the growth of the PRC economy and sales of property, limit our ability to raise funds from current or other funding sources, or cause our access to funds to be more expensive, which may materially and adversely affect our business, financial condition and results of operations.

In addition to bank and other borrowings, we rely on internally generated funds, in particular, pre-sale proceeds of our properties as a major source of funding for our operations. If our pre-sale activities are significantly limited or otherwise materially and adversely affected as a result of changes in the relevant PRC laws and regulations, the occurrence of a global economic downturn, or a significant economic slowdown in China generally or in the cities where we have properties, our cash flow position and ability to service our indebtedness may be materially and adversely affected. Furthermore, if banks or other financial institutions decline to provide additional loans to us or to re-finance our existing loans when they mature as a result of our perceived credit risk, and we fail to raise financing through other channels, our business, financial condition and results of operations may be materially and adversely affected.

Our profitability and results of operations are affected by changes in foreign exchange rates.

We conduct our business primarily in Renminbi. We are exposed to foreign exchange rate risk relating to (i) the portion of our bank deposits that we maintain in foreign currencies and (ii) foreign currency-denominated obligations. Since 2005, the PRC government has followed a policy under which the Renminbi is permitted to fluctuate within a narrow and managed band against a basket of certain foreign currencies. In 2007, the PBOC widened the floating band for the trading prices in the inter-bank foreign exchange market of the Renminbi against the U.S. dollar from 0.3% to 0.5% around the central parity rate. The floating band was further widened to 1.0% in 2012 and to 2.0% in 2014. These changes in currency policy resulted in the Renminbi appreciating against the U.S. dollar by approximately 33.0% from July 21, 2005 to December 31, 2014. However, in August 2015, the PBOC moved to devalue the Renminbi against the U.S. dollar and announced a policy change allowing a more market-based determination of the official fixing rate. Following such announcement, the Renminbi depreciated significantly against the U.S. dollar. In February 2017, the PBOC has adjusted its FX fixing formula, making adjustments to existing fixing model which was introduced in February 2016. In October 2016 RMB was formally included in IMF's Special Drawing Rights basket. Renminbi has witnessed multiple fluctuation in past one year. As a result, we reported a net exchange gain of RMB213.3 million

(US\$31.5 million) for the six months ended June 30, 2017 as compared to a net exchange loss of RMB163.9 million for the six months ended June 30, 2016. The PRC government may take further actions that could cause future exchange rates to vary significantly from current or historical exchange rates. A depreciation in the Renminbi could adversely affect the value of any dividends we pay to our shareholders outside the PRC, require us to use more Renminbi funds to service the same amount of any foreign currency debt and materially and adversely affect our financial condition and results of operations. Starting in early 2016, we adopted a hedging policy to actively manage our foreign exchange rate risk exposure relating to non-Renminbi denominated indebtedness and entered into U.S. dollar versus offshore Renminbi capped forward contracts to hedge certain of our foreign exchange rate risk exposure relating to non-Renminbi denominated indebtedness. However, our protection against Renminbi depreciation will be limited up to capped rates specified in the relevant contracts and may not be able to hedge against all of our foreign exchange rate risk. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations — Quantitative and Qualitative Disclosure of Market Risks — Foreign Exchange Rate Risk.”

Our profitability and results of operations are affected by changes in interest rates.

Changes in interest rates have affected, and will continue to affect, our financing costs. Except for certain offshore credit facilities, our bank borrowings are principally denominated in Renminbi. The interest rates on our Renminbi bank borrowings are primarily affected by the benchmark interest rate set by the PBOC, which has fluctuated significantly in recent years. The PBOC benchmark one-year lending rates in the PRC (which directly affects the property mortgage rates offered by commercial banks in the PRC) as of December 31, 2014, 2015 and 2016 and June 30, 2017 were 5.60%, 4.35% and 4.35% and 4.35%, respectively. In 2014, 2015 and 2016 and the six months ended June 30, 2017, our weighted average cost of indebtedness (calculated as the weighted average of interest costs of all bank and other borrowings and senior notes outstanding during the relevant year) was 8.3%, 7.2% and 5.5% and 5.0%, respectively. In addition, changes in interest rates may affect our customers’ ability to secure mortgages on acceptable terms, which, in turn, may affect their ability to purchase our properties. We cannot assure you that the PBOC will not increase lending rates further or otherwise discourage bank lending or that our business, financial condition and results of operations may not be materially and adversely affected as a result.

We may not be able to complete or deliver our development projects on time.

The progress and costs of a development project may be materially and adversely affected by many factors, including, without limitation:

- delays in obtaining necessary licenses, permits or approvals from governmental agencies or authorities;
- relocation of existing residents and/or demolition of existing buildings;
- shortages of or increase in costs of materials, equipment, contractors and skilled labor;
- availability and cost of financing;
- failure of contractors or suppliers to provide products and services as anticipated, due to financial difficulties or other reasons;
- labor disputes;
- construction accidents;
- natural catastrophes;

- adverse weather conditions; and
- changes in governmental policies.

As our revenue from sale of properties generally depends on our schedule of delivery of our properties, if completion of our development projects is delayed, our business, financial condition and results of operations may be materially and adversely affected. We cannot assure you that we will not experience any significant delays in completion or delivery of our projects, or that we will not be subject to any liabilities for any such delays. Liabilities arising from any delays in the completion or delivery of our projects may have a material adverse effect on our business, financial condition and results of operations.

Our results of operations fluctuate from period to period.

We derive our revenue principally from the sale of properties developed by us, and our results of operations may vary significantly from period to period. According to our accounting policies, our recognized revenue mainly depends on the project completion schedule. Periods in which we deliver properties with a higher aggregate GFA typically generate higher levels of revenue. However, our revenue is not evenly distributed over different periods of any particular year due to a combination of factors, which include the overall delivery schedules of our projects, the market demand for our properties, the timing of the sale of properties that we have developed and fluctuation in costs such as land costs and construction costs.

Consequently, our results of operations for any given period may not be indicative of the actual demand for our properties or the pre-sale or sales achieved during that period. Our revenue and profit during any given period generally reflect property purchase decisions made by purchasers at some time in the past.

We may not have adequate insurance to cover our potential losses and claims.

We do not maintain insurance against all risks associated with our industry, either because we have deemed it commercially unfeasible to do so, or because our insurers have carved certain risks out of their standard policies. We cannot assure you that we will not be sued or held liable for damages due to tortious acts. In addition, there are certain losses for which insurance is not available on commercially reasonable terms, such as losses suffered due to earthquake, war, civil unrest and certain other events of force majeure. If we suffer any loss, damage or liability in the course of our operations arising from events for which we do not have insurance cover, we may not have sufficient funds to cover such losses, damage or liabilities or to replace any property development that has been destroyed. The occurrence of any of the above events and the resulting payment we may make to cover any loss, damage or liability could have a material adverse effect on our business, financial condition and results of operations.

We may be affected by the performance of contractors.

We engage contractors to carry out various services, including construction, equipment installation, internal decoration, landscaping, pipeline engineering and lift installation. We select contractors mainly through a tender process. We cannot guarantee that any such contractor will provide satisfactory services or meet our quality standards. If the performance of a contractor is unsatisfactory, we may need to replace such contractor or take other actions to remedy the situation, which may materially and adversely affect the cost and construction progress of our projects. Furthermore, our contractors may undertake projects from other developers, engage in risky undertakings or otherwise encounter financial or other difficulties, which may cause delay in the completion of our property projects or cause additional costs. The occurrence of any of the above events may have a material adverse effect on our business, financial condition and results of operations.

Our profit margin is sensitive to fluctuations in the costs of construction materials.

A principal component of our cost of sales is construction costs, and historically, construction materials costs have been the primary driver of our construction costs. Construction costs include all of the costs for the design and construction of a project, including payments to third-party contractors and designers and cost of construction materials. Our construction costs are affected by a number of factors, such as changes in construction labor costs, location and types of properties, choice of materials, landscaping and investments in ancillary facilities. In particular, construction costs fluctuate as a result of changes in the prices of key construction materials such as steel and cement. Construction costs have a direct effect on our gross margin.

We procure construction materials through our contractors or by ourselves. If the costs of construction materials increase beyond the agreed or pre-determined price, the contractors may request to transfer such increase in costs to us by increasing their contractor fees. If we cannot pass on such increase to our customers, our profit margins will be adversely affected, and, as a result, our business, financial condition and results of operations may be materially and adversely affected.

We may be materially and adversely affected if we fail to obtain, or if there are material delays in obtaining, requisite governmental approvals for our property business.

The real estate industry in the PRC is heavily regulated by the PRC government. In order to undertake and complete a property development or to commence property leasing, a property developer must obtain various permits, licenses, certificates and other approvals from the relevant governmental and administrative authorities at various stages of the property development, including, but not limited to, land use rights certificates, construction land planning permits, construction work planning permits, construction work commencement permits, pre-sale permits, various qualification certificates and certificates of completion. Furthermore, in the event that we expand into markets outside of PRC, our operations will face regulations from local governments on their property sectors.

We cannot assure you that we will not encounter problems in obtaining such governmental approvals or in fulfilling the conditions required for obtaining the approvals, or that we will be able to comply with new laws, regulations or policies that may come into effect from time to time with respect to the real estate industry in general or the particular processes with respect to regulatory approvals. If we fail to obtain the relevant approvals or to fulfill the conditions of the approvals for our property development, those developments may not proceed on schedule. As a result, our business, financial condition and results of operations may be materially and adversely affected.

The PRC government may impose fines or other penalties on us if we fail to comply with the terms of the land grant contracts, and we may not be able to obtain land use rights certificates with respect to certain parcels of land.

Under PRC laws and regulations, if a property developer fails to comply with the terms of the relevant land grant contract, including those relating to the payment of land premium, scope of usage of the land and schedule for commencement and completion of the property development, the relevant PRC government authorities may issue a warning to or impose fines or other penalties on the developer. Specifically, under current PRC laws and regulations, if a developer fails to commence development for more than one year but less than two years from the commencement date stipulated in the land grant contract, the Ministry of Land and Resources of the PRC (the “MLR”) or its local branches may launch an investigation in respect of idle land. Upon the investigation, if the MLR or its local branches prove the land to be idle land, they will issue the Letter of Identification of Idle Land and impose an idle land fee on the land of 20% of the land premium specified in the contract. If a developer fails to commence development for more than two years from the commencement date stipulated in the land grant contract, the land may be subject to reclamation by the PRC government unless the delay in development is

caused by governmental actions or force majeure. In addition, even if the commencement of the development is in line with the relevant land grant contract, the land will nonetheless be treated as idle land if (i) the developed GFA on the land is less than one-third of the total GFA of the project or the total capital expenditure is less than one-fourth of the total investment of the project, and (ii) the development of the land has been suspended for over one year without governmental approval. We cannot assure you that circumstances leading to reclamation or significant delays in development schedules will not arise in the future. If any of our land is subject to reclamation, we will not only lose the opportunity to develop property projects on the land, but may also lose all our past investment in the land, including land premium paid and development costs incurred.

As of the date of this Offering Circular, we have not started construction of certain properties on several parcels of land owned by us in Foshan city. While these parcels of land have not been identified as idle land by the relevant PRC government authorities, there can be no assurance that the land will not be treated as idle land later or that we will not be subject to any punishment if the land is identified as such. Any such event could have a material adverse effect on our business, financial condition and results of operations.

As of June 30, 2017, we had certain parcels of land, with a total planned GFA of approximately 0.9 million sq.m., in respect of which we had not yet obtained land use rights certificates. Subsequent to June 30, 2017, we acquired 68 additional land projects for future development. If we fail to obtain the land use rights certificate for any of these parcels of land, we will not be able to commence development and may not be able to acquire other parcels of land as replacements. As a result, our business, financial condition and operating results may be materially and adversely affected.

We may not be able to realize the anticipated economic and other benefits from our joint ventures, and disputes with joint venture partners may adversely affect our business.

We have entered into joint ventures with other property developers to develop projects and may continue to do so in the future. We have limited experience in developing projects through joint ventures or in managing joint ventures and relationships with joint venture partners. The success of a joint venture depends on a number of factors, some of which are beyond our control. As a result, we may not be able to realize the anticipated economic and other benefits from our joint ventures. In addition, in accordance with PRC law, certain matters relating to joint ventures require the consent of all parties to the joint ventures. Joint ventures may involve risks associated with, among others, the possibility that our joint venture partners may:

- have economic or business interests or goals inconsistent with ours;
- take actions contrary to our instructions, requests or our policies or objectives;
- be unable or unwilling to fulfill their obligations under the relevant joint venture agreements;
- have financial difficulties; or
- have disputes with us as to the scope of their responsibilities and obligations.

We cannot assure you that we will not encounter problems with respect to our joint ventures which may have an adverse effect on our business operations, profitability and prospects.

Resettlement negotiations may add costs or cause delays to our development projects.

Currently, certain parts of our property developments in Shanghai CIFI La Baie D'Evian, Wuhan Yulong CIFI Peninsula and Wuhan Hanyang District Hanqiao Village Project Section B require demolition and resettlement. The sellers of the land are responsible for the demolition and resettlement

under PRC laws and regulations and the related contracts for the acquisition of the land, and are liable to pay additional demolition and resettlement costs. Given the nature of demolition and resettlement, which depends on various external factors that are beyond our control, we cannot guarantee when the demolition and resettlement will be completed. If the party responsible for the demolition or resettlement and the original residents fail to reach an agreement on the amount of compensation, either of them may apply to the relevant authorities for a ruling on the amount of compensation. Dissenting residents may also refuse to relocate. Such administrative process or resistance or refusal to relocate may delay the timetable of our development projects or, in extreme cases, prevent their completion. The occurrence of any of the above events may have an adverse effect on our business, financial condition and results of operations. In addition, any such delays may lead to an increase in costs or a delay in the expected cash inflow from pre-sales of the relevant projects, which may, in turn, materially and adversely affect our business, financial position and results of operations.

If any of our project developments in the future requires demolition and resettlement, we cannot assure you that the resettlement negotiation will proceed smoothly or our project developments will not be delayed. If such delay occurs, it could adversely affect our reputation, lead to an increase in development cost and a delay in the expected cash inflow from pre-sales of the relevant project and the recognition of sales as revenue upon completion, which may in turn adversely affect our business, financial position and results of operations.

Our operating results include the change in fair value of our investment properties, which may fluctuate significantly over financial periods and may materially and adversely affect our business, financial condition and results of operations.

For 2014, 2015 and the six months ended 2017, we had fair value gains of our investment properties of RMB241.2 million, RMB128.1 million and RMB19.3 million, respectively, accounting for approximately 7.3%, 3.4% and 0.5%, respectively, of our profit before tax in those periods. However, for 2016, we recognized a fair value loss on investment properties of RMB100.4 million (US\$14.8 million) mainly due to the reduction of the overall capital value and/or rental value of our investment properties. The fair value in relation to our investment properties may continue to fluctuate in the future. Our business, financial condition and results of operations may be materially and adversely affected by any significant changes in the fair value of our investment properties completed or under development or any transfer of properties held for sale/under development to investment properties.

Our profitability and results of operations are affected by the development and profitability of our property rental segment and our ability to continue to attract and maintain key tenants.

In 2016, rental income accounted for 0.3% of our total revenue. As we seek to increase our portfolio of investment properties, rental income may become an increasingly important contributor to our revenue going forward. We may not, however, be able to identify new tenants or secure existing tenants for our properties. An increase in the number of competing properties, particularly in close proximity to our properties, could increase competition for tenants, reduce the relative attractiveness of our properties and force us to reduce rents or incur additional costs in order to make our properties more attractive. If there is a significant downturn in the commercial property leasing markets generally or in the cities where we have investment properties, we may not be able to maintain our current levels of rental income. Our inability to expand our portfolio of commercial properties for lease and operations, to secure suitable tenants or otherwise to enhance the profitability of our leasing segment or to maintain our current levels of rental income may have an adverse effect on our business, financial condition and results of operations.

We are subject to certain restrictive covenants and risks normally associated with debt financing, which may limit or otherwise materially and adversely affect our business, financial condition and results of operations.

We are subject to certain restrictive covenants in our loan and financing agreements with certain banks, including certain offshore facilities, the 2015 Notes, the 2017 Notes, the 2018 Notes, the August 2017 Perpetual Securities, the December 2017 Perpetual Securities, the 2015 Club Loan Facilities, the 2016 Club Loan Facilities, the 2017 Club Loan Facilities and the September 2017 Club Loan Facilities. See “Description of Other Material Indebtedness and Obligations.” Some of our loan agreements contain cross-default clauses. If any cross default occurs, these banks are entitled to accelerate payment of all or any part of the indebtedness owing under all the loan agreements and to enforce all or any of the security for such indebtedness. In addition, certain loan agreements contain covenants pursuant to which we or our relevant PRC operating subsidiaries may not enter into merger, joint venture or restructuring, decrease our registered share capital, transfer material assets, liquidate, change our shareholding, or distribute dividends without the relevant lenders’ prior written consent or unless we fully settle the outstanding amounts under the relevant loan agreements. If we fail to comply with the restrictions and covenants in our relevant loan and financing agreements, the lenders of our debt could terminate their commitments to lend to us, accelerate repayment of the debt and declare all amounts borrowed due and payable or terminate the agreements. If any of these events occur, we cannot assure you that our assets and cash flow will be sufficient to repay in full all of our indebtedness, or that we will be able to find alternative financing on terms that are favorable or acceptable to us, or at all and the occurrence of any of the above events may have a material adverse effect on our business, financial condition and results of operations.

A deterioration in our brand image may materially and adversely affect our business, financial condition and results of operations.

We rely to a significant extent on our brand name and image to attract potential customers to our properties. Any negative incident or negative publicity concerning us or our properties may materially and adversely affect our reputation and business prospects. Brand value is based largely on consumer perceptions with a variety of subjective qualities and can be damaged even by isolated business incidents that degrade consumer trust. Consumer demand for our properties and our brand value could diminish significantly if we fail to preserve the quality of our properties or fail to deliver a consistently positive consumer experience in our properties, or if we are perceived to act in an unethical or socially irresponsible manner. Any negative publicity and the resulting decrease in brand value, or failure to establish our brand may have a material adverse effect on our business, financial condition and results of operations.

Our success depends on the continued services of our executive directors and members of our senior management.

Our success in implementing proposed plans and maintaining growth in our profitability largely depends on the continued services provided by our executive directors and members of our senior management. In addition, along with our steady growth and expansion into other cities in China, we will need to employ, train and retain employees on a much larger geographical scale. The ability to attract skilled employees is dependent on the resources available in each geographic area. Furthermore, labor supply will be impacted by the economic condition of each geographic area, and we cannot assure you that our labor costs will not increase as a result of a shortage in the supply of skilled personnel. If any member of our core management team leaves and we fail to find a suitable substitute or we cannot attract and retain the management personnel necessary to maintain efficient operations, our business, financial condition and results of operations may be materially and adversely affected.

We may not be able to successfully manage our growth.

We have been continuously expanding our operations in recent years. As we continue to grow, we must continue to improve our managerial, technical and operational knowledge and allocation of resources, and to implement an effective management information system. To effectively manage our expanded operations, we need to continue to recruit and train managerial, accounting, internal audit, engineering, technical, sales and other staff to satisfy our development requirements. In order to fund our ongoing operations and our future growth, we need to have sufficient internal sources of liquidity or access to external financing sources. Furthermore, we will be required to manage relationships with a greater number of customers, suppliers, contractors, service providers, lenders and other third parties. We will need to further strengthen our internal control and compliance functions to ensure that we are able to comply with our legal and contractual obligations and reduce our operational and compliance risks. We cannot assure you that we will not experience issues such as capital constraints, construction delays, operational difficulties at new locations, or difficulties in expanding our existing business and operations and in training an increasing number of personnel to manage and operate the expanded business. Our expansion plans may also adversely affect our existing operations and thereby have a material adverse effect on our business prospects, results of operations and financial condition.

Our controlling shareholders are able to exercise substantial influence over our corporate policies and direct the outcome of corporate actions.

As of the date of this offering circular, approximately 56.85% of the total issued share capital of the Company is beneficially owned by Mr. Lin Zhong, Mr. Lin Wei and Mr. Lin Feng, the founders of our Group and the executive directors of our Company. Subject to compliance with applicable laws, by maintaining such ownership, Mr. Lin Zhong, Mr. Lin Wei and Mr. Lin Feng are able to exercise substantial influence over our corporate policies and our business, appoint our directors and officers and vote on corporate actions requiring shareholders' approval. In particular, the strategic goals and interests of Mr. Lin Zhong, Mr. Lin Wei and Mr. Lin Feng may not be aligned with our strategy and interests and could reduce the level of management flexibility that would otherwise exist with a more diversified shareholder base. The interests of our controlling shareholders may differ from those of the holders of the Bonds. We cannot assure you that our controlling shareholders will act completely in the interests of the holders of the Bonds or that possible conflicts of interest will be resolved in favor of the holders of the Bonds.

We may be involved in disputes, administrative, legal and other proceedings arising out of our operations from time to time and may face significant liabilities or damage to our reputation as a result.

We may be involved in disputes with various parties involved in the development and sale of our properties, including contractors, suppliers, construction workers, tenants, residents of surrounding areas, business partners and purchasers. These disputes may lead to protests and legal or other proceedings and may result in damage to our reputation, substantial costs, delay in our development schedule and diversion of resources and management's attention.

We carry out some of our business through joint ventures with our business partners. Such joint venture arrangements involve a number of risks, including, but not limited to:

- disputes with our business partners in connection with the performance of their obligations under the relevant project or joint venture arrangements;
- disputes as to the scope of each party's responsibilities under these arrangements;

- financial difficulties encountered by a business partner affecting its ability to perform its obligations under the relevant project or joint venture arrangements; and
- conflicts between the policies or objectives adopted by our business partners and those adopted by us.

Furthermore, as some of our projects comprise multiple phases, purchasers of our properties in earlier phases may commence legal action against us if our subsequent planning and development of the projects is perceived to be inconsistent with our representations and warranties made to such earlier purchasers.

In addition, we may have compliance issues or disagreements with regulatory bodies in the course of our operations, which may subject us to administrative proceedings and unfavorable decrees that may result in liabilities and cause delays to our property development. We may also be involved in disputes or legal proceedings in relation to delays in the completion and delivery of our projects. The occurrence of any of the above events may have a material adverse effect on our business, financial condition and results of operations. Finally, any failure or alleged failure by us or any of our directors, officers or other agents to fully adhere to the PRC or other applicable anti-corruption laws or regulations, any investigation in relation to such failure or alleged failure by any regulatory body, or any failure to comply with other applicable laws or regulations could materially and adversely affect our reputation and our business, financial condition and results of operations.

Our business, financial condition, results of operations and prospects may be adversely affected as a result of negative media coverage relating to us or the property market in which we operate.

We may be subject to and associated with negative publicity, including those on the Internet, with respect to our corporate affairs and conduct related to our personnel, the property market in which we operate may also be subject to negative reports or criticisms by various media, including in relation to incidents of fraud and bribery. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. Nonetheless, any negative coverage, whether or not related to us or our related parties and regardless of truth or merit, may have an impact on our reputation and, consequently, may undermine the confidence of our customers and investors, which may in turn materially and adversely affect our business, financial condition, results of operations and prospects.

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

Property developers in the PRC are subject to a variety of laws and regulations concerning the protection of health and the environment. The particular environmental laws and regulations which apply to any given project development site vary greatly according to the location, the environmental condition and the present and former uses of the site, as well as adjacent properties. The relevant property development project may be delayed due to our efforts to comply with environmental laws and regulations may result in delays in development. In some environmentally sensitive regions or areas, the compliance costs could be prohibitively expensive. In addition, each property development project is required by the relevant PRC laws and regulations to undergo environmental assessments and to submit an environmental impact assessment report to the relevant government authorities for approval before commencement of construction. Failure to obtain such approval prior to construction may result in suspension of construction and penalties.

The environmental investigations conducted relating to each of our property development projects to date have not revealed any material environmental liability. However, it is possible that these investigations did not reveal all environmental liabilities, and there may be environmental liabilities of which we are unaware that may have a material adverse effect on our business, financial condition or results of operations.

The terms on which mortgage loans are available to purchasers of our properties, if at all, may affect our sales.

Many purchasers of our properties rely on mortgages to fund their purchases. An increase in interest rates may significantly increase the cost of mortgage financing, thus reducing the attractiveness of mortgages as a source of financing for property purchase and adversely affecting the affordability of properties. In addition, the PRC government has in recent years implemented measures to tighten mortgage financing, and the PRC government and commercial banks may further increase the down payment requirement, impose other conditions or otherwise change the regulatory framework in a manner that would make mortgage financing unavailable or unattractive to potential property purchasers. Furthermore, mortgagee banks may not lend to any individual borrower if the monthly repayment of the anticipated mortgage loan would exceed 50% of the individual borrower's monthly income.

Each of the China Banking Regulatory Committee (the "CBRC") and PBOC in recent years has issued regulations on, among other things, the minimum interest rate, down payment and minimum interest for mortgage loans. In the event that the mortgage loans for property purchasers becomes more difficult to obtain or that the cost of such financing increases, many of our prospective customers who rely on such financing may not be able to purchase our properties and, as a result, our business, financial condition and results of operations may be materially and adversely affected.

In line with industry practice, we provide guarantees to banks for mortgages they offer to our purchasers until the time when we complete the relevant properties and the property ownership certificates and the certificates of other interests with respect to the relevant properties are delivered to the mortgagee banks. If a purchaser defaults on a mortgage loan, we may have to repossess the underlying property by paying off the mortgage. If we fail to do so, the mortgagee bank may sell the underlying property and recover any additional outstanding amount from us as the guarantor of the mortgage loan.

As of June 30, 2017, our outstanding guarantees in respect of our customers' mortgage loans amounted to RMB7,792.6 million (US\$1,149.5 million). If any material defaults occur which require us to honor our guarantees and we cannot resell the repossessed properties at appropriate prices, our business, financial condition and operating results may be materially and adversely affected. We cannot assure you that changes in laws, regulations, policies or practices which may prohibit or restrict property developers from providing guarantees to banks in respect of mortgages offered to property purchasers will not occur in the PRC in the future. If there are such changes in laws, regulations, policies or practices that would prohibit property developers from providing guarantees to banks in respect of mortgages offered to property purchasers and these banks do not accept any alternative guarantees by third parties, or if no third party is available or willing in the market to provide such guarantees, it may become more difficult for property purchasers to obtain mortgages from banks and other financial institutions during sales and pre-sale of our properties. Such difficulties in financing could result in substantially lower sales and pre-sale of our properties, which may materially and adversely affect our cash flow, business, financial condition and results of operations.

Intensified competition may materially and adversely affect our business, financial condition and results of operations.

Competition within the PRC real estate industry is intense. In recent years, many competitors, including large-scale nationwide and overseas property developers have entered the property development markets in cities of China where we have operations. Many of them may have more financial, marketing, technical or other resources than us. Competition among property developers may cause an increase in land premium and raw material costs, shortages in quality construction contractors, surplus in property supply leading to decreasing property prices, further delays in issuance of governmental approvals, and higher costs to attract or retain skilled employees. If we fail to compete effectively, our business, financial condition and results of operations may be materially and adversely affected.

Our investment properties are illiquid.

Investments in properties are in general illiquid compared to many other types of investments. Therefore, our ability to sell one or more of our investment properties in response to changing economic, financial and investment conditions promptly, or at all, is limited. We cannot assure you that we will be able to sell any of our investment properties at prices or on terms satisfactory to us, if at all. We cannot predict the length of time needed to find a purchaser and to complete the sale of a property currently held or planned to be held for investment purposes. Moreover, should we decide to sell a property subject to a tenancy agreement, we may have to obtain consent from or pay termination fees to our tenant. In addition, investment properties may not be readily convertible to alternative uses if they become unprofitable due to competition, age, decreased demand or other factors. The conversion of investment properties to alternative uses generally requires substantial capital expenditures. In particular, we may be required to expend funds to maintain properties, correct defects, or make improvements before a property can be sold and we may not have sufficient funds available for such purposes. These factors and any others that would impede our ability to respond to adverse changes in the performance of our investment properties may materially and adversely affect our ability to retain tenants and to compete against our competitors and therefore our business, financial condition and results of operations may be materially and adversely affected.

We may be required to forfeit land if we fail to comply with the terms of land grant contracts.

Under PRC law, if we fail to develop a property project according to the terms of the land grant contract, including those relating to the payment of land premium, the designated use of the land and the schedule for commencing and completing the development, the relevant government authorities may issue a warning, impose a penalty and/or liquidated damages, or require us to forfeit the land. Any violation of the land grant contract may also restrict or prevent us from participating in future land bidding.

Under current PRC law, if we fail to commence the development of a parcel of land for more than one year from the commencement date stipulated in the land grant contract, the relevant PRC land bureau may serve a warning notice on us and impose an idle land fee of up to 20% of the land assignment or allocation fee. If we fail to commence development for more than two years from the relevant commencement date stipulated in the land grant contract, the land will be subject to forfeiture to the PRC government. Moreover, even if the commencement of the property development satisfies the stated requirements of the land grant contract, if the developed GFA is less than one-third of the total planned GFA of the project or the total capital invested is less than one-fourth of the total planned investment the project, and development of the land is suspended continuously for more than one year without government approval, the land will still be treated as idle land. In the Notice on Promoting the Saving and Intensification of Use of Land (國務院關於促進節約集約用地的通知) promulgated by the State Council in January 2008, the aforesaid policy was reinforced. This notice states, among other

things, that the MLR and other authorities are required to conduct research on and commence drafting of implementation rules concerning the levy of land appreciation fees on idle land. Furthermore, the MLR issued a Notice on Restricting the Administration of Construction Land and Promoting the Use of Approved Land (關於嚴格建設用地管理促進批而未用土地利用的通知) in August 2009, which reiterates the current rules regarding idle land. In September 2010, the MLR and the Ministry of Housing and Urban-Rural Development (“MOHURD”) jointly issued the Notice On Further Strengthening the Administration and Control of Real Estate Land and Construction (關於進一步加強房地產用地和建設管理調控的通知), which provides that a property developer and its shareholders will be prohibited from participating in land bidding before any illegal behaviors in which it engages, such as (1) having land idle for more than one year on its own reasons; (2) illegal transfer of land use rights; (3) noncompliance with the land development requirements specified in a land grant contract; and (4) crimes such as taking land by forging official documents and illegal land speculation, have been completely rectified. We cannot assure you that circumstances leading to imposition of penalty, liquidated damages or forfeiture of our land will not arise in the future. If we are deemed as holding land idle for more than one year without cause or are required to forfeit land, we may lose the opportunity to develop the relevant land, our investments in the land, including land premiums paid and development costs incurred, and our ability to bid for other land in the future, any of which could materially and adversely affect our business prospects, results of operations and financial condition.

On July 19, 2012, the MLR and the MOHURD promulgated the Urgent Notice on Further Tightening the Management of Land for Real Estate and Consolidating the Achievements of Regulation and Control of the Real Estate Market 《國土資源部住房城鄉建設部關於進一步嚴格房地產用地管理鞏固房地產市場調控成果的緊急通知》. The notice provides that all regions shall strictly implement the Measures for the Disposal of Idle Land, deal with the early warning information on idle land displayed in the system for the monitoring and supervision of transactions in the land market, early discover and handle such information, and urge the timely formation of effective supply of land granted. With regard to users who have committed acts such as failing to make payment for land granting, leaving land idle, hoarding land and land speculation, developing land in excess of their actual development capacity or failing to fulfil a land use contract, the competent departments of land and resources of counties and cities shall forbid them from participating in land bidding within a certain period of time.

The total GFA of our projects under development or future property developments may exceed the original GFA authorized in the land grant contract and we may need to obtain additional government approvals and be subject to additional payments.

When the PRC government grants the land use rights for a parcel of land, it will specify in the land use rights grant contract the designated use of the land and the total GFA that the developer may develop on the land. The actual GFA constructed, however, might have exceeded the total GFA authorized in the land use rights grant contract due to various factors such as subsequent planning and design adjustments. The amount of GFA in excess of the authorized amount is subject to approval when the relevant authorities inspect the properties after their completion and the developer may be required to pay additional land premium in respect of such excess GFA. In addition, if we fail to obtain the completion certificate due to such excess GFA, we will not be allowed to deliver the relevant properties to the purchasers or recognize the revenue from the relevant pre-sold properties and may also be subject to liabilities under the pre-sale contracts. If this occurs, our business prospects, results of operations and financial condition may be materially and adversely affected.

RISKS RELATING TO OUR INDUSTRY

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

The economic slowdown and turmoil in the global financial markets that started in the second half of 2008 have had a negative impact on the world economy, which in turn has affected the PRC real estate industry. As financial institutions, companies, investors and consumers attempted to retrench in an effort to reduce exposure, save capital and weather the economic contraction, the demand for and hence value of real estate and the supply of credit decreased. Although the real estate market has recovered in the past year, any economic slowdown in the future could affect our property investment and property development projects. In addition, banks in the PRC have been tightening credit since 2010 after extensive lending in the first half of 2009. This may cause an increase in the interest expense on our bank borrowings, or banks may reduce the amount of, or discontinue, banking facilities currently available to us.

These and other issues resulting from the global economic slowdown and financial market turmoil have adversely affected, and may continue adversely affecting, property purchase and leasing activities, which may lead to a decline in the general demand for our properties and erosion of their sale or rental prices. In addition, any further tightening of liquidity in the global financial markets may negatively affect our liquidity. Therefore, if the global economic slowdown and turmoil in the financial markets continue, our business, financial condition and results of operations may be adversely affected.

Our operations are subject to extensive governmental regulations, and in particular, we are susceptible to changes in policies related to the real estate industry in the PRC, and the PRC government may adopt further measures to slow down growth in the real estate sector.

Our business is subject to extensive governmental regulations. As with other PRC property developers, we must comply with various requirements mandated by the relevant PRC laws and regulations, including the policies and procedures established by local authorities designed for the implementation of such laws and regulations. In particular, the PRC government exerts considerable direct and indirect influence on the PRC property sector by imposing industry policies and other economic and fiscal measures, such as control over the supply of land for property development, foreign exchange, property financing, taxation and foreign investment.

From 2004 to the first half of 2008, in response to concerns over the scale of the increase in property investment and the overheating of the property sector in the PRC, the PRC government introduced policies to restrict development in the property sector, including, among other things:

- limiting monthly mortgage payments to 50% of an individual borrower's monthly income and limiting all monthly debt service payments of an individual borrower to 55% of his or her monthly income;
- suspending or restricting land grants and development approvals for villas and larger sized units;
- charging an idle land fee for land which has not been developed for one year starting from the commencement date stipulated in the land use rights grant contract and voiding land use rights for land which has not been developed for two years or more;
- prohibiting any onward transfer of pre-sold properties before the ownership certificate is obtained;

- requiring that at least 70% of the land supply approved by a local government for residential property development for any given year be used for developing low- to medium-cost and small to medium-size units and low-cost rental properties;
- requiring that at least 70% of residential projects approved or constructed on or after June 1, 2006 consist of units with floor area of less than 90 sq.m. per unit, and that projects which have received project approvals prior to this date but have not obtained construction permits to adjust their construction plan in order to be in compliance with this new requirement, with the exception of municipalities under direct administration of the PRC government, provincial capitals and certain cities which may deviate from this ratio under special circumstances upon the approval by the Ministry of Construction (the “70:90 rule”);
- tightening availability of bank loans to property developers and purchasers of developed properties and increasing the reserve requirements for commercial banks;
- imposing or increasing taxes on short-term gains from second-hand property sales;
- restricting foreign investment in the property sector by, among other things, increasing registered capital and other requirements for establishing foreign-invested real estate enterprises, tightening foreign exchange control and imposing restrictions on purchases of properties in China by foreign individuals and institutions; and
- limiting the number of the residential properties that a single household may purchase.

Regional and local governments are responsible for the implementation of the 70:90 rule. We have not, so far, seen this policy being stringently applied across all its applicable regions in China. If for any reason, political, economic, social or otherwise, these regional or local governments begin to stringently implement this policy, this may lead to an oversupply of units with floor area of less than 90 sq.m., increasing competition in this market segment and affecting the prices and profit margins of such type of property. This may also affect our existing and future business development plans. As a result, our business, financial condition, results of operations and prospects may be adversely affected.

Starting from late 2009, the PRC government has adopted a series of new policies to cool down the property market, including, among other things:

- abolishing certain preferential treatments relating to business taxes payable upon transfers of residential properties by property owners and imposing more stringent requirements on the payment of land premium by property developers;
- imposing property purchase restrictions on non-local citizens, decreasing the maximum loan to value ratio of mortgage loans offered to borrowers;
- increasing the minimum down payment to at least 60% of the total purchase price for second-house purchases with a minimum lending interest rate of at least 110% of the benchmark rate;
- restricting purchasers, in certain targeted cities, from acquiring second (or further) residential properties and restricting non-residents who cannot provide proof of local tax or social security payments for more than a specified time period from purchasing any residential properties;
- levying business tax on the full amount of transfer price if an individual owner transfers a residential property within five years of purchase;

- launching new property tax schemes in certain cities such as Shanghai and Chongqing on a trial basis, levying property tax on part of individual residential properties in these two cities;
- urging provincial governments to implement home purchase restrictions to control property prices, and listed certain criteria for the implementation of restrictions, and in the second half of 2011, extending such home purchase restrictions to certain second-tier cities in addition to the first- and second-tier cities which have already adopted home purchase restriction measures;
- strictly enforcing the idle land related law and regulations; and
- restricting the grant or extension of revolving credit facilities to property developers that hold a large amount of idle land and vacant commodity properties.

On February 20, 2013, the State Council announced five measures on the control of the PRC property market, including: (1) stabilizing property prices. Each major city in China is required to compile and announce its target for 2013 on how to control the prices of newly completed commodity properties; (2) strictly limiting speculative purchase of properties. Restrictions on purchasing commodity properties should be strictly implemented; expand the scope of experimental taxation against residential properties held by individuals; (3) increasing the supply of small to medium-sized commodity properties and lands; (4) accelerating the construction of housing for low-income individuals; and (5) strengthening the supervision of the property market.

On March 1, 2013, the State Council issued the Notice on Continuing Adjustment and Control of Property Markets 《關於繼續做好房地產市場調控工作的通知》 which, among other restrictive measures, provides that further restraining measures are to be adopted to strengthen the regulation of the property market. Major cities which have implemented the commodity housing purchase restrictions are required to enforce purchase restrictions in all administrative areas of cities and restricted housing are to include new commodity housing and second-hand housing. Non-local residents who have one or more residential properties and fail to provide one-year or longer tax payment certificates or social insurance payment certificates will be barred from purchasing any residential properties located in the administrative areas subject to restrictions. For cities where housing prices are increasing at an excessively high rate, local branches of the PBOC may further raise the down-payment rate and mortgage interest rate for the purchase of a second residential property. In addition, the Notice stipulates that a 20% individual income tax on profits from sales of properties will be strictly enforced. Financial institutions, subject to credit requirements, will prioritize requests for mortgages for ordinary commodity housing construction projects in which medium and small housing units constitute 70% or more of the total units in such construction projects.

In March 2015, the PBOC, CBRC and the MOHURD jointly issued the Circular on Issues concerning Individual Housing Loan Policies 《關於個人住房貸款政策有關問題的通知》. Pursuant to the circular, the minimum down payment ratio is lowered to 40% for the family that owns a residential property and has not paid off its existing mortgage loan applying for a new mortgage loan to purchase another ordinary residential property to improve living conditions and the banks are allowed to decide at their own discretion the down payment ratio and loan interest rate taking into consideration the solvency and credit standing of the borrower. Furthermore, according to a notice jointly issued by the State Administration of Taxation (“SAT”) and the Ministry of Finance (“MOF”), effective from March 31, 2015, a business tax will be levied on the entire sales proceeds from resale of properties if the holding period is shorter than two years, and if the holding period is more than two years, business tax for transfer of ordinary residences will not be imposed, whereas for the transfer of non-ordinary residences (as defined in relevant regulations) business tax shall be paid on the basis of price difference between the sales proceeds and payment for original purchase. According to the Circular on Comprehensively Promoting the Pilot Program of the Collection of Value-added Tax in Lieu of Business Tax 《關於全面推

開營業稅改徵增值稅試點的通知) (“Circular 36”), which was promulgated by SAT and MOF, the pilot program of the collection of value-added tax in lieu of business tax shall be promoted nationwide in a comprehensive manner as of May 1, 2016. All taxpayers of business tax engaged in the building industry, the real estate industry, the financial industry and the life service industry shall be included in the scope of the pilot program with regard to payment of value-added tax instead of business tax. Entities and individuals engaged in sales of real property within the territory of the PRC are value-added taxpayers, and shall pay value-added tax rather than business tax according to these measures. We expect that the introduction of these new tax measures will involve a transition period during which regulators and taxpayers adapt to the new tax policies. During such transition period, there could be some uncertainty regarding the implementation of the new tax measures and the calculation of our tax liabilities. We cannot assure you that the implementation of such tax measures will not increase our tax liability or decrease any profits we might have in the future.

We cannot assure you that the PRC government will not adopt more stringent policies, regulations and measures in the future. We are not certain when or whether such tax reforms will be imposed and neither can we assess the adverse impact of such new tax policies on our business operations and financial results. If we fail to adapt our operations to such new policies, regulations and measures that may come into effect from time to time with respect to the real property industry, or such policy changes disrupt our business or cause us to incur additional costs, our business, financial condition, results of operations and prospects may be materially and adversely affected.

The full-fledged levy of value added tax on revenues from a comprehensive list of service sectors may subject our revenues to an average higher tax rate.

Pursuant to Circular 36 issued on March 23, 2016 and implemented on May 1, 2016 by the MOF and the SAT, effective from May 1, 2016, PRC tax authorities have started imposing value-added tax on revenues from various service sectors, including the real estate sector, to replace the business tax that co-existed with value-added tax for over 20 years. See “— Our operations are subject to extensive governmental regulations, and in particular, we are susceptible to changes in policies related to the real estate industry in the PRC, and the PRC government may adopt further measures to slow down growth in the real estate sector.” Since the issuance of Circular 36, the MOF and SAT have subsequently issued a series of tax circulars in March and April 2016 to implement the collection of VAT on revenues from construction, real estate, financial services and lifestyle services. The VAT rates applicable to us may be generally higher than the business tax rate we were subject to prior to the implementation of Circular 36. For example, the value-added tax rate for the sale of self-developed real estate projects has increased from 5% (the business tax rate that we were subject to) to 11%. Unlike business tax, the value-added tax is only imposed on added value, which means the input tax incurred from our construction and real estate can be offset from our output tax. However, details of concrete measures are still being formulated in accordance with Circular 36. We are still in the process of assessing the comprehensive impact of the new value-added tax regime on our tax burden, our revenues and results of operations, which remains uncertain.

Changes in PRC laws and regulations with respect to pre-sale may materially and adversely affect our business performance.

We depend on cash flows from the pre-sale of properties as an important source of funding for our property development. Under current PRC laws and regulations, property developers must fulfill certain conditions before they can commence pre-sale of the relevant properties and may only use pre-sale proceeds to finance their development. We cannot assure you that the PRC government will not implement further restrictions on property pre-sale, such as imposing additional conditions for obtaining pre-sale permits or imposing further restrictions on the use of pre-sale proceeds. The adoption of any such measures may materially and adversely affect our cash flow position and force us to seek alternative sources of funding to finance our project development.

We are exposed to pre-sale related contractual and legal risks.

We make certain undertakings in our sale and purchase agreements, including delivering completed properties and property ownership certificates to the customers within the period stipulated in the sale and purchase agreements. These sale and purchase agreements and the relevant PRC laws and regulations provide for remedies for breach of such undertakings. For example, if we pre-sell a property project and fail to complete that property project, we will be liable to the purchasers for their losses. Should we fail to complete a pre-sale property project on time, our purchasers may seek compensation for late delivery pursuant to either their contracts with us or relevant PRC laws and regulations. If our delay extends beyond a specified period, our purchasers may terminate the sale and purchase agreements and claim compensation. A purchaser may also claim damages against us if the GFA of the relevant unit, as set out in the individual property ownership certificate, deviates by more than 3% from the GFA of that unit set out in his or her contract. We cannot assure you that we will not experience significant delays in the completion and delivery of our projects, nor that the GFA for a delivered unit will not deviate more than 3% from the GFA set out in the relevant pre-sale contract, which may have a material adverse effect on our business, financial condition and results of operations.

We are required to deliver individual property ownership certificates in a timely manner and the failure to do so may result in claims against us.

According to the relevant PRC laws and regulations, property developers are typically required to assist purchasers in the registration and application for the relevant individual property ownership certificates within 90 days after delivery of the property or within a time frame set out in the relevant sale and purchase agreements. Property developers, including us, generally elect to specify the deadline for the delivery of the individual property ownership certificates in the sale and purchase agreements to allow sufficient time for the application and approval process. Under current regulations, we are then required to submit requisite governmental approvals in connection with our property development, including land use rights documents, construction work planning permits and certificates of completion, to the local bureau of land resources and housing administration after the receipt of the certificates of completion for the relevant properties and to apply for the general property ownership certificates in respect of these properties. Within regulated periods after delivery of the properties, we are required to submit the relevant sale and purchase agreements and identification documents of the purchasers, together with the general property ownership certificates, for the bureau's review before its issuance of the individual property ownership certificates in respect of the properties purchased. Delay by the various administrative authorities in reviewing the relevant applications and granting the relevant approvals as well as other factors may affect timely delivery of the general, as well as individual, property ownership certificates.

Property developers, including us, may become liable for monetary penalties to purchasers for late delivery of the individual property ownership certificates due to delays in the administrative approval processes or for any other reason beyond our control. We cannot assure you that we will be able to timely deliver all property ownership certificates in the future or that we will not be subject to any liabilities as a result of any late deliveries of property ownership certificates.

The relevant PRC tax authorities may challenge the basis on which we calculate our land appreciation tax ("LAT") obligations.

Under PRC laws and regulations, our PRC subsidiaries that are engaged in the property development business are subject to LAT as determined by the local authorities in the location in which each project is located. All income from the transfer of state-owned land use rights, buildings and their attached facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation value as defined in the relevant tax laws. Certain exemptions are available for the sale of ordinary residential properties if the appreciation values do not exceed 20% of the total deductible items

as defined in the relevant tax laws. Sales of commercial properties are not eligible for such an exemption. Whether a property qualifies for the ordinary residential property exemption is determined by the local government. Sales of higher-end properties and commercial properties are generally assessed at higher appreciation values, and are therefore generally subject to higher LAT rates. On December 28, 2006, the SAT promulgated the Notice on the Settlement Management of Land Appreciation Tax on Real Estate Enterprises 《關於房地產開發企業土地增值稅清算管理有關問題的通知》, which took effect on February 1, 2007. Such notice provides further clarifications as to the settlement of LAT. Local provincial tax authorities can formulate their own implementation rules according to the notice and local situations. On May 12, 2009, the SAT issued the Regulations of Land Appreciation Tax Settlement Administration 《土地增值稅清算管理規程》 effective on June 1, 2009, which further clarifies the specific conditions and procedures for the settlement of LAT. On May 25, 2010, the SAT published the Circular on Strengthening the Collection and Administration of Land Appreciation Tax 《關於加強土地增值稅徵管工作的通知》 to require all local governments to formulate the tax rate and strengthen provisional LAT taxation. According to this circular, the provisional LAT rate of provinces in the eastern region shall not be lower than 2%, while the provinces in the middle and northeastern region shall not be lower than 1.5% and the provinces in western region shall not be lower than 1%. The local governments shall determine the provisional LAT rate applicable to different types of real estate. We estimate and make provisions for the full amount of applicable LAT in accordance with the requirements set out in the relevant PRC tax laws and regulations, but only prepay 1.0% to 5.0% of the pre-sale proceeds each year as required by the local tax authorities under prevailing practice. For 2014, 2015, 2016 and the six months ended June 30, 2017, we made provisions for LAT in the amount of RMB472.9 million, RMB317.9 million, RMB602.2 million (US\$88.8 million) and RMB853.8 million (US\$125.9 million), respectively.

We estimate and make provision for the amount of applicable LAT at the time the relevant property sales revenue is recognized and recorded in our books, but actual LAT payment will only be made at the time specified by the relevant PRC tax laws and regulations. We cannot assure you that the local tax authorities will agree with the basis on which we calculate our LAT obligations. In addition, we cannot assure you that the applicable tax rate for LAT will not increase, or that the PRC government or local tax authorities will not abolish the authorized taxation method, or that we will be able to obtain approval in the future to use the authorized taxation method. If the relevant tax authorities determine that a higher amount of LAT should be paid, our business, financial condition and results of operations may be materially and adversely affected.

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

Our transfer of funds into China to finance our development projects is subject to approval by the PRC government and, as a result, the deployment of funds raised in offshore financing in our business may be delayed.

Equity contributions by us and our non-PRC subsidiaries to our PRC subsidiaries will require approvals or record-filing from the commerce department of the local government and registration with the relevant local branch of the State Administration of Industry and Commerce (“SAIC”), which may take considerable time and delay the actual contribution of funds to our PRC subsidiaries.

In recent years, in an effort to cool down its economy, the PRC government has introduced a series of rules and measures, including those aimed at controlling the inflow of foreign funds into the property development industry or for property speculation. The transfer of our net proceeds from this offering into China will be subject to such PRC governmental approval process.

On May 23, 2007, the China's Ministry of Commerce ("MOFCOM") and the State Administration of Foreign Exchange ("SAFE") jointly promulgated the Notice on Further Reinforcing and Regulating the Approval and Supervision on Foreign Direct Investment in the Real Estate Industry 《關於進一步加強、規範外商直接投資房地產業審批和監管的通知》, often known as "Notice No. 50," pursuant to which, prior to obtaining approval for the establishment of an Foreign Investment Real Estate Enterprise (hereinafter referred to as "FIREE"), either (i) both the land use rights certificates and property ownership certificates must have been obtained, or (ii) contracts for obtaining land use rights or property ownership must have been entered into. In addition, a foreign-invested enterprise needs to obtain approval before expanding its business scope into the real estate sector or engaging in a new real estate development project. Pursuant to Notice No. 50, we must first enter into land grant contracts before we may apply for the establishment of a new FIREE. Alternatively, if we elect to engage in any new real estate project development through an existing FIREE, we must first apply to the relevant PRC governmental authorities to expand the scope of business or scale of operations of such FIREE. In any event, we must file with MOFCOM and wait until such filing is complete before we could transfer the proceeds into China for the property development. We cannot assure you how long the filing process will take.

On June 18, 2008, MOFCOM promulgated the "Notice on Better Implementation of the Filing of Foreign Investment in the Real Estate Industry" 《關於做好外商投資房地產業備案工作的通知》, according to which MOFCOM authorizes provincial departments in charge of commerce to verify the record-filing materials of property development projects with foreign investment. These new regulations effectively prohibit us from injecting funds raised offshore into our PRC project companies by way of shareholder loans. Without this flexibility, to transfer funds to and from our PRC subsidiaries in the form of loans and interest or loan payments, respectively, we cannot assure you that the dividend payments from our PRC subsidiaries will be available, if applicable, on each payment of distributions or arrears of distributions under the Bonds, or on a redemption date or the maturity date to pay for the principal of the Bonds.

We cannot assure you that we will obtain in a timely manner all relevant necessary approval certificates, record-filing or registration for all our operating subsidiaries in the PRC to deploy the proceeds of this offering or other offshore financing into our business in the PRC, which may adversely affect the financial condition of our PRC subsidiaries and may cause delays to the development undertaken by such PRC subsidiaries. Furthermore, we cannot assure you that the PRC government will not introduce new policies that further restrict our ability to deploy, or that prevent us from deploying, in China the funds raised outside of China. Therefore, we may not be able to use all or any of the capital that we may raise outside China to finance our projects in a timely manner or at all. Failure to obtain such governmental approvals, record-filing and registration or material delays in the approval or registration process may also result in foreign exchange loss as well as administrative penalties, thereby adversely affecting our business, financial condition and results of operations.

Our property development business is subject to claims under statutorily mandated quality warranties.

Under Regulations on the Administration of Quality of Construction Works 《建設工程質量管理條例》, all property development companies in the PRC must provide certain quality warranties for the properties they construct or sell. We are required to provide these warranties to our customers. We may sometimes receive quality warranties from third-party contractors we hire to construct our development projects. If a significant number of claims are brought against us under our warranties and if we are unable to obtain reimbursement for such claims from third-party contractors in a timely manner or at all, or if the retention money retained by us is not sufficient to cover our payment obligations under the

quality warranties, we could incur significant expenses to resolve such claims or face delays in correcting the related defects, which may in turn harm our reputation and have a material and adverse effect on our business, financial condition and results of operations.

The property market in the PRC is still at a relatively early stage of development.

The property development industry and ownership of private property in the PRC are still in a relatively early stage of development. Although demand for private residential property in the PRC has been growing rapidly in recent years, such growth is often coupled with volatility in market conditions and fluctuation in property prices. We cannot predict how much and when demand will develop, as many social, political, economic, legal and other factors may affect the development of the market. The level of uncertainty is increased by limited availability of accurate financial and market information as well as the overall low level of transparency in the PRC.

The lack of an effective liquid secondary market for residential property may discourage investors from acquiring new properties because resale is not only difficult, but can also be a long and costly process. The limited amount of property mortgage financing available to PRC individuals compounded by the lack of security of legal title and enforceability of property rights may further inhibit demand for residential developments.

Certain facts and statistics are derived from publications not independently verified by us, the Joint Lead Managers or our or their respective advisors.

Facts and statistics in this offering circular relating to China's economy and the industries in which we operate are derived from publicly available and third-party professional sources. While we have taken reasonable care to ensure that the facts and statistics presented are accurately reproduced from such sources, they have not been independently verified by us, the Joint Lead Managers or their respective advisors and, therefore, we or the Joint Lead Managers make no representation as to the accuracy of such facts and statistics, which may not be consistent with other information compiled within or outside China. Due to ineffective calculation and collection methods and other problems, the facts and statistics herein may be inaccurate or may not be comparable to facts and statistics produced for other economies and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere.

RISKS RELATING TO THE PRC

Any adverse change in the political and economic policies of the PRC government may materially and adversely affect our business, prospects, financial condition and results of operations and may result in our inability to sustain our growth and expansion strategies.

Our operations are conducted in the PRC. Accordingly, our business, prospects, financial condition and results of operations are, to a significant degree, subject to the economic, political and legal developments of the PRC.

The PRC economy differs from other developed economies of the world in many respects, including but not limited to the extent of government involvement, level of development, growth rate, control of foreign exchange and allocation of resources. As a result of these differences, our business may not develop in the same way or at the same rate as might be expected if the PRC economy were similar to those of the developed countries. The PRC government has implemented economic reform measures emphasizing utilizations of market forces in the development of the PRC economy and is continuing to play a significant role in regulating industries by imposing industrial policies. In addition, demand for and sales of our properties and our business, financial condition and results of operations may be adversely affected by political instability or changes in political or social conditions in the PRC.

We cannot, however, predict whether changes in the political, economic and social conditions and policies in the PRC, or in the relevant laws, regulations and rules, may have a material adverse effect on our current or future business, financial condition and operating results. There is no assurance that the PRC government will continue to pursue its current economic reform policies, or that such policies will successfully create economic growth to have favorable impacts on our future business, financial condition and results of operations.

Inflation in China may have a material adverse effect on our business, financial condition and results of operations.

While the PRC economy has experienced rapid growth, such growth has been uneven among various sectors of the economy and in different geographic areas of the country. Rapid economic growth can lead to growth in money supply and inflation. If prices of our properties rise at a rate that is insufficient to compensate for the rise in our costs, our business, financial condition and results of operations may be materially and adversely affected. To control inflation in the past, the PRC government has imposed control on bank credits, limits on loans for fixed assets and restrictions on state bank lending. Such an austerity measure can lead to a slowdown in the economic growth and may materially and adversely affect our business, financial condition and results of operations.

The PRC legal system is less developed than legal systems in certain other jurisdictions and embodies inherent uncertainties.

Our operations are conducted in the PRC. The PRC legal system is based on written statutes and thus prior court decisions can only be cited as reference and have limited use as precedents. Since the late 1970s, the PRC government has been developing a comprehensive system of laws, regulations and rules in relation to economic matters.

However, due to the fact that these laws, regulations and rules have not been fully developed, and because of the limited volume of published cases and their non-binding nature, the interpretation and enforcement of these laws, regulations and rules involve some degree of uncertainty with respect to the outcome of any legal action that may be taken against us in the PRC. The interpretation of statutes, regulations and rules may also be subject to government policies which can change to reflect domestic political factors.

In addition, the PRC legal system is based, in part, on governmental policies and internal rules (some of which are not published on a timely basis or at all) that may have a retroactive effect. Furthermore, we may be deemed to have violated certain policies or rules for the actions of our counterparties in various transactions even if we are not aware of whether our counterparties are acting in compliance with applicable PRC laws and regulations. As a result, we may not be aware of actual or deemed violations of such policies and rules until some time after such violations have taken place. In addition, due to the limited volume of published cases and the non-binding nature of prior court decisions, the outcome of dispute resolution may not be as consistent or predictable as in other more developed jurisdictions, which may limit the legal protection available to us. Furthermore, any litigation we undertake in the PRC, regardless of its outcome, may be protracted and result in substantial costs to us and diversion of both our resources and management attention.

The Administrative Measures for the Outbound Investment by Enterprises (the “NDRC Order No. 11”) was promulgated by the NDRC on December 26, 2017, and will take effective as from March 1, 2018.

Under the NDRC Order No. 11, where an investor launches a large-scale non-sensitive project, which refers to a non-sensitive project wherein the Chinese investment amounts to USD300 million or above, through an overseas company under its control, it shall submit a report form on the large-scale

non-sensitive project through the network system established by the NDRC prior to the implementation of the project. Furthermore, NDRC Order No. 11 applies *mutatis mutandis* to the investments in Hong Kong, Macao or Taiwan made by investors directly or through enterprises under their control, and applies *mutatis mutandis* to the outbound investments by domestic natural persons through overseas enterprises under their control or enterprises located in Hong Kong, Macao or Taiwan. NDRC shall establish a record for illegal and non-compliant activities in outbound investments, release and update the activities of enterprises that violate NDRC Order No. 11 and the corresponding punitive measures, incorporate the information into the integrity information sharing platform, the national publicity system for enterprise integrity information, and the website of Integrity in China, and take joint disciplinary actions in conjunction with related authorities and bodies.

PRC regulations relating to acquisition of PRC companies by offshore holding companies may limit our ability to acquire PRC companies and may materially and adversely affect the implementation of our acquisition strategies as well as our business and prospects.

The Provisions on the Mergers and Acquisitions of Domestic Enterprises by Foreign Investments 《關於外國投資者併購境內企業的規定》 issued by six PRC ministries and commissions, effective September 8, 2006 and revised on June 22, 2009, also known as “The M&A Provisions,” provide rules with which foreign investors must comply should they seek to (i) purchase the equities of the shareholders of a domestic non-foreign-funded enterprise, or subscribe to the increased capital of a domestic non-foreign-funded enterprise, and thus change the domestic non-foreign-funded enterprise into a foreign-funded enterprise, or (ii) set up a foreign-funded enterprise to acquire assets from a domestic enterprise, or acquire assets from a domestic enterprise and set up a foreign-funded enterprise by contribution of the acquired assets. The M&A Provisions stipulate that the business scope upon acquisition of a domestic enterprise must conform to the Catalogue for the Guidance of Foreign Investment Industries (2017 version) 《外商投資產業指導目錄》 (2017年修訂) promulgated by the NDRC and MOFCOM. The M&A Provisions also provide for the takeovers procedures for equity interests in domestic enterprises.

There are uncertainties as to how the M&A Provisions will be interpreted or implemented. If we decide to acquire a PRC enterprise, we cannot assure you that we or the owners of such PRC enterprise can successfully complete all necessary approval requirements under the M&A Provisions. This may restrict our ability to implement our acquisition strategies and may materially and adversely affect our business, financial condition and results of operations.

Failure to comply with the SAFE regulations relating to special purpose vehicles by our beneficial owners may materially and adversely affect our business operations, limit our ability to inject capital into our PRC subsidiaries, limit the ability of our PRC subsidiaries to distribute profit to us or subject us to fines.

The SAFE promulgated the Circular on Relevant Issues Concerning Foreign Exchange Administration for PRC Residents to Engage in Offshore Investment and Financing and Round Trip Investment via Special Purpose Vehicles 《關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知》 (the “Circular 37”) and its implementation guidelines in July 2014, which abolishes and supersedes the SAFE’s Circular on Relevant Issues Concerning Foreign Exchange Administration for PRC Residents to Engage in Financing and Round Trip Investment via Overseas Special Purpose Vehicles 《關於境內居民通過境外特殊目的公司融資及返程投資外匯管理有關問題的通知》 (the “Circular 75”) and its related implementation rules and guidelines. Pursuant to the Circular 37 and its implementation guidelines, PRC residents (including PRC institutions and individuals) must register with local branches of SAFE in connection with their direct or indirect offshore investment in an overseas special purpose vehicle (an “SPV”) directly established or indirectly controlled by PRC residents for the purposes of offshore investment and financing with their legally owned assets or interests in domestic enterprises, or their legally owned offshore assets or interests. Such PRC residents

are also required to amend their registrations with SAFE when there is a significant change to the registered SPV, such as changes of its PRC resident individual shareholder, name, operation period or other basic information or the PRC individual resident's increase or decrease of its capital contribution in the SPV, or any share transfer or exchange, merger, division of the SPV.

Under this regulation, our individual controlling shareholders are required to comply with foreign exchange registration requirements in all material respects in connection with our investments and financing activities. If our individual controlling shareholders or we fail to comply with the relevant SAFE requirements, such failure may subject our individual controlling shareholders or us to fines and legal sanctions, restrict our ability to inject capital into our subsidiaries in the PRC or limit the ability of our subsidiaries in the PRC to distribute profit to us, which as a result may materially and adversely affect our business, financial condition and results of operations.

PRC regulations on provisions of loans and direct investments by offshore holding companies to PRC entities may delay or prevent us from using proceeds we receive from this offering to make loans or additional capital contributions to our PRC subsidiaries.

On March 30, 2015, SAFE promulgated Circular of the State Administration of Foreign Exchange on Reforming the Management Approach regarding the Settlement of Foreign Exchange Capital of Foreign-invested Enterprises (國家外匯管理局關於改革外商投資企業外匯資本金結匯管理方式的通知) (the "Circular 19"), which became effective on June 1, 2015. On June 9, 2016, SAFE promulgated the Circular of the State Administration of Foreign Exchange on Reforming and Regulating the Management Policies Regarding the Settlement under Capital Account (國家外匯管理局關於改革和規範資本專案結匯管理政策的通知) (the "Circular 16"). Pursuant to the Circular 19 and the Circular 16, the foreign exchange capital of foreign-invested enterprises shall be subject to the discretionary foreign exchange settlement, which refers to that the foreign exchange capital in the capital account of foreign-invested enterprises for which the confirmation of rights and interests of monetary contribution by the local foreign exchange bureau (or the book-entry registration of monetary contribution by the banks) has been handled can be settled at the banks based on the actual operation needs of the enterprises. The proportion of discretionary settlement of foreign exchange capital of foreign-invested enterprises is temporarily determined as 100 per cent. SAFE can adjust the aforementioned proportion in due time based on the situation of international balance of payments.

As an offshore holding company of our PRC subsidiaries, our Company may make loans to our PRC subsidiaries, or we may make additional capital contributions to our PRC subsidiaries by utilizing the proceeds we receive from this offering, subject to the foreign investment regulations in the PRC and registration or approval with the PRC Government. We cannot assure you that we will be able to obtain these governmental registrations or approvals on a timely basis, if at all, with respect to our future loans or capital contributions to our PRC subsidiaries or any of their respective subsidiaries. If we fail to receive such registrations or approvals, our ability to use the proceeds received from this offering and to fund our PRC operations may be negatively affected, which may materially and adversely affect our liquidity and ability to expand our business.

We may be deemed to be a PRC tax resident enterprise under the EIT Law, which could result in unfavorable tax consequences to us and our non-PRC holders of the Bonds.

The EIT Law and the implementation regulations to the EIT Law issued by the PRC State Council became effective on January 1, 2008. Under the EIT Law, enterprises established outside China whose "de facto management bodies" are located in China are considered "resident enterprises" and will generally be subject to a uniform 25% EIT on their worldwide income. Under the EIT Rules, "de facto management bodies" are defined as bodies that have material and overall management control over the business, personnel, accounts and properties of an enterprise. Substantially all of our management is currently based in China and may remain in China. Therefore, we may be treated as a PRC resident

enterprise for EIT purposes and thus be subject to EIT at a rate of 25% on our worldwide income. However, a PRC resident enterprise is exempt from tax on dividend income received from qualified resident enterprises. The tax consequences to us in the case that we are treated as a PRC resident enterprise are not entirely clear, as they will depend on the implementation regulations and how local tax authorities apply or enforce the EIT Law and the EIT Rules. Furthermore, if we are treated as a PRC “resident enterprise”, we may be obligated to withhold PRC income tax, generally at a rate of 10%, on interest paid on the Bonds to investors that are “non-resident enterprises,” because the payments may be regarded as being derived from sources within the PRC. In the case of “non-resident individual” investors, the PRC income tax on interest paid may be imposed at a rate of 20%. Any PRC tax liability described above may be reduced to the extent provided under applicable tax treaties. If we are required under the PRC tax laws to withhold PRC tax on our payments of interest to noteholders who are “nonresident,” we will be required, subject to certain exceptions, to pay such additional amounts as will result in receipt by the holder of each Security of such amounts as would have been received by such holder had no such withholding been required. The requirement to pay additional amounts will increase the cost of servicing interest payments on the Bonds, and could have a material adverse effect on our ability to pay interest on, and repay the principal amount of, the Bonds, as well as our profitability and cash flow. If we fail to do so, we may be subject to fines and other penalties. Further, if we are treated as a PRC “resident enterprise”, any gain realized by a “non-resident” investor from the transfer of the Bonds may be regarded as being derived from sources within the PRC and accordingly may be subject to a 10% PRC tax for “non-resident enterprise” investors or a 20% PRC tax for “non-resident individual” investors.

Governmental control of currency conversion may affect the value of your investment.

The PRC government imposes controls on the convertibility of Renminbi into foreign currencies and, in certain cases, the remittance of currency out of China. We receive substantially all our revenues in Renminbi. Under our current structure, our income is primarily derived from dividend payments from our PRC subsidiaries. Shortages in the availability of foreign currency may restrict the ability of our PRC subsidiaries to remit sufficient foreign currency to pay dividends or other payments to us, or otherwise satisfy their foreign currency denominated obligations, if any. Under existing PRC foreign exchange regulations, payments of certain current account items can be made in foreign currencies without prior approval from the local branch of the SAFE by complying with certain procedural requirements. However, approval from appropriate government authorities is required where Renminbi is to be converted into foreign currency and remitted out of China to pay capital expenses such as the repayment of indebtedness denominated in foreign currencies, including the Bonds. The restrictions on foreign exchange transactions under capital accounts could also affect our subsidiaries’ ability to obtain foreign exchange through debt or equity financing, including by means of loans or capital contribution from us. The PRC government may also at its discretion restrict access in the future to foreign currencies for current account transactions. If the foreign exchange control system prevents us from obtaining sufficient foreign currency to satisfy our currency demands and our subsidiaries is not able to pay dividends in foreign currencies to us, we then may not be able to service our debt obligations denominated in foreign currencies, including the Bonds.

Holders of the Bonds may experience difficulties in effecting service of legal process and enforcing judgments against us and our management.

Substantially all of our operating subsidiaries are incorporated under PRC laws, and substantially all of our assets are located in the PRC. In addition, most of our directors and officers reside within the PRC, and substantially all of their assets are located within the PRC. As a result, it may not be possible to effect service of process in connection with disputes brought in the courts outside the PRC on, or to enforce judgments obtained from non-PRC courts against, us or our management who reside in the PRC. Moreover, our PRC counsel has advised us that the PRC does not have treaties providing for the

reciprocal recognition and enforcement of judgments of courts in civil and commercial cases with the United States, the United Kingdom, the Cayman Islands, Japan or most other western countries. Therefore, it may be difficult for you to enforce against us or our directors or officers in the PRC any judgments obtained from non-PRC courts.

Natural Disaster, acts of God, acts of war, epidemics, such as severe acute respiratory syndrome (SARS), H5N1 or H7N9 avian flu, Ebola virus disease (Ebola) or H1N1 influenza, and other disasters may affect our business.

Our business is subject to general and social conditions in the PRC. Natural disasters, epidemics, acts of God and other disasters that are beyond our control may materially and adversely affect the economy, infrastructure and livelihood of the people of the PRC. Some cities in the PRC are under the threat of flood, earthquake, rainstorm, typhoon, sandstorm or drought. Our business, financial condition and operating results may be materially and adversely affected if any of these natural disasters occurs in the areas in which we operate.

Epidemics threaten people's lives and may materially and adversely affect their livelihoods as well as living and consumption patterns. The occurrence of an epidemic is beyond our control and there is no assurance that the outbreak of SARS, H5N1 or H7N9 avian flu, Ebola or H1N1 influenza will not happen again. Any epidemic occurring in areas in which we operate, or even in areas in which we do not operate, may materially and adversely affect our business, financial condition and results of operations.

Acts of war and terrorist attacks may cause damage or disruption to us, our employees, facilities, our distribution channels, markets, suppliers and customers, the occurrence of any of which may materially and adversely affect our business, revenue, cost of sales, financial condition and results of operations. Potential wars or terrorist attacks may also cause uncertainties and cause our business to suffer in ways that we cannot currently predict.

RISKS RELATING TO THE BONDS AND THE SHARES

We are a holding company and payments with respect to the Bonds are structurally subordinated to liabilities, contingent liabilities and obligations of our subsidiaries.

We are a holding company with no material operations. We conduct our operations through our PRC subsidiaries. The Bonds will not be guaranteed by any current or future PRC subsidiaries. Our primary assets are loans to and ownership interests in our PRC subsidiaries. Accordingly, our ability to pay principal and to satisfy our obligations under the Trust Deed and the Bonds will depend upon our receipt of principal and interest payments on the intercompany loans and distributions of dividends from our subsidiaries. See also “— Risks Relating to the PRC — Governmental control of currency conversion may affect the value of your investment.”

Creditors including trade creditors of our PRC subsidiaries and any holders of preferred shares in such entities would have a claim on such subsidiaries' assets that would be prior to the claims of holders of the Bonds. As a result, our payment obligations under the Bonds are effectively subordinated to all existing and future obligations of such subsidiaries, and all claims of creditors of our PRC subsidiaries will have priority as to the assets of such entities over our claims and those of our creditors, including holders of the Bonds. As of June 30, 2017, our PRC subsidiaries had indebtedness in the amount of RMB19,622.9 million (US\$2,894.5 million) and capital commitments and contingent liabilities arising from guarantees of approximately RMB9,710.0 million (US\$1,432.3 million) and RMB7,792.6 million (US\$1,149.5 million), respectively. See “Description of Other Material Indebtedness and Obligations.”

The Bonds and the Trust Deed do not restrict the ability of our subsidiaries to issue certain categories of guarantee in the ordinary course of business. In addition, our secured creditors would have priority as to our assets securing the related obligations over claims of holders of the Bonds.

The Bonds and the Subsidiary Guarantees are unsecured obligations.

As the Bonds and the Subsidiary Guarantees are unsecured obligations, the ability of the Issuer or the Subsidiary Guarantors to fulfill its or their financial obligations may be compromised if:

- the Issuer or any Subsidiary Guarantor enters into bankruptcy, liquidation, reorganization or other winding-up proceeding;
- there is a default in payment under secured indebtedness or other unsecured indebtedness of the Issuer or any Subsidiary Guarantor; or
- there is an acceleration of any indebtedness of the Issuer or any Subsidiary Guarantor.

If any of these events occur, the assets of the Company and the Subsidiary Guarantors may not be sufficient to pay amounts due on the Bonds and the Subsidiary Guarantees.

The Bonds may not be a suitable investment for all investors.

Each potential investor in the Bonds must determine the suitability of an investment in the Bonds in light of its own circumstances. In particular, each potential investor should consider, either on its own or with the help of its financial and other professional advisers, whether it: (i) has sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained in this offering circular; (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact such investment will have on its overall investment portfolio; (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal or Distributions is different from the currency in which the potential investor's financial activities are principally denominated; (iv) understands thoroughly the terms of the Bonds and is familiar with the behavior of any relevant indices and financial markets; and (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Bonds are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Bonds which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Bonds will perform under changing conditions, the resulting effects on the value of such Bonds and the impact this investment will have on the potential investor's overall investment portfolio.

The Bonds may be redeemed at the Issuer's option prior to February 12, 2019 or at any time upon the occurrence of certain other events.

The Bonds are redeemable at the option of the Issuer at 101.50 per cent. of the principal amount on February 12, 2019. Prior to that, the Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, at the Early Redemption Amount upon the occurrence of certain changes in the Relevant Tax Jurisdiction requiring the payment of Additional Tax Amounts. Furthermore, the Bonds may be redeemed at the option of the Issuer on giving not less than 60 days' notice to the holders of

Bonds and the Trustee, in whole, but not in part, at any time prior to February 12, 2019 at the Early Redemption Amount provided that prior to the date of such notice at least 90 per cent. in principal amount of the Bonds originally issued (including any further Bonds issued pursuant to Condition 15 (Further Issues) and consolidated and forming a single series with the Bonds) has already been converted, redeemed or purchased and cancelled. The date on which the Issuer elects to redeem the Bonds may not accord with the preference of individual Holders. This may be disadvantageous to holders of the Bonds in light of market conditions or the holders' individual circumstances. In addition, any investor may not be able to reinvest the redemption proceeds in comparable securities at an effective return rate at the same level as that of the Bonds.

In addition, upon occurrence of a Change of Control event, the Conversion Price will be adjusted, which may affect our ability to redeem the Bonds.

We may be able to redeem the Bonds in whole at the Early Redemption Amount in the event we are required to pay Additional Tax Amounts because we are treated as a PRC “resident enterprise”.

As discussed above in “Risk Factors — Risks Relating to the PRC — We may be deemed to be a PRC tax resident enterprise under the EIT Law, which could result in unfavorable tax consequences to us and our non-PRC holders of the Bonds,” in the event that we are treated as a PRC “resident enterprise” under the EIT Law, we may be required to withhold PRC tax on payments to certain of our non-resident investors. In such case, we will, subject to certain exceptions, be required to pay such Additional Tax Amounts as will result in receipt by a holder of a Security of such amounts as would have been received by the holder had no such withholding been required. As described in Condition 9 of the Terms and Conditions of the Bonds, in the event we are required to pay Additional Tax Amounts as a result of certain changes in specified tax law or certain other circumstances, including any change in the application or official interpretation thereof, we may redeem the Bonds in whole at the Early Redemption Amount.

Bondholders will have no rights as holders of the Shares prior to conversion of the Bonds, but are subject to changes made with respect to the Shares.

Unless and until the Bondholders acquire the Shares upon conversion of the Bonds, Bondholders will have no rights with respect to the Shares, including any voting rights or rights to receive any regular dividends or other distributions with respect to the Shares. Upon conversion of the Bonds, these holders will be entitled to exercise the rights of holders of the Shares only as to actions for which the applicable record date occurs after the date of conversion. However, such Bondholders are subject to all changes affecting the Shares. For example, in the event that an amendment is proposed to the Issuer's articles requiring shareholder approval, and the record date for determining the shareholders of record entitled to vote on the amendment occurs prior to the date of conversion of the Bonds for such Shares and (as applicable) the date of registration by the relevant Bondholder as the holder thereof, that Bondholder would not be entitled to vote on the amendment but would nevertheless be subject to any resulting changes in the powers, preferences or special rights that affect the Shares after conversion.

Bondholders have limited anti-dilution protection.

The conversion price of the Bonds will be adjusted only in the situations and only to the extent provided in the “Terms and Conditions of the Bonds — Conversion”. There is no requirement that there should be an adjustment for every corporate or other event that may affect the value of the Shares. Events in respect of which no adjustment is made may adversely affect the value of the Shares and therefore, adversely affect the value of the Bonds.

The conversion of some or all of the Bonds will dilute the ownership interests of existing shareholders.

The conversion of some or all of the Bonds will dilute the ownership interests of existing shareholders. Any sales in the public market of the Shares issuable upon such conversion could affect prevailing market prices for the Shares.

Our operations are restricted by the terms of our outstanding 2015 Notes, 2017 Notes, 2018 Notes and other financing documents.

The indentures relating to our outstanding 2015 Notes, 2017 Notes, 2018 Notes and our other financing documents include a number of significant restrictive covenants. These covenants restrict, among other things, our ability, and the ability of our subsidiaries, to incur or guarantee additional indebtedness and issue disqualified or preferred stock, declare dividends on capital stock or purchase or redeem capital stock or make investments or other specified restricted payments. These covenants could limit our ability to plan for or react to market conditions or to meet our capital needs or our ability to redeem the Bonds.

Our credit rating may decline.

There is a risk that our credit rating may change as a result of changes in our operating performance or capital structure, or for some other reason. No assurance can be given that a credit rating will remain for any given period of time or that a credit rating will not be lowered or withdrawn by the relevant rating agency if, in its judgment, circumstances in the future so warrant or if a different methodology is applied to derive such credit ratings. Any lowering or withdrawal of our credit rating could, notwithstanding that it is not a rating of the Bonds, adversely impact the market price and the liquidity of the Bonds.

An active trading market for the Bonds may not develop.

There can be no assurance as to the liquidity of the Bonds or that an active trading market will develop. The Bonds may initially be sold to a small number of investors. Accordingly, a liquid trading market may not develop or be sustained, in which case you may not be able to resell your Bonds at their fair market value or at all. If such a market were to develop, the Bonds could trade at prices that may be higher or lower than the initial issue price depending on many factors, including prevailing interest rates, the Group's operations and the market for similar securities. The Joint Lead Managers are not obligated to make a market in the Bonds and any such market making, if commenced, may be discontinued at any time at the sole discretion of such Joint Lead Manager. In addition, the Bonds are being offered pursuant to exemptions from registration under the Securities Act and, as a result, investors will only be able to resell their Bonds in transactions that have been registered under the Securities Act or in transactions not subject to or exempt from registration under the Securities Act.

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

In certain circumstances, the Trustee may request holders of the Bonds to provide an indemnity and/or security and/or prefunding to its satisfaction before it will take actions on their behalf. The Trustee will not be obliged to take any such actions if not indemnified and/or secured and/or prefunded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or prefunding can be a lengthy process and may impact on when such actions can be taken. Further, the Trustee may not be able to take actions, notwithstanding the provision of an indemnity or security or prefunding to it, in breach of the terms of the Indenture or in circumstances where there is uncertainty or dispute as to such

actions' compliance with applicable laws and regulations. In such circumstances, to the extent permitted by any applicable agreements or applicable laws, it will be for the holders of the Bonds to take such actions directly.

We have substantial indebtedness and may incur substantial additional indebtedness in the future, which could adversely affect our financial health and our ability to generate sufficient cash to satisfy our outstanding and future debt obligations.

We now have, and will continue to have after the offering of the Bonds, a substantial amount of indebtedness. As of December 31, 2014, 2015 and 2016 and June 30, 2017, our total bank and other borrowings under IFRS (not including senior notes and onshore bonds) amounted to RMB9,503.8 million, RMB11,657.9 million and RMB13,566.6 million (US\$2,001.2 million) and RMB25,158.9 million (US\$3,711.1 million), respectively. As of June 30, 2017, we also had outstanding the 2015 Notes, the 2017 Notes, the First Tranche of 2015 Onshore Bonds, the Second Tranche of 2015 Onshore Bonds, the First Tranche of 2016 Onshore Bonds and the Second Tranche of 2016 Onshore Bonds with carrying amounts of RMB14,397.9 million (US\$2,123.8 million). Subsequent to June 30, 2017, we issued the 2017 Perpetual Securities on August 24, 2017 and entered into the September 2017 Club Loan Facilities and various other loan agreements. See "Description of Other Material Indebtedness and Obligations" for details on the outstanding loans and other indebtedness.

Our substantial indebtedness could have important consequences to you. For example, it could:

- limit our ability to satisfy our obligations under the Bonds and other debt;
- increase our vulnerability to adverse general economic and industry conditions;
- require us to dedicate a substantial portion of our cash flow from operations to servicing and repaying our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures and for other general corporate purposes;
- limit our flexibility in planning for or reacting to changes in our businesses and the industry in which we operate;
- place us at a competitive disadvantage compared to our competitors that have less debt;
- limit, along with the financial and other restrictive covenants of our indebtedness, among other things, our ability to borrow additional funds; and
- increase the cost of additional financing.

In the future, we may from time to time incur substantial additional indebtedness and contingent liabilities.

Our ability to generate sufficient cash to satisfy our outstanding and future debt obligations will depend upon our future operating performance, which will be affected by prevailing economic conditions and financial, business and other factors, many of which are beyond our control. If we are unable to service our indebtedness, we will be forced to adopt an alternative strategy that may include actions such as reducing or delaying capital expenditures, selling assets, restructuring or refinancing our indebtedness or seeking equity capital. These strategies may not be instituted on satisfactory terms, if at all.

In addition, the terms of the Indenture prohibit us from incurring additional indebtedness unless (i) we are able to satisfy certain financial ratios or (ii) we are able to incur such additional indebtedness pursuant to any of the exceptions to the financial ratios requirements, and meet any other applicable

restrictions. Our ability to meet our financial ratios may be affected by events beyond our control. We cannot assure you that we will be able to meet these ratios. Certain of our other financing arrangements also impose operating and financial restrictions on our business. See “Description of Other Material Indebtedness and Obligations.” Such restrictions in the Bonds and our other financing arrangements may negatively affect our ability to react to changes in market conditions, take advantage of business opportunities, obtain future financing, fund required capital expenditures, or withstand a continuing or future downturn in our business. Any of these factors could materially and adversely affect our ability to satisfy our obligations under the Bonds and other debt.

Our subsidiaries are subject to restrictions on the payment of dividends and the repayment of intercompany loans or advances to us and our subsidiaries.

As a holding company, we depend on the receipt of dividends and the interest and principal payments on intercompany loans or advances from our subsidiaries, including our PRC subsidiaries, to satisfy our obligations, including our obligations under the Bonds. The ability of our subsidiaries to pay dividends and make payments on intercompany loans or advances to their shareholders is subject to, among other things, distributable earnings, cash flow conditions, restrictions contained in the articles of association of our subsidiaries, applicable laws and restrictions contained in the debt instruments of such subsidiaries. See “Description of Other Material Indebtedness and Obligations.” In addition, if any of our subsidiaries raises capital by issuing equity securities to third parties, dividends declared and paid with respect to such shares would not be available to us to make payments on the Bonds. Further, certain loan agreements and financing agreements obtained by our PRC subsidiaries from lenders in the PRC contain provisions that restrict or prohibit the payment or declaration of dividends or distributions. These restrictions could have a negative impact on the calculation of our EBITDA and could also reduce the amounts that we receive from our subsidiaries, which would restrict our ability to meet our payment obligations under the Bonds. See “Description of Other Material Indebtedness and Obligations.”

PRC laws and regulations permit payment of dividends only out of accumulated profits as determined in accordance with PRC accounting standards and regulations. Our PRC subsidiaries are also required to set aside a portion of their after-tax profits according to PRC accounting standards and regulations to fund certain reserves that are not distributable as cash dividends by the board of directors. In addition, dividends paid by our PRC subsidiaries to their non-PRC parent companies are subject to a 10% withholding tax, unless there is a tax treaty between the PRC and the jurisdiction in which the overseas parent company is incorporated that specifically exempts or reduces such withholding tax. Pursuant to a double tax treaty between Hong Kong and the PRC, if the non-PRC parent company is a Hong Kong resident and directly holds a 25% or more interest in the PRC enterprise, such withholding tax rate may be lowered to 5%. However, according to a Circular of the PRC SAT dated October 27, 2009, tax treaty benefits will be denied to “conduit” or shell companies without substantive business activities. As a result of such limitations, there could be timing limitations on payments from our PRC subsidiaries to meet payments required by the Bonds, and there could be restrictions on payments required to redeem the Bonds at maturity or as required for any early redemption.

Furthermore, in practice, the market interest rate that our PRC subsidiaries can pay with respect to offshore loans generally may not exceed comparable interest rates in the international finance markets. The interest rates on shareholders’ loans paid by our subsidiaries, therefore, are likely to be lower than the interest rate for the Bonds. Our PRC subsidiaries are also required to pay a 10% (or 7% if the interest is paid to a Hong Kong resident, subject to approval by local tax authorities) withholding tax on our behalf on the interest paid under any shareholders’ loans. PRC regulations require our non-PRC subsidiaries making shareholder loans in foreign currencies to our PRC subsidiaries to be registered with the SAFE. Prior to payment of interest and principal on any such shareholder loan, the PRC subsidiaries

must present evidence of payment of the withholding tax on the interest payable on any such shareholder loan and evidence of registration with the SAFE, as well as any other documents that the SAFE or its local branch may require.

As a result of the foregoing, we cannot assure you that we will have sufficient cash flow from dividends or payments on intercompany loans or advances from our subsidiaries to satisfy our obligations under the Bonds. Any limitation on the ability of our PRC subsidiaries to pay dividends to us may also materially and adversely limit our ability to grow, make investments or acquisitions that could be beneficial to our businesses or otherwise fund and conduct our business.

We may be subject to risks presented by fluctuations in exchange rates between the Renminbi and other currencies, particularly the U.S. dollar.

The Bonds are denominated in U.S. dollars, while substantially all of our revenues are generated by our PRC operating subsidiaries and are denominated in Renminbi. Pursuant to reforms of the exchange rate system announced by the PBOC on July 21, 2005, Renminbi-to-foreign currency exchange rates are allowed to fluctuate within a narrow and managed band against a basket of foreign currencies, rather than being effectively linked to the U.S. dollar. Further, from May 18, 2007, the PBOC enlarged the floating band for the trading prices in the inter-bank foreign exchange market of the Renminbi against the U.S. dollar from 0.3% to 0.5% around the central parity rate, effective on May 21, 2007. This allows the Renminbi to fluctuate against the U.S. dollar by up to 0.5% above or below the central parity rate published by the PBOC. The PBOC announced its intention to proceed with the reform of the Renminbi exchange rate regime to increase the Chinese currency's exchange rate flexibility on June 19, 2010. The floating band was further widened to 1.0% on April 16, 2012. These changes in currency policy resulted in the Renminbi appreciating against the U.S. dollar and the H.K. dollar by approximately 33.0% and 36.5% from July 21, 2005 to December 31, 2014, respectively. On March 17, 2014, the PBOC further widened the floating band against the U.S. dollar to 2.0%. On August 11, 2015, the Renminbi depreciated significantly after the PBOC moved to devalue the Renminbi against the U.S. dollar and announced a policy change allowing a more market-based determination of the official fixing rate. The PRC government may adopt further reforms of its exchange rate system, including making the Renminbi freely convertible in the future. If such reforms were implemented and resulted in devaluation of the Renminbi against the U.S. dollar, our financial condition and results of operations could be adversely affected because of our substantial U.S. dollar-denominated indebtedness and other obligations. Such a devaluation could also adversely affect the value, translated or converted into U.S. dollars or otherwise, of our earnings and our ability to satisfy our obligations under the Bonds and other indebtedness denominated in foreign currencies. Starting in early 2016, we adopted a hedging policy to actively manage our foreign exchange rate risk exposure relating to non-Renminbi denominated indebtedness and entered into U.S. dollar versus offshore Renminbi capped forward contracts to hedge certain of our foreign exchange rate risk exposure relating to non-Renminbi denominated indebtedness. However, our protection against Renminbi depreciation will be limited up to capped rates specified in the relevant contracts and may not be able to hedge against all of our foreign exchange rate risk. See "Management's Discussion and Analysis of Financial Condition and Results of Operations — Quantitative and Qualitative Disclosure of Market Risks-Foreign Exchange Rate Risk."

There are limited hedging instruments available in China to reduce our exposure to exchange rate fluctuations between the Renminbi and other currencies. In addition, following the offering of the Bonds, we may enter into foreign exchange or interest rate hedging agreements in respect of our U.S. dollar-denominated liabilities under the Bonds. These hedging agreements may require us to pledge or transfer cash and other collateral to secure our obligations under the agreements, and the amount of collateral required may increase as a result of mark-to-market adjustments. The Joint Lead Managers and

their affiliates may enter into such hedging agreements permitted under the Trust Deed, and these agreements may be secured by pledges of our cash and other assets as permitted under the Trust Deed. If we were unable to provide such collateral, it could constitute a default under such agreements.

The insolvency laws of the Cayman Islands and the PRC and other local insolvency laws applicable to us may differ from those of any other jurisdiction with which holders of the Bonds are familiar.

Because we are incorporated under the laws of the Cayman Islands, an insolvency proceeding relating to us, even if brought in the United States, would likely involve Cayman Islands insolvency laws, the procedural and substantive provisions of which may differ from comparable provisions of bankruptcy law in other jurisdictions.

We conduct substantially all of our business operations through PRC-incorporated subsidiaries in China. We as equity holders in our PRC subsidiaries, are necessarily subject to the bankruptcy and insolvency laws of China in a bankruptcy or insolvency proceeding involving any of such PRC subsidiaries. The PRC laws and regulations relating to bankruptcy and insolvency and the legal proceedings in that regard may significantly differ from those of the United States and other jurisdictions with which the holders of the Bonds are familiar. You should analyze the risks and uncertainties in the insolvency of the Cayman Islands, the PRC and other jurisdictions applicable to us carefully before you invest in our Bonds.

We may be unable to obtain and remit foreign exchange.

Our ability to satisfy our obligations under the Bonds depends solely upon the ability of our subsidiaries in the PRC to obtain and remit sufficient foreign currency to pay dividends to us and to repay shareholder loans. Our PRC subsidiaries must present certain documents to the SAFE, its authorized branch, or the designated foreign exchange bank, for approval before they can obtain and remit foreign currencies out of the PRC (including, in the case of dividends, evidence that the relevant PRC taxes have been paid and, in the case of shareholder loans, evidence of the registration of the loan with the SAFE). Prior to payment of interest and principal on any shareholder loan we make to our PRC subsidiaries, the relevant PRC subsidiary must also present evidence of payment of the 10% (or 7% if the interest is paid to a Hong Kong resident, subject to approval by local tax authorities) withholding tax on the interest payable in respect of such shareholder loan. If any PRC subsidiary for any reason fails to satisfy any of the PRC legal requirements for remitting foreign currency payments, the PRC subsidiary will be unable to pay us dividends or interest and principal on our existing shareholder loans, which may affect our ability to satisfy our obligations under the Bonds. In addition, the PRC government may also at its discretion or impose additional requirements to restrict access to foreign currencies in the future. If the foreign exchange control system prevents us from obtaining sufficient foreign currencies to satisfy our foreign currency demands, we may not be able to satisfy our obligations under the Bonds.

The Bonds will initially be held in book-entry form, and therefore investors must rely on the procedures of the relevant clearing systems to exercise any rights and remedies.

The Bonds will initially only be issued in global certificated form and held through Euroclear and Clearstream. Interests in the global certificate representing the Bonds will trade in book-entry form only, and securities in definitive registered form will be issued in exchange for book-entry interests only in very limited circumstances. Owners of book-entry interests will not be considered owners or holders of the Bonds for purposes of the Bonds. The common depository for Euroclear and Clearstream will be the sole registered holder of the global certificate. Accordingly, investors must rely on the procedures of Euroclear or Clearstream, and if an investor is not a participant in Euroclear or Clearstream, on the procedures of the participant through which such investor owns an interest, to exercise any rights and obligations of a holder of the Bonds under the Bonds. Upon the Winding-up of the Issuer, unless and

until definitive registered certificates are issued with respect to all book-entry interests, if an investor owns a book-entry interest, it will be restricted to acting through Euroclear and Clearstream. The procedures to be implemented through Euroclear and Clearstream may not be adequate to ensure the timely exercise of rights under the Bonds. See “Terms and Conditions of the Bonds.”

The liquidity and price of the Bonds following the placement may be volatile.

The price and trading volume of the Bonds may be highly volatile. Factors such as variations in our revenues, earnings and cash flows and proposals for new investments, strategic alliances and/or acquisitions, interest rates, fluctuations in price for comparable companies and government regulations and changes thereof applicable to our industry and general economic conditions nationally or internationally could cause the price of the Bonds to change. A substantial portion of the Bonds may be purchased by the Joint Lead Managers or their affiliates for their own account. The Joint Lead Managers may sell the Bonds in the initial distribution or from time to time in subsequent sales in negotiated transactions at varying prices (which may be lower than the initial issue price to the Joint Lead Managers set forth on the cover page of this offering circular). Any such developments may result in large and sudden changes in the trading volume and price of the Bonds. We cannot assure you that these developments will not occur in the future.

We will follow the applicable corporate disclosure standards for debt securities listed on the SGX-ST, which standards may be different from those applicable to companies in certain other countries.

For so long as the Bonds are listed on the SGX-ST, we will be subject to continuing listing obligations in respect of the Bonds. The disclosure standards imposed by the SGX-ST may be different than those imposed by securities exchanges in other countries or regions such as the United States or Hong Kong. As a result, the level of information that is available may not correspond to what investors in the Bonds are accustomed to.

RISKS RELATING TO THE SUBSIDIARY GUARANTEES

Our initial Subsidiary Guarantors do not currently have significant operations.

None of our current PRC subsidiaries will provide a Subsidiary Guarantee. No future subsidiaries that are organized under the laws of the PRC will provide a Subsidiary Guarantee at any time in the future. As a result, the Bonds are effectively subordinated to all the debt and other obligations, including contingent obligations and trade payables, of the PRC subsidiaries.

Certain of our subsidiaries incorporated in the British Virgin Islands or in Hong Kong are not required to provide Subsidiary Guarantees. In addition, our future subsidiaries will not be required to guarantee the Bonds in certain situations. The initial Subsidiary Guarantors that guarantee the Bonds do not have significant operations. We cannot assure you that the initial Subsidiary Guarantors or any subsidiaries that may become Subsidiary Guarantors in the future will have the funds necessary to satisfy our financial obligations under the Bonds if we are unable to do so. Moreover, under the terms of the Bonds, a Subsidiary Guarantor may be able to release its Subsidiary Guarantee in certain situations.

The Subsidiary Guarantees may be challenged under applicable insolvency or fraudulent transfer laws, which could impair the enforceability of the Subsidiary Guarantees.

Under bankruptcy laws, fraudulent transfer laws, insolvency laws in the British Virgin Islands or bankruptcy law, fraudulent transfer laws, insolvency or unfair preference or similar laws in Hong Kong and other jurisdictions where future Subsidiary Guarantors may be established or where insolvency proceeding may be commenced with respect to any such Subsidiary Guarantor, a guarantee could be voided, or claims in respect of a guarantee could be subordinated to all other debts of that guarantor if, among other things, the guarantor, at the time it incurred the indebtedness evidenced by, or when it gives, its guarantee:

For Subsidiary Guarantors incorporated in the British Virgin Islands:

- incurred the debt with the intent to defraud creditors (whenever the transaction took place and irrespective of insolvency);
- either (i) put the beneficiary of the guarantee in a position which, in the event of the guarantor's insolvency, would be better than the position the beneficiary would have been in had the guarantee not been given or (ii) received no consideration, or received consideration in money or money's worth that is significantly less than the consideration supplied by the guarantor (although in either case a guarantee will only be voidable if it (i) was entered into at a time when the guarantor was insolvent or if it became insolvent as a consequence of doing so, insolvent in this context meaning that the guarantor is unable to pay its debts as they fall due, and (ii) it was given within the six-month, or, if the guarantee and beneficiary are connected entities, two-year, period preceding the commencement of liquidation).

For Subsidiary Guarantors incorporated in other jurisdictions:

- incurred the debt with the intent to hinder, delay or defraud creditors or was influenced by a desire to put the beneficiary of the guarantee in a position which, in the event of the guarantor's insolvency, would be better than the position the beneficiary would have been in had the guarantee not been given;
- received less than reasonably equivalent value or fair consideration for the incurrence of such guarantee;
- was insolvent or rendered insolvent by reason of such incurrence;
- was engaged in a business or transaction for which the guarantor's remaining assets constituted unreasonably small capital; or
- intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature.

The measure of insolvency for purposes of the foregoing will vary depending on the laws of the jurisdiction which are being applied. Generally, however, a guarantor would be considered insolvent at a particular time if it were unable to pay its debts as they fell due or if the sum of its debts was then greater than all of its property at a fair valuation or if the present fair saleable value of its assets was then less than the amount that would be required to pay its probable liabilities in respect of its existing debt as it became absolute and matured. We cannot assure you that such limitation will be effective in preserving the enforceability of any of the Subsidiary Guarantees. In addition, a guarantee may be subject to review under applicable insolvency or fraudulent transfer laws in certain jurisdictions or subject to a lawsuit by or on behalf of creditors of the guarantors. In such case, the analysis set forth

above would generally apply, except that the guarantee could also be subject to the claim that, since the guarantee was not incurred for the benefit of the guarantor, the obligations of the guarantor thereunder were incurred for less than reasonably equivalent value or fair consideration, and, as a result, such guarantee would be rendered void.

In an attempt to limit the applicability of insolvency and fraudulent transfer laws in certain jurisdictions, the obligations of the Subsidiary Guarantors under the Subsidiary Guarantees will be limited to the maximum amount that can be guaranteed by the applicable Subsidiary Guarantor without rendering the guarantee, as it relates to such Subsidiary Guarantor, voidable under such applicable insolvency or fraudulent transfer laws.

If a court voided a Subsidiary Guarantee, subordinated such guarantee to other indebtedness of the Subsidiary Guarantor, or held such guarantee unenforceable for any other reason, holders of the Bonds would cease to have a claim against that Subsidiary Guarantor based upon such guarantee, would be subject to the prior payment of all liabilities (including trade payables) of such Subsidiary Guarantor, and would solely be creditors of us and any Subsidiary Guarantor whose guarantee was not voided or held unenforceable. We cannot assure you that, in such an event, after providing for all prior claims, there would be sufficient assets to satisfy the claims of the holders of the Bonds.

USE OF PROCEEDS

We estimate that the net proceeds from this offering of the Bonds, after deducting the underwriting discounts and commissions and other estimated expenses payable in connection with this offering, will be approximately HK\$2,750 million. We intend to use the net proceeds for refinancing our existing indebtedness and general working capital.

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

EXCHANGE RATE INFORMATION

CHINA

The PBOC sets and publishes daily a base exchange rate with reference primarily to the supply and demand of Renminbi against a basket of currencies in the market during the prior day. PBOC also takes into account other factors, such as the general conditions existing in the international foreign exchange markets. From 1994 to July 20, 2005, the conversion of Renminbi into foreign currencies, including Hong Kong dollars and U.S. dollars, was based on rates set daily by PBOC on the basis of the previous day's inter-bank foreign exchange market rates and then current exchange rates in the world financial markets. During this period, the official exchange rate for the conversion of Renminbi to U.S. dollars remained generally stable. Although the PRC government introduced policies in 1996 to reduce restrictions on the convertibility of Renminbi into foreign currencies for current account items, conversion of Renminbi into foreign currencies for capital items, such as foreign direct investment, loan principals and securities trading, still requires the approval of SAFE and other relevant authorities. On July 21, 2005, the PRC government introduced a managed floating exchange rate system to allow the value of the Renminbi to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies. On the same day, the value of the Renminbi appreciated by approximately 2% against the U.S. dollar. The PRC government has since made and in the future may make further adjustments to the exchange rate system.

On May 18, 2007, PBOC widened the floating band for the trading prices in the inter-bank foreign exchange market of the Renminbi against the U.S. dollar from 0.3% to 0.5% around the central parity rate, effective on May 21, 2007. The floating band was further widened to 1.0% on April 16, 2012. These changes in currency policy resulted in the Renminbi appreciating against the U.S. dollar by approximately 33.0% from July 21, 2005 to December 31, 2014. On March 17, 2014, the PBOC further widened the floating band against the U.S. dollar to 2.0%. The PBOC announces the closing price of a foreign currency traded against the Renminbi in the inter-bank foreign exchange market after the closing of the market on each working day, and makes it the central parity for trading against the Renminbi on the following working day. On August 11, 2015, the PBOC moved to devalue the Renminbi against the U.S. dollar and announced a policy change allowing a more market-based determination of the official fixing rate. Following such announcement, the Renminbi depreciated significantly against the U.S. dollar.

The following table sets forth the exchange rates set forth in the H.10 statistical release of the Federal Reserve Board for the periods indicated. On June 30, 2017, the exchange rate was RMB6.7793 to US\$1.00.

Period	Exchange rate			
	Period end	Average ⁽¹⁾	High	Low
		(RMB per US\$1.00)		
2012	6.2303	6.3085	6.3879	6.2221
2013	6.0537	6.1478	6.2438	6.0537
2014	6.2046	6.1620	6.2591	6.0402
2015	6.4778	6.2827	6.1870	6.4896
2016	6.9430	6.6549	6.9580	6.4480
2017				
August	6.5888	6.6670	6.7272	6.5888
September	6.6533	6.5690	6.6591	6.4773
October	6.6328	6.6254	6.6533	6.5712
November	6.6090	6.6200	6.6385	6.5967
December	6.5063	6.5921	6.6210	6.5063
2018				
January	6.2841	6.4233	6.5263	6.2841
February (through February 2)	6.2984	6.2977	6.2984	6.2969

Source: Federal Reserve H.10 Statistical Release

Note:

- (1) Determined by averaging the rates on the last business day of each month during the relevant year, except for monthly average rates, which are determined by averaging the daily rates during the respective months.

HONG KONG

The Hong Kong dollar is freely convertible into other currencies, including the U.S. dollar. Since October 17, 1983, the Hong Kong dollar has been linked to the U.S. dollar at the rate of HK\$7.80 to US\$1.00. The Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China (the "Basic Law"), which came into effect on July 1, 1997, provides that no foreign exchange control policies shall be applied in Hong Kong.

The market exchange rate of the Hong Kong dollar against the U.S. dollar continues to be determined by the forces of supply and demand in the foreign exchange market. However, against the background of the fixed rate system which applies to the issuance and withdrawal of Hong Kong currency in circulation, the market exchange rate has not deviated significantly from the level of HK\$7.80 to US\$1.00. In May 2005, the Hong Kong Monetary Authority broadened the 22-year-old trading band from the original rate of HK\$7.80 per U.S. dollar to a rate range of HK\$7.75 to HK\$7.85 per U.S. dollar. The Hong Kong government has indicated its intention to maintain the link within that rate range. Under the Basic Law, the Hong Kong dollar will continue to circulate and remain freely convertible. The Hong Kong government has also stated that it has no intention of imposing exchange controls in Hong Kong and that the Hong Kong dollar will remain freely convertible into other currencies, including the U.S. dollar. However, no assurance can be given that the Hong Kong government will maintain the link within the current rate range or at all.

The following table sets forth the exchange rates set forth in the H.10 statistical release of the Federal Reserve Board for the periods indicated. On June 30, 2017, the exchange rate was HK\$7.8055 to US\$1.00.

Period	Exchange rate			
	Period end	Average ⁽¹⁾	High	Low
		(HK\$ per US\$1.00)		
2012	7.7507	7.7556	7.7699	7.7493
2013	7.7539	7.7565	7.7654	7.7503
2014	7.7531	7.7545	7.7669	7.7495
2015	7.7507	7.7519	7.7686	7.7495
2016	7.7534	7.7620	7.8270	7.7505
2017				
August	7.8121	7.8127	7.8267	7.8267
September	7.7995	7.8127	7.8256	7.8110
October	7.7996	7.8044	7.8106	7.8015
November	7.8093	7.8052	7.8118	7.7955
December	7.8128	7.8128	7.8228	7.8050
2018				
January	7.8210	7.8190	7.8230	7.8161
February (through February 2)	7.8210	7.8214	7.8218	7.8210

Source: Federal Reserve H.10 Statistical Release

Note:

- (1) Determined by averaging the rates on the last business day of each month during the relevant year, except for monthly average rates, which are determined by averaging the daily rates during the respective months.

CAPITALIZATION AND INDEBTEDNESS

The following table sets forth our consolidated cash and cash equivalents, short-term debt and capitalization as of June 30, 2017 on an actual basis and on an adjusted basis after giving effect to the issuance of the August 2017 Perpetual Securities, the December 2017 Perpetual Securities, the 2018 Notes and the issuance of the Bonds in this offering, before taking into account any premium or discount at issue and before deducting the underwriting discounts and commissions and other estimated expenses of this offering payable by us. The following table should be read in conjunction with the selected consolidated financial information and the consolidated financial statements and related notes included elsewhere in this offering circular.

	As of June 30, 2017			
	Actual		As adjusted	
	RMB'000	US\$'000	RMB'000	US\$'000
Cash and cash equivalents ⁽¹⁾	25,034,770	3,692,825	33,548,333	4,948,651
Short-term borrowings ⁽²⁾				
Bank and other borrowings	4,984,163	735,203	4,984,163	735,203
Onshore bonds	1,529,558	225,622	1,529,558	225,622
Amounts due to non-controlling interests	1,887,470	278,417	1,887,470	278,417
Bonds to be issued ⁽⁵⁾	—	—	2,423,135	357,440
Total short-term borrowings	<u>8,401,191</u>	<u>1,239,242</u>	<u>10,824,326</u>	<u>1,596,682</u>
Long-term borrowings ⁽³⁾⁽⁴⁾				
Bank and other borrowings	20,174,776	2,975,938	20,174,776	2,975,938
Senior notes	4,623,798	682,047	4,623,798	682,047
Onshore bonds	8,244,546	1,216,135	8,244,546	1,216,135
2018 Notes	—	—	2,022,848	298,386
Total long-term borrowings	<u>33,043,120</u>	<u>4,874,120</u>	<u>35,065,968</u>	<u>5,172,506</u>
Equity ⁽⁶⁾	23,212,984	3,424,097	23,212,984	3,424,097
August 2017 Perpetual Securities	—	—	2,033,790	300,000
December 2017 Perpetual Securities	—	—	2,033,790	300,000
Total equity	<u>23,212,984</u>	<u>3,424,097</u>	<u>27,280,564</u>	<u>4,024,097</u>
Total capitalization ⁽⁷⁾	<u>56,256,104</u>	<u>8,298,217</u>	<u>62,346,532</u>	<u>9,196,603</u>

Notes:

- (1) Cash and cash equivalents exclude pledged bank deposits of approximately RMB758.8 million (US\$111.9 million). Our board of directors declared a final dividend of RMB4.35 cents (US\$0.64 cents) per ordinary share for the six months ended June 30, 2017. Based on our total number of issued shares as of September 28, 2017, the total dividend for the six months ended June 30, 2017 amounted to approximately RMB326.3 million (US\$48.1 million). The capitalization has not been adjusted to reflect the payment of such dividends.
- (2) Short-term borrowings include the current portion of long-term borrowings.
- (3) Long-term borrowings exclude the current portion of long-term borrowings.
- (4) As of June 30, 2017, our consolidated capital commitments were RMB9,710.0 million (US\$1,432.3 million) and we had contingent liabilities of RMB7,792.6 million (US\$1,149.5 million) in the form of guarantees for mortgage bank loans granted to purchasers of our properties. See “Management’s Discussion and Analysis of Financial Condition and Results of Operation-Indebtedness and Contingent Liabilities — Contractual Obligations” and “— Contingent Liabilities.” Subsequent to June 30, 2017, we also entered into various other bilateral offshore facilities. On August 24, 2017 and on December 19, 2017, we issued 5.375% senior perpetual capital securities in the aggregate principal amount of US\$300,000,000 and US\$300,000,000, respectively. On September 4, 2017, we entered into an offshore facility agreement with a syndicate of original lenders in an aggregate amount of US\$135,000,000. On January 23, 2018, we issued the 5.5% senior notes in the aggregate principal amount of US\$300,000,000. Our outstanding borrowings under such offshore facilities and the issuance of the August 2017 Perpetual Securities, the December 2017 Perpetual Securities and the 2018 Notes are not reflected in the capitalization table above.

- (5) In accordance with Hong Kong Accounting Standard 32 “Financial Instruments: Presentation”, the Bonds should be split into an equity component and a liability component. For illustrative purposes only, the initial net proceeds from issuance of the Bonds as a whole have been presented as a liability in the above table. The translation from H.K. dollars into Renminbi was made at the rate of HK\$1.1514 to RMB1.00 and the translation from H.K. dollars into U.S. dollars was made at the rate of HK\$7.8055 to US\$1.00.
- (6) On July 27, 2017, we entered into a subscription agreement with Ping An Investment Manager and Ping An Investor, pursuant to which we have conditionally agreed to issue and allot 545,000,000 new shares of the Company to Ping An Investment Manager at a price of HK\$3.50 per share. The Ping An Subscription was completed on August 10, 2017. The net proceeds from the Ping An Subscription will be approximately HK\$1,907.5 million. On July 28, 2017, we entered into an agreement to conditionally issue and allot 135,000,000 shares to Ding Chang Limited at a price of HK\$3.82 per share, and Citigroup Global Markets Limited agreed to act as the placing agent for Ding Chang Limited and procure placees to purchase the 135,000,000 shares. The placing and subscription of the shares to Ding Chang was completed on August 9, 2017. The net proceeds from the placing and subscription will be approximately HK\$500.0 million. As of August 10, 2017, Ping An Investor held approximately 9.93% of the issued share capital of the Company, and Ding Chang held approximately 15.66% of the issued share capital of the Company. The capitalization table above has not been adjusted to reflect the results from the allotment and issue of the Ping An Subscription Shares and subscription of the shares to Ding Chang.
- (7) Total capitalization includes total long-term borrowings and total equity.

We continue to enter into short-term and long-term borrowings in the ordinary course of business, such as project loans. In addition, we may from time to time enter into other financing arrangements, such as onshore bonds and offshore facilities. Such additional indebtedness incurred since June 30, 2017 may be significant compared to the amount of borrowings set forth in the table above. See “Management’s discussion and analysis of financial condition and results of operations — Liquidity and Capital Resources — Capital Resources” and “Description of Other Material Indebtedness and Obligations.”

Except as otherwise disclosed in this offering circular, there has been no material change in our capitalization and indebtedness since June 30, 2017.

SELECTED CONSOLIDATED FINANCIAL AND OTHER DATA

The following table presents our selected financial and other data. The selected consolidated statement of comprehensive income data for 2014, 2015 and 2016 and the selected consolidated financial position data as of 2014, 2015 and 2016 set forth below (except for EBITDA data) have been derived from our consolidated financial statements for such periods and as of such dates, as audited by Deloitte Touche Tohmatsu, independent certified public accountants, and included elsewhere in this offering circular. The summary condensed consolidated statement of comprehensive income data for the six months ended June 30, 2016 and 2017 and the summary condensed consolidated statement of financial position data as of June 30, 2017 set forth below (except for EBITDA data) have been derived from our unaudited condensed consolidated interim financial statements for such periods and as of such date and included elsewhere in this offering circular. Historical results are not necessarily indicative of results that may be achieved in any future period, and results for interim periods are not indicative of the results for the full year. Our financial statements have been prepared and presented in accordance with IFRS, which differ in certain respects from generally accepted accounting principles in other jurisdictions. The selected financial data below should be read in conjunction with the section entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements and the notes to those statements included elsewhere in this offering circular.

Selected Consolidated Statements of Comprehensive Income and Other Financial Data

	For the year ended December 31,				For the six months ended June 30,		
	2014	2015	2016		2016	2017	
	RMB'000	RMB'000	RMB'000	US\$'000	RMB'000	RMB'000	US\$'000
Revenue	16,179,334	18,230,788	22,224,447	3,278,281	8,744,121	11,235,359	1,657,304
Cost of sales and services	(11,992,548)	(14,087,196)	(16,578,838)	(2,445,509)	(6,377,396)	(7,680,373)	(1,132,915)
Gross profit	4,186,786	4,143,592	5,645,609	832,772	2,366,725	3,554,986	524,389
Other income, gains and losses	246,604	541,660	161,834	23,872	(127,572)	40,717	6,006
Change in fair value of investment properties	241,166	128,100	(100,433)	(14,815)	(66,108)	19,286	2,845
Change in fair value of trust and other loans related derivatives	4,000	—	—	—	—	—	—
Selling and marketing expenses	(319,404)	(370,910)	(524,456)	(77,361)	(217,837)	(271,021)	(39,978)
Administrative expenses	(529,391)	(607,355)	(878,878)	(129,642)	(314,619)	(598,808)	(88,329)
Share of results of joint ventures	(118,708)	205,533	1,007,416	148,602	261,124	1,204,327	177,648
Share of results of associates	—	(32,908)	55,324	8,161	(21,629)	319,124	47,073
Finance costs	(386,228)	(202,885)	(529,651)	(78,128)	(108,190)	(99,587)	(14,690)
Profit before taxation	3,324,825	3,804,827	4,836,765	713,461	1,771,894	4,169,024	614,964
Income tax expense	(1,325,237)	(1,334,039)	(1,672,390)	(246,691)	(722,508)	(1,561,131)	(230,279)
Profit and total comprehensive income for the year/period	1,999,588	2,470,788	3,164,375	466,770	1,049,386	2,607,893	384,685
Attributable to:							
Equity owners of the Company	1,861,149	2,095,464	2,807,549	414,135	838,480	2,156,233	318,061
Owners of perpetual capital instruments	35,913	38,030	—	—	—	—	—
Other non-controlling interests	102,526	337,294	356,826	52,635	210,906	451,660	66,624
Profit and total comprehensive income for the year/period	<u>1,999,588</u>	<u>2,470,788</u>	<u>3,164,375</u>	<u>466,770</u>	<u>1,049,386</u>	<u>2,607,893</u>	<u>384,685</u>
Other financial data:							
EBITDA ⁽¹⁾	4,505,469	5,486,466	7,007,416	1,033,649	2,384,620	4,139,131	610,554
EBITDA margin ⁽²⁾	27.8%	30.1%	31.5%	31.5%	27.3%	36.8%	36.8%
Core net profit and total comprehensive income for the year/period ⁽³⁾	2,063,716	2,574,344	3,161,000	466,272	1,159,030	1,968,720	290,402
Core net profit attributable to equity owners of the Company for the year/period ⁽⁴⁾	1,938,558	2,209,817	2,824,000	416,562	948,124	1,537,505	226,794

Notes:

- (1) EBITDA consists of profit and total comprehensive income for the year/period before fair value changes from investment properties (including investment properties from joint venture), trust and other loans related derivatives, and derivative financial instrument, interest expense (including interest capitalized in costs of sales), amortization, income tax expense, depreciation, gain from business combination and re-measurement, exchange loss (including exchange loss from joint venture) and loss on early redemption of senior notes. EBITDA is not a standard measure under IFRS. EBITDA is a widely used financial indicator of a company's ability to service and incur debt. EBITDA should not be considered in isolation or construed as an alternative to cash flows, net income or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities. In evaluating EBITDA, we believe that investors should consider, among other things, the components of EBITDA such as sales and operating expenses and the amount by which EBITDA exceeds capital expenditures and other charges. We have included EBITDA because we believe it is a useful supplement to cash flow data as a measure of our performance and our ability to generate cash flow from operations to cover debt service and taxes. EBITDA presented herein may not be comparable to similarly titled measures presented by other companies. See the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operation — Non-GAAP financial measures" for a reconciliation of our profit for the year/period under IFRS to our definition of EBITDA. Investors should not compare our EBITDA to EBITDA presented by other companies because not all companies use the same definition. Interest expense excludes amounts capitalized.
- (2) EBITDA margin is calculated by dividing EBITDA by revenue.
- (3) Core net profit and total comprehensive income for the year/period includes non-controlling interests and consists of profit and total comprehensive income for the year/period before fair value gains/losses, net exchange loss/gain, expenses relating to share option grants, loss on early redemption of senior notes, and share of fair value gains/losses and net exchange loss/gain at joint ventures and associated companies, net of deferred taxes. It is not a standard measure under IFRS.
- (4) Core net profit attributable to equity owners for the year/period consists of profit and total comprehensive income for the year/period before fair value gains/losses, net exchange loss/gain, expenses relating to share option grants, loss on early redemption of senior notes, and share of fair value gains/losses and net exchange loss/gain at joint ventures and associates, net of deferred taxes. It is not a standard measure under IFRS.

Selected Consolidated Statements of Financial Position

	As of December 31,				As of June 30,	
	2014	2015	2016		2017	
	RMB'000	RMB'000	RMB'000	US\$'000	RMB'000	US\$'000
Non-Current Assets						
Investment properties	5,206,200	5,842,300	5,773,100	851,578	12,019,900	1,773,030
Property, plant and equipment	48,078	48,604	75,783	11,178	84,177	12,417
Prepaid lease payments	57,645	32,742	32,742	4,830	32,742	4,830
Interest in associates	15,300	588,620	1,334,453	196,842	1,987,706	293,202
Interests in joint ventures	7,891,784	7,109,797	7,504,466	1,106,968	5,333,244	786,695
Investments in property projects	—	—	529,225	78,065	713,086	105,186
Available-for-sale investment	54,023	54,023	740,976	109,300	1,145,722	169,003
Derivative financial instruments	—	—	314,768	46,431	25,916	3,823
Deferred taxation assets	213,551	286,753	319,795	47,172	321,520	47,427
Deposits paid for acquisitions of equity interests	—	—	622,213	91,781	593,692	87,574
Long-term deposit	—	—	300,000	44,252	300,000	44,252
	<u>13,486,581</u>	<u>13,962,839</u>	<u>17,547,521</u>	<u>2,588,397</u>	<u>22,557,705</u>	<u>3,327,439</u>
Current Assets						
Properties held for sale	5,419,473	6,917,170	6,829,221	1,007,364	7,683,345	1,133,354
Properties under development for sale	9,803,747	20,167,382	21,254,355	3,135,184	33,737,351	4,976,524
Accounts and other receivables, deposits and prepayments	3,975,308	5,711,469	9,625,149	1,419,785	14,684,861	2,166,132
Amounts due from non-controlling interests	104,704	831,339	2,387,678	352,201	4,779,409	705,000
Amounts due from joint ventures and associates	1,041,654	2,593,242	4,620,932	681,624	6,497,292	958,402
Deposits for land use rights for properties held for sale	2,256,720	1,818,236	4,373,075	646,538	1,346,394	198,604
Taxation recoverable	326,798	544,851	812,197	119,806	1,203,343	177,503
Pledged bank deposits	30,000	31,500	348,855	51,459	758,807	111,930
Bank balances and cash	7,093,654	14,873,736	20,328,397	2,998,598	25,034,770	3,692,825
Financial assets at fair value through profit or loss ("FVTPL")	—	—	352,829	52,045	474,608	70,008
	<u>30,052,058</u>	<u>53,488,925</u>	<u>70,932,688</u>	<u>10,463,129</u>	<u>96,200,180</u>	<u>14,190,282</u>
Current Liabilities						
Accounts payables and accrued charges	5,183,049	7,319,089	7,854,327	1,158,575	16,730,073	2,467,817
Deposits received from property sales	5,015,996	10,396,275	15,391,289	2,270,336	22,603,258	3,334,158
Amounts due to non-controlling interests	477,307	995,208	965,649	142,441	1,887,470	278,417
Amounts due to joint ventures and an associate.	4,926,725	6,895,062	14,419,441	2,126,981	10,098,113	1,489,551
Taxation payable	1,472,710	1,334,245	1,838,829	271,242	2,523,877	372,292
Bank and other borrowings-due within one year	3,035,362	2,793,500	2,367,536	349,230	4,984,163	735,203
Corporate bonds	—	—	2,088,970	308,139	1,529,558	225,622
	<u>20,111,149</u>	<u>29,733,379</u>	<u>44,926,041</u>	<u>6,626,944</u>	<u>60,356,512</u>	<u>8,903,060</u>
Non-Current Liabilities						
Bank and other borrowings-due after one year.	6,468,435	8,864,403	11,199,111	1,651,957	20,174,776	2,975,938
Senior notes	4,356,950	8,275,958	5,683,011	838,289	4,623,798	682,047
Corporate bonds	—	4,021,032	8,052,498	1,187,807	8,244,546	1,216,135
Deferred taxation liabilities	1,019,187	1,273,830	1,336,535	197,149	2,145,269	316,444
	<u>11,844,572</u>	<u>22,435,223</u>	<u>26,271,155</u>	<u>3,875,202</u>	<u>35,188,389</u>	<u>5,190,564</u>
Equity attributable to equity owners of						
the Company	10,205,049	12,827,097	14,980,162	2,209,691	16,391,278	2,417,842
Perpetual capital instruments	585,710	—	—	—	—	—
Other non-controlling interests	792,159	2,456,065	2,302,851	339,689	6,821,706	1,006,255
Total Equity	<u>11,582,918</u>	<u>15,283,162</u>	<u>17,283,013</u>	<u>2,549,380</u>	<u>23,212,984</u>	<u>3,424,097</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with our consolidated financial information together with the accompanying notes included elsewhere in this offering circular. Our consolidated financial statements were prepared in accordance with IFRS.

This section includes forward-looking statements that involve risks and uncertainties. All statements, other than statements of historical facts, included in this section that address activities, events or developments which we expect or anticipate will or may occur in the future are forward-looking statements. These statements are based on assumptions and analyses we made in light of experience and our perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances.

OVERVIEW

Headquartered in Shanghai, we are engaged in property development and property investment in the PRC. In 2017, in terms of contracted sales amount, we were ranked 15th according to the list of “China Real Estate Enterprises Sales Ranking in 2017” published by China Real Estate Information Corporation Information Group.

We principally focus on developing high quality and end-users driven properties in first- and second-tier cities in China. Our development projects cover various properties types including residential, office and commercial complexes. For our residential property development, we mainly develop residential products that offer our end-users comfortable living environment and proximity to good ancillary facilities and transportation links. For our commercial property development, we mainly develop offices and community commercial properties.

We have achieved a nationwide geographical coverage and a strong presence in selected first-tier cities and second-tier cities in China. Our business operations are diversified in terms of geographic locations, which facilitates our future expansion. As of June 30, 2017, we had projects in 29 cities in four geographic regions in the PRC: the Yangtze River Delta Region, which includes Shanghai, Suzhou, Hangzhou, Hefei, Nanjing, Ningbo, Zhenjiang, Yixing, Wuxi, Taicang, Wenzhou and Jiaxing, the Pan Bohai Rim, which includes Beijing, Tianjin, Shenyang, Jinan, Qingdao, Dalian and Langfang, the Central Western Region, which includes Chongqing, Chengdu, Zhengzhou, Xi'an, Changsha and Wuhan, and the South China Region, which includes Hong Kong, Sanya, Guangzhou and Foshan. As of June 30, 2017, we had a land bank with an aggregate total GFA of approximately 22.1 million sq.m. and an aggregate GFA attributable to us of approximately 12.4 million sq.m.

Leveraging our effective business model focused on rapid asset turnover, strong execution capabilities and business strategies developed in line with government policies on China's real estate sector, we are poised to continue our rapid growth and develop into a renowned nationwide property developer.

KEY FACTORS AFFECTING OUR PERFORMANCE

Our business, operating results and financial condition are affected by a number of factors, many of which are beyond our control. Some of the key factors include the following:

Economic Growth, Speed of Urbanization and Demand for Properties in China

The economic growth, urbanization and rising standard of living in China have been the main driving forces behind the increasing market demand for properties. At the current stage of China's economic development, the real estate industry in China is significantly dependent on China's overall economic growth, including the increase in the purchasing power of Chinese consumers and the resulting demand for properties. We believe that the rate of urbanization and the overall economic growth in China are especially important to the continued growth of our business. The rate of urbanization and the overall economic growth in China will continue to be affected by a number of macroeconomic factors, including changes in the global economy and world markets as well as the macroeconomic, fiscal and monetary policies of the PRC government.

The Regulatory Environment and Measures Affecting the Real Estate Industry in China

Our business and operating results have been, and will continue to be, affected by the regulatory environment in China and by PRC governmental policies and measures on property development and related industries. In recent years, the PRC government has implemented a series of measures with a view to controlling the real estate market. The PRC government has taken various restrictive measures to discourage speculation in the real estate market and to increase the supply of affordable residential properties. From time to time, the PRC government adjusts or introduces macroeconomic control policies to encourage or restrict development in the private real estate sector through regulating, among other things, land grants, pre-sale and sale of properties, bank financing and taxation. Measures taken by the PRC government to control money supply, credit availability and fixed assets also have a direct impact on our business and operating results. The PRC government may introduce initiatives which may affect our access to capital and the means by which we may finance our property development. These and other measures have affected the overall economy in China, with differing effects on various sectors.

In 2014, 2015 and 2016, in response to the rising property prices across the country, the PRC government announced new policies and adopted new measures to curtail speculation in the real estate market and imposed more stringent requirements on property developers. In 2016, GDP growth in China slowed down to 6.7% and the PRC government adopted different real estate control and stimulus policies in different cities with the goal of stabilizing property prices and continuing inventory clearance. See "Risk Factors — Risks Relating to Our Industry — Our operations are subject to extensive governmental regulations, and in particular, we are susceptible to changes in policies related to the real estate industry in the PRC and the PRC government may adopt further measures to slow down growth in the real estate sector" in this offering circular for more details on the relevant PRC laws and regulations. The new measures include, among other things, higher minimum down payment requirements, restrictions on purchase of properties and increases in bank lending rates for mortgage financings. Since a substantial portion of our customers depend on mortgage financing to purchase our properties, regulations or measures adopted by the PRC government that are intended to restrict the ability of purchasers to obtain mortgages, that limit their ability to resell their properties or that increase the cost of mortgage financing may decrease market demand for our properties and adversely affect our revenue. PRC regulatory measures in the real estate industry will continue to impact our business and operating results.

Ability to Acquire Quality Land at Reasonable Prices

Our operating results and continued growth will depend on our ability to secure quality land at prices that can yield reasonable returns. Based on our current plans, we believe that our land reserves are sufficient for our property development requirements for the next few years. As the PRC economy continues to grow and demand for residential properties remains relatively strong, we expect that competition among property developers for land that is suitable for property development will remain intense. In addition, PRC governmental land supply policies and implementation measures may further intensify competition for land in China among property developers. For example, the statutory means of public tender, auction and listing-for-sale practice in respect of the grant of state-owned land use rights is likely to increase competition for development land and, consequently, increase land acquisition costs. Furthermore, in November 2009, the PRC government raised the minimum down payment of land premium to 50% and required that land premium be fully paid within one year after the signing of a land grant contract, subject to limited exceptions. These and future changes of policy may materially and adversely affect our cash flows and our ability to acquire suitable land for our operations.

Timing of Property Development

Our operating results tend to fluctuate from period to period. The number of property developments that a developer can undertake during any particular period is limited by the substantial amount of capital required to fund land acquisitions and to pay construction costs, as well as by the supply of land and other factors. Property development may take many months, or sometimes years, before any pre-sale takes place and even longer to complete. According to our accounting policy for revenue recognition, although the pre-sale of a property generates positive cash flows for us in the period in which it is made, no revenue is recognized in respect of the sale of a property until its development has been completed and the property has been delivered to the purchaser. Since the delivery of our properties varies according to our construction timetable, our operating results may vary significantly from period to period.

Pre-sale

Pre-sale constitutes one of the important sources of our operating cash flows during our project development process. PRC law allows us to pre-sell properties before their completion upon satisfaction of certain requirements and requires us to use the pre-sale proceeds to finance the relevant projects that are pre-sold. See “Business — Property Development — Sales and Marketing” for more details. The amount and timing of cash inflows from pre-sale are affected by a number of factors, including the development schedule of each of our projects, restrictions on pre-sale imposed by the PRC government, availability and affordability of mortgage financings for our purchasers, market demand for our properties subject to pre-sale and the number of our properties available for pre-sale. In addition, reduced cash flows from pre-sale of our properties will likely increase our reliance on external financing, which may increase our cost and may impact our ability to finance our continuing property developments.

Access to and Cost of Financing

Property development requires substantial capital investments for land acquisition and construction, and it may take many months or years before positive cash flows can be generated. During 2014, 2015, 2016 and the six months ended June 30, 2017, we financed our operations primarily through internally generated funds, bank borrowings, trust financings, offshore credit facilities and net proceeds from our equity, senior notes, senior perpetual securities and onshore bond offerings.

Our access to capital and cost of financing are affected by restrictions imposed from time to time by the PRC government on financings for property development, our ability to raise funding from the capital markets and the general economic environment. For bank loans, we are highly susceptible to any regulations or measures adopted by the PBOC that restrict bank lending, particularly those that restrict the ability of real estate developers to obtain financing. As commercial banks in the PRC link the interest rates on their loans to benchmark lending rates published by the PBOC, we expect that any increase in the benchmark lending rates will increase our borrowing costs generally. Please refer to the section headed “Risk Factors — Risks Relating to our Business — Our profitability and results of operations are affected by changes in interest rates” for more details.

From time to time, we obtained secured and unsecured trust and other financings from a number of trust companies in the PRC. Compared to bank loans, such trust and other financings offer greater flexibility in terms of availability. While drawdowns on bank loans usually depend on actual construction progress, drawdowns on such financings may be made in full in one or multiple installments as agreed with the relevant lenders. However, financing costs under these trust arrangements are generally higher than those under bank loans. There is no guarantee that we will be able to enter into these arrangements, if needed, in the future at all or on favorable terms. Our trust loans were fully repaid during 2015.

As of December 31, 2014, 2015 and 2016 and June 30, 2017, our outstanding total bank and other borrowings under IFRS (not including senior notes and onshore bonds) amounted to RMB9,503.8 million, RMB11,657.9 million and RMB13,566.6 million (US\$2,001.2 million) and RMB25,158.9 million (US\$3,711.1 million), respectively. As of June 30, 2017, our total indebtedness (including bank and other borrowings, onshore corporate bonds and offshore senior notes) amounted to RMB39,556.8 million (US\$5,834.9 million). The effect of increases in interest rates on our financing costs would not be immediately apparent due to the capitalization of our borrowing costs in our consolidated financial statements. Upon completion of a property project and once the related properties have been delivered to buyers, the capitalized interest expenses on these properties will be recognized in the cost of sales in our consolidated statements of comprehensive income.

Location and Product Mix

The location of our property projects and the type of properties are important factors affecting our operating results. We have in the past generated, and intend in the future to generate, revenue mainly from sales of properties and rental income. As a result, our operating results and the sources and amount of our cash generated from operations may vary significantly from period to period depending on the type and GFA of our completed properties that we sell or lease. Our operating results and cash flows will also vary depending on market demand at the time we sell or lease our properties, the selling prices for our property development projects, and the rental and occupancy rates of our investment properties, which depend on local market prices which, in turn, depend on local supply and demand conditions, as well as the type of properties being developed.

Price Volatility of Construction Materials

A principal component of our cost of sales is construction costs. Historically, construction materials costs have been the primary driver of our construction costs. Construction costs fluctuate as a result of changes in the prices of key construction materials such as steel and cement. Construction costs have a direct effect on our gross margin.

Substantially all of the costs of construction materials have been accounted for as part of the contractor fees upon settlement with the relevant contractors. If the costs of construction materials increase beyond our expectation, the contractors may request to transfer such increase in costs to us by increasing their contractor fees. Our profitability may suffer if we cannot pass on any resulting increases

in construction costs to our customers. Furthermore, as we typically pre-sell our properties prior to their completion, we may be unable to pass on any increases in costs to our customers if construction costs increase subsequent to such pre-sale.

Valuation of Our Investment Properties

We retain ownership of a portion of the GFA of our commercial properties for lease. Our investment properties are stated at their fair value on our consolidated statements of financial position as non-current assets as of each financial position date on the basis of valuations by our independent property valuer. Gains arising from a change in fair value upon the transfer of properties held for sale to investment properties are accounted for as fair value gain upon such transfer. Gains or losses arising from changes in the fair value of our investment properties are accounted for as change in fair value of investment properties in our consolidated statements of comprehensive income. These gains or losses may have a substantial effect on our profits. The fair value of our investment properties are based on valuations of such properties conducted by our valuer, using property valuation techniques involving certain assumptions of market conditions. The fair value of our investment properties may have been higher or lower if the valuer had used a different set of bases or assumptions or if the valuation had been conducted by other qualified independent professional valuers using a different set of bases and assumptions. Investors should be aware that the fair value gains on investment properties included in our consolidated statements of comprehensive income reflect unrealized capital gains in the estimated fair value of our investment properties at the relevant reporting date and do not constitute profit generated from our operations or generate any actual cash inflow to us unless and until such investment properties are sold at or above such estimated values. Favorable or unfavorable changes in the assumptions of market conditions used by our valuer would result in changes to the fair value of our investment properties and corresponding adjustments to the amount of gains or losses reported in our consolidated statements of comprehensive income in the future. The amount of revaluation adjustments have been, and may continue to be, significantly affected by the prevailing property markets and may fluctuate. See “Risk Factors — Risks Relating to our Business — Our operating results include the change in fair value of our investment properties, which may fluctuate significantly over financial periods and may materially and adversely affect our business, financial condition and results of operations” for more details.

Fluctuation of Renminbi Exchange Rate

We conduct our business primarily in Renminbi. We are exposed to foreign exchange rate risk relating to the portion of our bank deposits that we maintain in Hong Kong dollars and U.S. dollars and foreign currency-denominated obligations such as our offshore credit facilities the 2015 Notes, the 2017 Notes, the August 2017 Perpetual Securities, the December 2017 Perpetual Securities, the 2018 Notes and Bonds. Since 2005, the PRC government has followed a policy under which the Renminbi is permitted to fluctuate within a narrow and managed band against a basket of certain foreign currencies. In 2007, the PBOC widened the floating band for the trading prices in the inter-bank foreign exchange market of the Renminbi against the U.S. dollar from 0.3% to 0.5% around the central parity rate. The floating band was further widened to 1.0% in 2012 and to 2.0% in 2014. These changes in currency policy resulted in the Renminbi appreciating against the U.S. dollar by approximately 33.0% from July 21, 2005 to December 31, 2014. However, in August 2015, the PBOC moved to devalue the Renminbi against the U.S. dollar and announced a policy change allowing a more market-based determination of the official fixing rate. Following such announcement, the Renminbi depreciated significantly against the U.S. dollar. In February 2017, the PBOC has adjusted its FX fixing formula, making adjustments to existing fixing model which was introduced in February 2016. In October 2016, RMB was formally included in IMF’s Special Drawing Rights basket. Renminbi has witnessed multiple fluctuation in past one year. As a result, we suffered a net exchange gain of RMB213.3 million (US\$31.5 million) for the six months ended June 30, 2017 as compared to a net exchange loss of RMB163.9 million for the six

months ended June 30, 2016. The PRC government may take further actions that could cause future exchange rates to vary significantly from current or historical exchange rates. A depreciation in the Renminbi could adversely affect the value of any dividends we pay to our shareholders outside the PRC, require us to use more Renminbi funds to service the same amount of any foreign currency debt and materially and adversely affect our financial condition and results of operations. See “Risk Factors — Risks Relating to our Business — Our profitability and results of operations are affected by changes in foreign exchange rates.”

CRITICAL ACCOUNTING POLICIES

The discussion and analysis of our financial condition and operating results are based upon our consolidated financial statements as of and for the financial years ended December 31, 2014, 2015 and 2016 and for the period of the six months ended June 30, 2017, which have been prepared in accordance with IFRS. Our reported financial condition and operating results are sensitive to accounting methods, assumptions and estimates that underlie the preparation of the financial statements. We continually evaluate our estimates and assumptions and base them on historical experience and on various other factors that our directors believe to be relevant under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results typically differ from these estimates. The estimates and assumptions that may have a significant effect on the carrying amounts of assets and liabilities mainly include those related to property development activities.

The selection of critical accounting policies and the sensitivity of reported results to changes in conditions and assumptions are factors to be considered when reviewing our financial statements. Our directors believe that the following critical accounting policies are among those that involve the most significant judgments and estimates used in the preparation of our consolidated financial statements.

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of business, net of customer returns, rebates and other similar allowances.

Revenue is recognized when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to our Group and when specific criteria have been met for each of our Group’s activities, as described below.

Revenue from sale of properties in the ordinary course of business is recognized when all of the following criteria are satisfied:

- the significant risks and rewards of ownership of the properties are transferred to purchasers;
- neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the properties are retained;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to us; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Deposits received from purchasers prior to meeting the above criteria for revenue recognition are included in the consolidated statements of financial position under current liabilities.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease.

Property management service income is recognized over the period in which the services are rendered. On July 15, 2016, we entered into an equity transfer agreement to sell our majority equity interest in Shanghai Yongsheng, which carried out our property management services. Upon completion of such sale, Shanghai Yongsheng's results of operations have no longer been consolidated into our financial statements. See "Business — Recent Developments."

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to us and the amount of revenue can be measured reliably. Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognized when our rights to receive payment have been established (provided that it is probable that the economic benefits will flow to us and the amount of revenue can be measured reliably).

Construction Costs Estimation for Revenue Recognition

Certain of our projects are divided into several phases according to their development and delivery plans. We recognize sales upon delivery of properties. Cost of sales including construction costs specific to the phases and common costs allocable to the phases are calculated based on management's best estimation of the total development costs for the whole project and the allocation to each phase at the time when the properties are delivered.

Properties under Development for Sale

When the leasehold land and buildings are in the course of development for sale, the leasehold land component is amortized over a straight-line basis over the lease term. During the construction period, the amortization charge provided for the leasehold land is included as part of the costs of properties under development. Properties under development which are intended to be held for own use or their investment potential are classified as non-current assets. Properties under development which are intended to be held for sale are classified as current assets and carried at the lower of cost and net realizable value.

Properties Held for Sale

Properties held for sale are stated at the lower of cost and net realizable value. Cost includes the costs of land, development expenditure incurred and, where appropriate, borrowing costs capitalized. Net realizable value is determined based on prevailing market conditions.

Investment Properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including properties under construction for such purposes). Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values using the fair value model. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

Construction costs incurred for investment properties under construction are capitalized as part of the carrying amount of the investment properties under construction.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the item is derecognized.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year/period. Taxable profit differs from profit before tax as reported in the consolidated statements of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Our liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated statements of financial position and the corresponding tax base used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries, except where we are able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which we expect, at the end of the reporting period, to recover or settle the carrying amount of our assets and liabilities.

Current and deferred taxation are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case the current and deferred taxation is also recognized in other comprehensive income or directly in equity respectively.

For the purposes of measuring deferred tax liabilities or deferred tax assets for investment properties that are measured using the fair value model the carrying amount of such properties are presumed to be recovered entirely through sale unless the presumption is rebutted. The presumption is

rebutted when the investment property is depreciable and is held within our business model, the business objective of which is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

Share-Based Payment Transactions

The fair value of services received determined by reference to the fair value of shares granted at the grant date is expensed on a straight-line basis over the vesting period with a corresponding increase in reserve.

At the end of each reporting period, we revise our estimates of the number of shares that are expected to ultimately vest. The impact of the revision of the original estimates during the vesting period, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to reserve.

When share options are exercised, the amount previously recognized in share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognized in share option reserve will be transferred to retained profits.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of those assets. Capitalization of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned from temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

Valuation of Trust and Other Loans Related Derivatives

The fair value of trust and other loans related financial derivative instruments is calculated using the Monte Carlo simulation by considering a number of parameters including volatility, credit spread, risk-free rates, property selling prices of the project, the property development plan estimated by management and maturity dates determined by the terms of the relevant agreements and the property sale plan estimated by management.

Where the actual future market data or property development plans vary, a material adjustment on the fair values of trust and other loans related derivatives may arise. When estimating the fair value of these derivatives with reference to a valuation report from an independent appraiser, we have exercised our judgment and are satisfied that the method of valuation is reflective of current market conditions and our best estimation of the relevant property development plans.

LAT

We are subject to LAT in the PRC. However, the rules and regulations relating to assessable rates, the deductibility of certain expenses and the collection and settlement of LAT may vary among different tax jurisdictions in various provinces and cities of the PRC and certain of our projects have not finalized their LAT calculations with any local tax authorities in the PRC. Accordingly, significant judgment is required in determining the amount of land appreciation and its related income tax provisions. We recognized the LAT based on management's best estimates. The final tax outcome could be different

from the amounts that were initially recorded, and these differences will impact the income tax expense and the related income tax provisions in the periods in which such tax is finalized with local tax authorities.

CERTAIN KEY ITEMS AFFECTING OUR CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Revenue

Our revenue represents income recognized from sales of properties, rental income from the leasing of investment properties and other properties, and income received from property management and related services. On July 15, 2016, we entered into an equity transfer agreement to sell our majority equity interest in Shanghai Yongsheng, which carried out our property management services. Upon completion of such sale, Shanghai Yongsheng's results of operations have no longer been consolidated into our financial statements.

The following table sets out the breakdown of our revenue by business segments and their percentage of total revenue for the periods indicated.

	For the year ended December 31,							Six months ended		Six months ended		
	2014		2015		2016			June 30,		June 30,		
	RMB'000	%	RMB'000	%	RMB'000	US\$'000	%	RMB'000	%	RMB'000	US\$'000	%
Sales of properties	15,653,684	96.8	17,046,700	93.5	20,713,067	3,055,340	93.2	7,985,162	91.3	10,590,200	1,562,138	94.3
Rental income	41,688	0.3	40,973	0.2	62,226	9,179	0.3	17,487	0.2	50,986	7,521	0.5
Project management income and other property related service income	286,383	1.7	799,477	4.4	1,172,658	172,976	5.3	556,020	6.4	594,173	87,645	5.2
Property management income	197,579	1.2	343,638	1.4	276,496	40,785	1.2	185,452	2.1	—	—	—
Total	<u>16,179,334</u>	<u>100.0</u>	<u>18,230,788</u>	<u>100.0</u>	<u>22,224,447</u>	<u>3,278,281</u>	<u>100.0</u>	<u>8,744,121</u>	<u>100.0</u>	<u>11,235,359</u>	<u>1,657,304</u>	<u>100.0</u>

Sales of Properties

Revenue recognized from the sale of properties represents consideration received or receivable, net of discounts allowed, from sales of our properties held for sale in a given period. We expect that income from sales of properties will continue to account for the substantial majority of our total revenue in the future.

As income from sales of properties constitutes substantially all of our revenue, our operating results for a given period are dependent upon the type and GFA of properties we have delivered during that period, the market demand for those properties and the price we obtained from the pre-sale or sale of the properties. Conditions in the property markets in which we operate change from period to period and are affected significantly by the general economic, political and regulatory developments in the PRC, particularly in the cities in which we operate.

Consistent with industry practice, we typically enter into sales contracts with purchasers while the properties are still under development but after satisfying the conditions for pre-sale in accordance with PRC laws and regulations. Please refer to the section headed "Business — Property Development — Sales and Marketing" for more details. Before the criteria for the recognition of sales of properties are met, payments received from purchasers are recorded as receipt in advance from property sales, which is included in current liabilities. Please refer to "— Critical Accounting Policies — Revenue recognition" for more details.

The following table sets out the breakdown of our revenue recognized from sales of properties by city and region for the periods indicated.

	For the year ended December 31,							For the six months ended June 30,					
	2014		2015		2016			2016		2017			
	RMB'000	%	RMB'000	%	RMB'000	US\$'000	%	RMB'000	%	RMB'000	US\$'000	%	
The Yangtze River Delta Region:													
Shanghai	5,778,522	36.9	4,990,753	29.3	4,905,994	723,673	23.7	2,558,285	32.0	4,470,573	659,445	42.2	
Suzhou	2,709,977	17.3	2,932,912	17.2	2,616,629	385,973	12.6	1,302,160	16.3	1,560,583	230,198	14.7	
Hangzhou	—	—	803,806	4.7	831,440	122,644	4.0	224,857	2.8	189,937	28,017	1.8	
Hefei	810,409	5.2	1,574,451	9.2	1,858,309	274,115	9.0	—	0.0	245,444	36,205	2.3	
Zhenjiang	140,680	0.9	94,679	0.6	49,849	7,353	0.2	19,861	0.2	820,011	120,958	7.8	
Jiaxing	12,400	0.1	684,739	4.0	302,914	44,682	1.5	220,192	2.8	584,058	86,153	5.5	
Nanjing	—	—	—	—	787,013	116,091	3.8	—	0.0	783,081	115,511	7.4	
Sub-total	9,451,988	60.4	11,081,340	65.0	11,352,148	1,674,531	54.8	4,325,355	54.2	8,653,687	1,276,487	81.7	
The Pan Bohai Rim:													
Beijing	3,295,804	21.1	2,743,658	16.1	703,786	103,814	3.4	—	0.0	—	—	0.0	
Langfang	678,847	4.3	128,510	0.8	1,119,553	165,143	5.4	838,074	10.5	34,287	5,058	0.3	
Shenyang	—	—	159,450	0.9	585,659	86,389	2.8	177,133	2.2	431,953	63,716	4.1	
Tianjin	777,503	5.0	1,495,757	8.8	2,873,061	423,799	13.9	1,242,752	15.6	78,613	11,596	0.7	
Sub-total	4,752,154	30.4	4,527,375	26.6	5,282,059	779,145	25.5	2,859,102	35.8	544,853	80,370	5.1	
The Central Western Region:													
Wuhan	—	—	700,121	4.1	1,279,849	188,788	6.2	239,286	3.0	412,318	60,820	3.9	
Chongqing	640,104	4.1	26,497	0.2	844,973	124,640	4.1	—	0.0	221,901	32,732	2.1	
Changsha	809,438	5.2	711,367	4.2	1,954,038	288,236	9.4	561,419	7.0	757,441	111,728	7.2	
Sub-total	1,449,542	9.3	1,437,985	8.5	4,078,860	601,664	19.7	800,705	10.0	1,391,660	205,281	13.2	
Total	15,653,684	100.0	17,046,700	100.0	20,713,067	3,055,340	100.0	7,985,162	100.0	10,590,200	1,562,138	100.0	

Rental Income

Our rental income includes recurring revenue from the leasing of our investment properties and other properties. Fluctuations in our rental income are primarily due to the addition and removal of these properties upon sale from time to time. Our rental income is recognized on a straight-line basis over the relevant lease period.

Property Management Income

Our property management income represents income generated from property management services we provide to the owners of our residential and commercial properties. This income is recognized over the period when our property management services are rendered. On July 15, 2016, we entered into an equity transfer agreement to sell our majority equity interest in Shanghai Yongsheng, which carried out our property management services. Upon the completion of such sale, Shanghai Yongsheng's results of operations, which represent all of our property management income for 2014, 2015 and 2016, have no longer been consolidated into our financial statements.

Other Property Related Service Income

We also generate other property related service income from provision of property related consultancy services to our customers. This income is typically project-based and is recognized when the services are rendered.

Cost of Sales and Services

Cost of sales comprises primarily the costs we incur directly in relation to our property development activities, which include construction costs, land acquisition costs and capitalized borrowing costs. Cost of services includes other business costs incurred in relation to our property

rental, property management and other property related services as well as sales related taxes. On July 15, 2016, we entered into an equity transfer agreement to sell our majority equity interest in Shanghai Yongsheng, which carried out our property management services. Shanghai Yongsheng's results of operations represented all of our cost services in relation to our property management services for 2014, 2015 and 2016. Upon completion of such sale, Shanghai Yongsheng's results of operations have no longer been consolidated into our financial statements. See "Business — Recent Developments."

Cost of Property Sales

Cost of property sales includes construction costs, land acquisition costs and capitalized borrowing costs. We recognize the cost of property sales for a given period to the extent that revenue from such properties has been recognized in such period. Prior to their completion, properties under development are included in our consolidated statements of financial position carried at the lower of cost and net realizable value.

Construction costs

Construction costs include all of the costs for the design and construction of a project, including payments to third-party contractors and designers and cost of construction materials. Our construction costs are affected by a number of factors such as changes in construction labor costs and construction materials costs (particularly steel and cement), location and types of properties, choice of materials, landscaping and investments in ancillary facilities.

Land acquisition costs

Land acquisition costs represent costs relating to the acquisition of the rights to occupy, use and develop land, and primarily include land premiums incurred in connection with land grants from the PRC government or land obtained in the secondary market by transfer, cooperative arrangement, corporate acquisition or otherwise. Our land acquisition costs are influenced by a number of factors, including location of property projects, timing of acquisitions and a project's plot ratios. Land acquisition costs are also affected by our method of acquisition, whether by PRC government-organized tenders, auctions or listings-for-sale, through private sale transactions and cooperative agreements with third parties in the secondary market or through the acquisition of other companies that hold land use rights. We may also be required to pay demolition and resettlement costs. Our land acquisition costs are also subject to changes in PRC government policies and regulations.

Capitalized borrowing costs

We capitalize a portion of our cost of bank and other borrowings (including interest expense) to the extent that such cost is directly attributable to the acquisition, construction or production of a particular property project. Fluctuations in the amount and timing of capitalization from period to period may also affect our finance costs.

Cost of Rental Income, Property Management Services and Other Property Related Services

Cost of rental income primarily includes the maintenance costs for our leased properties as well as fees and costs associated with the management of our leased properties. Cost of rental income is recognized when such costs are incurred.

Cost of property management services primarily includes staff costs associated with our property management companies and other costs associated with the management of the properties that we have developed. On July 15, 2016, we entered into an equity transfer agreement to sell our majority equity interest in Shanghai Yongsheng, which carried out our property management services. Shanghai

Yongsheng's results of operations represented all of our cost services in relation to our property management services for 2014, 2015 and 2016 and the six months ended June 30, 2017. Upon completion of such sale, Shanghai Yongsheng's results of operations have no longer been consolidated into our financial statements.

Cost of other property related services primarily includes direct costs associated with the provision of these services.

Sales Related Taxes

Sales related taxes include business tax, municipal maintenance tax, education surcharge and other local taxes which are payable by us in connection with our property development activities.

Gross Profit

Gross profit represents revenue less cost of sales.

Other Income, Gains and Losses

Other income, gains and losses primarily comprise loss on early redemption of senior notes, change in fair value of derivative financial instrument, gain on remeasurement, gain from business combinations, gain on disposal of prepaid lease payments, gain or loss on disposal of subsidiaries, gain on disposal of a joint venture, government grants (which are non-recurring in nature and represent government incentives which may be available to corporate investing in the relevant city or district), interest income, forfeited deposits from purchasers resulting from cancelled contracted sales, sundry income, dividend income from available-for-sale investments, net exchange losses and others.

Change in Fair Value Gain on Investment Properties

Investment properties are interests in land and buildings held to earn recurring income. Investment properties are stated at their fair value on each financial position date.

Gains or losses arising from changes in the fair values of investment properties are included in our consolidated statements of comprehensive income in the period in which they arise. Based on our valuer's valuation, we recognized the aggregate fair market value of our investment properties on our consolidated statements of financial position, recognized fair value gains or losses on investment properties on our consolidated statements of comprehensive income and recognized the relevant deferred tax under tax expenses on our consolidated statements of comprehensive income.

The fair value of each of our investment properties is likely to fluctuate from time to time and the fair value of our investment properties may decrease in the future. Any such decrease in the fair value of our investment properties would reduce our profits.

The increases or decreases in the fair value of our investment properties were generally in line with the appreciation or depreciation, as the case may be, of land and/or buildings in comparable city areas where our relevant investment properties are located.

Change in Fair Value of Trust and Other Loans Related Derivatives

Certain of our subsidiaries entered into trust and other financing arrangements that involved repurchase obligations of the equity interest from the lender in the relevant project subsidiary at repurchase considerations determined based on the operational performance of, or the valuation of the equity interest in, the relevant project subsidiary. For more information, see "Indebtedness and Contingent Liabilities — Trust and Other Financings." These financing arrangements are classified in

our consolidated financial statements as loan liabilities and financial derivatives on initial recognition and are re-measured to fair value through profit or loss at subsequent reporting dates. We engaged an independent appraiser to assist us in determining the fair value of these trust and other loans related derivatives. Based on such valuation, we recognized fair value gain or loss on trust and other loans related derivatives on our consolidated statements of comprehensive income.

The fair value of each of these derivatives is likely to fluctuate from time to time and the value of these derivatives may increase in the future. Any such increase in the fair value of these derivatives would reduce our profits.

Selling and Marketing Expenses

Selling and marketing expenses primarily include commissions, advertising expenses, salaries of sales staff and other promotional expenses. Our selling and marketing expenses in any period are affected by the number of new projects launched in that period.

Administrative Expenses

Administrative expenses primarily include salaries and benefits for our personnel (other than selling and marketing personnel), auditing expenses, travel expenses, general office expenses and other miscellaneous expenses. Our administrative expenses generally increase with our principal business activities and our geographical coverage as well as the number of property projects being undertaken by us.

Share of Results of Joint Ventures and Associates

We account for our joint ventures and associates using the equity method of accounting and, accordingly, we recorded share of results of joint ventures and associates on our consolidated statements of comprehensive income, which includes share of exchange losses relating to effects of depreciation of the Renminbi during the relevant period and share of gain in the fair value of investment properties under construction.

Finance Costs

Finance costs primarily consist of interest expenses for bank and other borrowings net of capitalized interest relating to properties under development. Interest costs which are not related to a project cannot be capitalized. As a result, our finance costs may fluctuate from period to period depending on the level of interest costs that are capitalized within the reporting period as well as the amount of outstanding principal and interest rates.

Income Tax Expense

Our income tax expense for a given period includes payments and provisions made for EIT and LAT during the period. Fluctuations in our effective tax rate from period to period are primarily due to changes in our effective rates of EIT and LAT. In 2014, 2015 and 2016 and the six months ended June 30, 2017, our effective tax rate (calculated as income tax expense divided by profit before taxation) was 39.9%, 35.1% and 34.6% and 37.4%, respectively.

EIT

We, through our PRC subsidiaries, are subject to EIT in China. Under the EIT Law and EIT Rules, the statutory tax rate for all of our PRC subsidiaries has been 25% since January 1, 2008.

As approved by various competent tax bureaus, certain of our PRC subsidiaries are subject to the statutory tax rate of 25% on their respective deemed taxable income, ranging from 8% to 10% of revenue in accordance with the prescribed tax calculation method pursuant to the applicable PRC tax regulations.

In addition, a portion of our EIT consists of deferred tax.

LAT

Under PRC laws and regulations, our PRC subsidiaries that are engaged in the property development business are subject to LAT as determined by the local authorities in the location in which each project is located. All income from the transfer of State-owned land use rights, buildings and their attached facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation value as defined in the relevant tax laws. Certain exemptions are available for the sale of ordinary residential properties if the appreciation values do not exceed 20% of the total deductible items (as defined in the relevant tax laws). Sales of commercial properties are not eligible for such exemptions. Whether a property qualifies for the ordinary residential property exemption is determined by the local government. Historically, sales of higher-end properties and commercial properties had higher appreciation values, and were therefore generally subject to higher LAT rates. On December 28, 2006, the SAT issued the Notice on the Settlement Management of Land Appreciation Tax on Real Estate Enterprises 《關於房地產開發企業土地增值稅清算管理有關問題的通知》, which took effect on February 1, 2007. Such notice provides further clarifications to the settlement of LAT. Local provincial tax authorities can formulate their own implementation rules according to the notice and local situations. On May 12, 2009, the SAT issued the Regulations of Land Appreciation Tax Settlement Administration 《土地增值稅清算管理規程》 effective on June 1, 2009, which further clarifies the specific conditions and procedures for the settlement of LAT. On May 25, 2010, the SAT published the Circular on Strengthening the Collection and Administration of Land Appreciation Tax 《關於加強土地增值稅徵管工作的通知》 to require all local governments to formulate the tax rate and strengthen provisional LAT taxation. According to this circular, the provisional LAT rate of provinces in the eastern region shall not be lower than 2%, while the provinces in middle and northeastern region shall not be lower than 1.5% and the provinces in western region shall not be lower than 1%. The local governments shall determine the provisional LAT rate applicable to different types of real estate. We estimate and make provisions for the full amount of applicable LAT in accordance with the requirements set out in the relevant PRC tax laws and regulations, but only prepay 1.0% to 5.0% of the pre-sale proceeds each year as required by the local tax authorities under prevailing market practice. In 2014, 2015 and 2016 and the six months ended June 30, 2017, we made provisions for LAT in the amount of RMB472.9 million, RMB317.9 million and RMB602.2 million (US\$88.8 million) and RMB853.8 million (US\$125.9 million), respectively, and made actual LAT payments of approximately RMB314.5 million, RMB549.7 million and RMB632.6 million (US\$93.3 million) and RMB404.0 million (US\$59.6 million), respectively.

Hong Kong Profits Tax

No provision for Hong Kong profits tax was made in 2014, 2015 and 2016 and the six months ended June 30, 2016, as we did not generate any assessable profits arising in Hong Kong during such period.

Cayman Islands Tax

The Cayman Islands currently levy no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty.

SUMMARY CONSOLIDATED FINANCIAL INFORMATION

The following table sets out, for the periods indicated, certain items derived from our consolidated statements of comprehensive income.

	For the year ended December 31,				For the six months ended June 30,		
	2014	2015	2016		2016	2017	
	RMB'000	RMB'000	RMB'000	US\$'000	RMB'000	RMB'000	US\$'000
Revenue	16,179,334	18,230,788	22,224,447	3,278,281	8,744,121	11,235,359	1,657,304
Cost of sales and services	(11,992,548)	(14,087,196)	(16,578,838)	(2,445,509)	(6,377,396)	(7,680,373)	(1,132,915)
Gross profit	4,186,786	4,143,592	5,645,609	832,772	2,366,725	3,554,986	524,389
Other income, gains and losses	246,604	541,660	161,834	23,872	(127,572)	40,717	6,006
Change in fair value of investment properties	241,166	128,100	(100,433)	(14,815)	(66,108)	19,286	2,845
Change in fair value of trust and other loans related derivatives	4,000	—	—	—	—	—	—
Selling and marketing expenses	(319,404)	(370,910)	(524,456)	(77,361)	(217,837)	(271,021)	(39,978)
Administrative expenses	(529,391)	(607,355)	(878,878)	(129,642)	(314,619)	(598,808)	(88,329)
Share of results of joint ventures	(118,708)	205,533	1,007,416	148,602	261,124	1,204,327	177,648
Share of results of associates	—	(32,908)	55,324	8,161	(21,629)	319,124	47,073
Finance costs	(386,228)	(202,885)	(529,651)	(78,128)	(108,190)	(99,587)	(14,690)
Profit before taxation	3,324,825	3,804,827	4,836,765	713,461	1,771,894	4,169,024	614,964
Income tax expense	(1,325,237)	(1,334,039)	(1,672,390)	(246,691)	(722,508)	(1,561,131)	(230,279)
Profit and total comprehensive income for the year/period	<u>1,999,588</u>	<u>2,470,788</u>	<u>3,164,375</u>	<u>466,770</u>	<u>1,049,386</u>	<u>2,607,893</u>	<u>384,685</u>
Attributable to:							
Equity owners of the Company	1,861,149	2,095,464	2,807,549	414,135	838,480	2,156,233	318,061
Owners of perpetual capital instruments	35,913	38,030	—	—	—	—	—
Other non-controlling interests	102,526	337,294	356,826	52,635	210,906	451,660	66,623
Profit and total comprehensive income for the year/period	<u>1,999,588</u>	<u>2,470,788</u>	<u>3,164,375</u>	<u>466,770</u>	<u>1,049,386</u>	<u>2,607,893</u>	<u>384,685</u>

Excluding effects from fair value gains/losses, net exchange loss/gain, expenses relating to share option grants, loss on early redemption of senior notes, and share of fair value gains/losses and net exchange loss/gain at joint ventures and associated companies, net of deferred taxes, our core net profit and total comprehensive income and core net profit attributable to our equity owners for the years/periods indicated are set out in the table below.

	For the year ended December 31,				For the six months ended June 30,		
	2014	2015	2016		2016	2017	
	RMB'000	RMB'000	RMB'000	US\$'000	RMB'000	RMB'000	US\$'000
Core net profit and total comprehensive income for the year	2,063,716	2,574,344	3,161,000	466,272	1,159,030	1,968,720	290,402
Core net profit attributable to equity owners of the Company for the year	1,938,558	2,209,817	2,824,000	416,562	948,124	1,537,505	226,794

The Six Months Ended June 30, 2017 Compared to the Six Months Ended June 30, 2016

Revenue

Our revenue increased by RMB2,491.2 million, or 28.5%, to RMB11,235.4 million (US\$1,657.3 million) for the six months ended June 30, 2017 from RMB8,744.1 million for the six months ended June 30, 2016, primarily due to an increase in our revenue generated from sales of properties, rental income and project management and other related service income.

- *Sales of properties.* Revenue recognized from sales of property increased by RMB2,605.0 million, or 32.6% from RMB7,985.2 million for the six months ended June 30, 2016 to RMB10,590.2 million (US\$1,562.1 million). The increase was primarily to due an increase in

our delivered GFA and ASP to 730,400 sq.m. and RMB14,499/sq.m. for the six months ended June 30, 2017 from 718,082 sq.m. and RMB11,120/sq.m. for the six months ended June 30, 2016.

The following table sets out the breakdown of our revenue recognized from sales of properties, the total GFA delivered and recognized ASP by project for the six months ended June 30, 2017 and 2016, respectively.

Project	Primary intended use of the project	Recognised revenue from sale of properties			Total GFA delivered		Recognised ASP		
		(RMB'000)		(US\$'000)	(sq.m.)		(RMB/sq.m.)		(US\$'000)
		2016	2017	2017	2016	2017	2016	2017	2017
Shanghai Park Mansion Riverside	Residential	—	1,473,563	217,362	—	20,126	—	73,217	10,800
Shanghai Lujiazui Yangjing Project	Office/Commercial	—	305,087	45,003	—	2,901	—	105,166	15,513
Shanghai Henderson CIFI Center	Office/Commercial	685,654	1,346,424	198,608	19,820	37,239	34,594	36,156	5,333
Shanghai CIFI Park Mansion West	Residential	181,269	737,212	108,745	5,230	14,407	34,659	51,170	7,548
Shanghai CIFI Pujiang International	Office/Commercial	67,906	191,509	28,249	3,958	12,017	17,157	15,937	2,351
Shanghai CIFI Pure Center	Office/Commercial	1,027,623	37,564	5,541	45,753	1,036	22,460	36,259	5,348
Shanghai CIFI Luxury Courtyard	Residential	7,995	27,343	4,033	401	1,098	19,938	24,903	3,673
Shanghai CIFI Pleasant Garden	Residential	192,045	8,317	1,227	17,202	474	11,164	17,546	2,588
Shanghai CIFI City	Residential	—	3,760	555	—	188	—	20,000	2,950
Shanghai CIFI Haishang International	Office/Commercial	236,029	—	—	5,789	—	40,772	—	—
Shanghai CIFI U Block	Office/Commercial	58,999	—	—	2,718	—	21,707	—	—
Shanghai CIFI Jiangwan Mansion	Residential	29,191	—	—	533	—	54,767	—	—
Shanghai CIFI Pebble Beach	Residential	15,104	300,990	44,398	1,123	13,580	13,450	22,164	3,269
Shanghai CIFI Samite Life	Residential	13,217	—	—	1,128	—	11,717	—	—
Suzhou CIFI Shangli	Residential	—	1,401,178	206,685	—	93,322	—	15,014	2,215
Suzhou CIFI Elegant City	Residential	1,234,319	50,169	7,400	115,983	2,975	10,642	16,864	2,488
Suzhou CIFI Private Mansion	Residential	3,290	5,455	805	236	465	13,941	11,731	1,730
Suzhou CIFI Canal County	Residential	—	512	76	—	75	—	6,827	1,007
Suzhou CIFI Sunny Life	Residential	47,896	—	—	4,809	—	9,960	—	—
Suzhou CIFI Private Mansion	Residential	3,651	—	—	263	—	13,882	—	—
Usonian City Villa	Residential	754	—	—	91	—	8,286	—	—
Hangzhou Henderson CIFI Palace	Residential	224,857	164,546	24,272	28,174	13,850	7,981	11,881	1,753
Nanjing CIFI Nine Modern Life	Residential	—	780,176	115,082	—	40,786	—	19,129	2,822
Nanjing CIFI Yincheng Baimalanshan	Residential	—	2,905	428	—	164	—	17,713	2,613
Hefei CIFI Original Villa	Residential	—	244,526	36,069	—	18,266	—	13,387	1,975
Hefei CIFI Private Mansion	Residential	—	917	135	—	1,051	—	873	129
Zhenjiang CIFI East One Place	Residential	—	763,910	112,683	—	144,666	—	5,281	779
Zhenjiang CIFI Times	Residential	19,861	49,557	7,310	3,238	4,306	6,134	11,509	1,698
Jiaxing CIFI Ronchamp Town	Residential	151,114	529,263	78,070	20,167	71,942	7,493	7,357	1,085
Jiaxing CIFI Private Mansion	Residential	68,065	52,184	7,698	9,520	7,675	7,150	6,799	1,003
Wuhan CIFI Private Mansion	Residential	239,286	412,318	60,820	22,288	16,948	10,736	24,328	3,589
Chongqing CIFI City	Office/Commercial	—	100,594	14,838	—	16,247	—	6,192	913
Chongqing CIFI City	Residential	—	49,402	7,287	—	3,538	—	13,963	2,060
Chongqing CIFI Purple City	Office/Commercial	—	63,136	9,313	—	11,302	—	5,586	824
Chongqing CIFI Paradise Town	Residential	—	686	101	—	128	—	5,359	790
Changsha CIFI International Plaza	Office/Commercial	166,613	512,918	75,659	8,985	35,591	18,543	14,411	2,126
Changsha CIFI International Plaza	Residential	—	4,004	591	—	421	—	9,511	1,403
Changsha CIFI Dream Mansion	Residential	382,490	189,130	27,898	58,035	24,071	6,591	7,857	1,159
Changsha CIFI Private Mansion	Residential	12,316	20,159	2,974	2,152	1,981	5,723	10,176	1,501
Beijing CIFI The Education Park	Office/Commercial	439,605	—	—	20,298	—	21,658	—	—
Beijing CIFI The Upper House	Residential	138,579	—	—	5,390	—	25,710	—	—
Tianjin CIFI Rosedale	Residential	194,831	46,660	6,883	28,916	5,134	6,738	9,088	1,341
Tianjin CIFI Private Mansion	Residential	1,047,921	15,185	2,240	102,219	869	10,252	17,474	2,578
Shenyang CIFI Jin Court	Residential	—	386,588	57,025	—	32,100	—	12,043	1,776
Shenyang CIFI Private Mansion	Residential	177,133	10,519	1,552	29,957	866	5,913	12,147	1,792
Langfang CIFI Path Walk	Residential	838,074	30,174	4,451	122,779	3,034	6,826	9,945	1,467
Carpark and others		79,475	271,660	40,072	30,927	75,557	2,570	3,595	530
Total		7,985,162	10,590,200	1,562,138	718,082	730,396	11,120	14,499	2,139

* less than 0.1%

- *Rental income.* Our rental income increased by RMB33,499 million, or 191.6%, to RMB51.0 million (US\$7.5 million) for the six months ended June 30, 2016 from RMB17.5 million from the same period in 2016; The increase was primarily due to the improved performance of Jiaxing CIFI Square and contribution of Shanghai CIFI Haishang International retail spaces.
- *Project management and other related service income.* Our revenue generated from project management and other related service income increased by RMB38.2 million, or 6.9%, to RMB594.2 million (US\$87.6 million) for the six months ended June 30, 2017 from RMB556.0 million for the six months ended June 30, 2016. The increase was primarily due to the increase in the number of projects being managed by us.

Cost of sales

Our cost of sales increased by RMB1,303.0 million, or 20.4%, to RMB7,680.4 million (US\$1,132.9 million) for the six months ended June 30, 2017 from RMB6,377.4 million for the six months ended June 30, 2016. This increase was primarily due to an increase in cost of property sales as a result of an increase in total GFA delivered.

Gross profit and gross profit margin

Our gross profit increased RMB1,188.3 million, or 50.2%, to RMB3,555.0 million (US\$524.4 million) for the six months ended June 30, 2017 from RMB2,366.7 million for the same period in 2016. Our gross profit margin was 31.6% for the six months ended June 30, 2017, compared to 27.1% for the same period in 2016. The improvement of our gross profit margin during the six months ended June 30, 2017 compared to the same period in 2016 was primarily due to higher profitability of our products delivered during the period, with ASP contracted and locked-in amid strong real estate market in China since 2016.

Other Income, Gains and Losses

We recognized other income and gains of RMB40.7 million (US\$6.0 million) for the six months ended June 30, 2017 as compared to other losses of RMB127.6 million in 2016. The increase was primarily attributable to the loss of RMB128.3 million (US\$18.9 million) from the early redemption of senior notes and the net exchange gain of RMB213.3 million (US\$31.5 million) due to the appreciation of RMB during the six months ended June 30, 2017.

Change in fair value of investment properties

During the six months ended June 30, 2017, we recognized a fair value gain on investment properties of approximately RMB19.3 million (US\$2.8 million) as compared to a fair value loss on investment properties in the same period in 2016 of approximately RMB66.1 million. The fair value gain on investment properties was mainly due to the appreciation of the overall capital value and/or rental values.

Selling and marketing expenses

Our selling and marketing expenses increased by RMB53.2 million, or 24.4% to approximately RMB271.0 million (US\$40.0 million) during the six months ended June 30, 2017 from approximately RMB217.8 million in the same period in 2016. This increase was in line with our new launches of property projects available for pre-sale in 2017.

Administrative and other expenses

Our administrative expenses increased by RMB284.2 million, or 90.3% to approximately RMB598.8 million (US\$88.4 million) during the six months ended June 30, 2017 from approximately RMB314.6 million in the same period in 2016, primarily due to our business expansion.

Share of results of joint ventures and associates

Our share of results of joint ventures and associates amounted to profits of RMB1,523.5 million (US\$224.7 million) during the six months ended June 30, 2017, as compared to profits of RMB239.5 million in the same period in 2016. Included in the share of results of joint ventures and associates in the six months ended June 30, 2017 were RMB46.1 million (US\$6.8 million) share of exchange gain and RMB733.7 million (US\$108.2 million) share of gain in the fair value of investment properties under construction. Eliminating the effects of exchange gain and fair value gains, our share of results of joint

ventures and associates were profits of RMB743.6 million (US\$109.7 million) during the six months ended June 30, 2017, compared to profits of RMB63.3 million (US\$9.3 million) in the same period in 2016.

Finance costs

Our finance costs expensed decreased by RMB8.6 million to RMB99.6 million during the six months ended June 30, 2017 from RMB108.2 million in the same period in 2016. The decrease in finance costs expensed was primarily attributable to a decrease in weighted average cost of indebtedness. Our weighted average cost of indebtedness as of June 30, 2017 was 5.0%, compared to 5.5% as at December 31, 2016 and 5.8% as of June 30, 2016.

Profit before taxation

As a result of the factors described above, our profit before taxation increased by RMB2,397.1 million, or 135.3%, to approximately RMB4,169.0 million (US\$615.0 million) during the six months ended June 30, 2017 from approximately RMB1,771.9 million in the same period in 2016.

Income tax expenses

Our income tax expenses increased by RMB838.6 million, or 116.1% to approximately RMB1,561.1 million (US\$230.3 million) during the six months ended June 30, 2017 from approximately RMB722.5 million in the same period in 2016. Our effective income tax rate was 37.4% during the six months ended June 30, 2017, as compared to 40.8% in the same period in 2016.

Profit and total comprehensive income for the period

Our profit and total comprehensive income for the period increased by RMB1,558.5 million, or 148.5%, to approximately RMB2,607.9 million (US\$384.7 million) during the six months ended June 30, 2017 from approximately RMB1,049.4 million in the corresponding period of 2016.

Profit attributable to equity owners and non-controlling interest

Our net profit attributable to equity owners increased by RMB1,317.7 million, or 157.2%, to approximately RMB2,156.2 million (US\$318.1 million) during the six months ended June 30, 2017 from approximately RMB838.5 million in the corresponding period of 2016. Our core net profit attributable to equity owners increased by RMB589.4 million, or 62.1% to approximately RMB1,537.5 million (US\$226.8 million) during the six months ended June 30, 2017 from approximately RMB948.1 million in the same period in 2016.

2016 Compared to 2015

Revenue

Our revenue increased by RMB3,883.9 million, or 21.9%, to RMB22,224.4 million (US\$3,278.3 million) in 2016 from RMB18,230.8 million in 2015, primarily due to an increase in our revenue generated from sales of properties, rental income and project management and other property related service income.

- *Sales of properties.* Revenue recognized from sales of properties increased by RMB3,666.4 million, or 21.5%, to RMB 20,713.1 million (US\$3,055.3 million) in 2016 from RMB17,046.7 million in 2015. This increase was in line with the increase in delivered GFA. Our total GFA delivered increased by approximately 614,086 sq.m., or 46.4% to

approximately 1,938,300 sq.m. in 2016 from approximately 1,324,214 sq.m. in 2015. Our recognized ASP for properties delivered decreased by RMB2,187 per sq.m., or 17.0%, to RMB10,686 per sq.m. (US\$1,576.3 per sq.m.) in 2016 from RMB12,873 per sq.m. in 2015.

The following table sets out the breakdown of our revenue recognized from sales of properties, the total GFA delivered and recognized ASP by project in 2016 and 2015, respectively.

Project	Primary intended use of the project	As of December 31,								
		2015			2016			2016		
		Recognized revenue			Total GFA delivered			Recognized ASP		
		(RMB'000)	(RMB'000)	(US\$'000)	(sq.m.)	(sq.m.)	(sq.m.)	(RMB/sq.m.)	(RMB/sq.m.)	(US\$/sq.m.)
Shanghai CIFI Pure Center	Office/Commercial	—	1,390,906	205,170	—	56,755	—	—	24,507	3,615
Shanghai Henderson CIFI Center	Residential, Office/Commercial	2,336,054	1,111,272	163,921	64,082	31,479	36,454	35,302	—	5,207
Shanghai CIFI Park Mansion West	Residential	232,282	730,381	107,737	6,788	16,689	34,220	43,764	—	6,456
Shanghai CIFI Pebble Beach	Residential	16,634	581,534	85,781	1,267	36,174	13,129	16,076	—	2,371
Shanghai CIFI Haishang International	Office/Commercial	420,494	325,825	48,062	10,915	8,071	38,524	40,370	—	5,955
Shanghai CIFI Pleasant Garden	Residential	106,425	255,981	37,759	10,371	22,743	10,262	11,255	—	1,660
Shanghai CIFI Pujiang International	Office/Commercial	—	213,478	31,490	—	12,242	—	17,438	—	2,572
Shanghai CIFI U Block	Office/Commercial	12,323	83,047	12,250	709	3,527	17,381	23,546	—	3,473
Shanghai CIFI Jiangwan Mansion	Residential	423,850	62,724	9,252	7,764	1,095	54,592	57,282	—	8,450
Shanghai CIFI Samite Life	Residential	—	32,635	4,814	—	2,115	—	15,430	—	2,276
Shanghai CIFI Luxury Courtyard	Residential	29,054	25,810	3,807	1,358	1,493	21,395	17,287	—	2,550
Shanghai CIFI City	Residential	65,456	2,897	427	2,709	136	24,162	21,301	—	3,142
Shanghai CIFI Arthur Shire	Residential	1,002,206	—	—	32,782	—	30,572	—	—	—
Shanghai CIFI Shilu	Residential	164,053	—	—	3,597	—	45,608	—	—	—
Shanghai CIFI Private Mansion	Residential	147,858	—	—	6,455	—	22,906	—	—	—
Suzhou CIFI Elegant City	Residential	1,023,108	1,328,756	196,002	109,373	122,430	9,354	10,853	—	1,601
Suzhou CIFI Shangli	Residential	—	707,651	104,384	—	57,175	—	12,377	—	1,826
Suzhou CIFI Xiyue	Residential	—	454,010	66,970	—	49,410	—	9,189	—	1,355
Suzhou CIFI Sunny Life	Residential	599,291	47,896	7,065	68,254	4,809	8,780	9,960	—	1,469
Suzhou CIFI Private Mansion	Residential	25,195	9,472	1,397	1,598	912	15,767	10,386	—	1,532
Suzhou CIFI Private Mansion Usonian City Villa	Residential	1,249,645	3,651	539	97,290	263	12,845	13,882	—	2,048
Suzhou CIFI Luxury Courtyard	Residential	5,468	754	111	703	91	7,778	8,286	—	1,222
Suzhou CIFI Canal County	Residential	3,059	—	—	359	—	8,521	—	—	—
Hefei CIFI Original Villa	Residential	—	1,838,835	271,243	—	137,131	—	13,409	—	1,978
Hefei CIFI Private Mansion	Residential	1,549,300	—	—	186,005	—	8,329	—	—	—
Zhenjiang CIFI Times	Residential	91,178	48,291	7,123	13,008	7,716	7,009	6,259	—	923
Jiaxing CIFI Ronchamp Town	Residential	414,217	205,784	30,355	60,791	26,662	6,814	7,718	—	1,138
Jiaxing CIFI Private Mansion	Residential	267,371	85,510	12,613	36,018	38,379	7,423	2,228	—	329
Nanjing CIFI Yincheng Baimalanshan	Residential	—	787,013	116,091	—	47,229	—	16,664	—	2,458
Hangzhou Henderson CIFI Palace	Residential	796,754	814,248	120,108	100,932	87,043	7,894	9,355	—	1,380
Beijing CIFI The Education Park	Office/Commercial	1,424,629	509,298	75,125	62,324	24,194	22,858	21,051	—	3,105
Beijing CIFI The Upper House	Residential	1,195,060	140,521	20,728	48,501	5,593	24,640	25,124	—	3,706
Beijing CIFI Private Mansion	Residential	80,000	—	—	3,570	—	22,409	—	—	—
Langfang CIFI Path Walf	Residential	123,125	1,098,071	161,974	19,631	157,933	6,272	6,953	—	1,026
Tianjin CIFI Private Mansion	Residential	1,243,746	1,952,865	288,063	93,774	161,133	13,263	12,120	—	1,788
Tianjin CIFI Rosedale	Residential	249,645	912,699	134,630	31,996	125,019	7,802	7,300	—	1,077
Shenyang CIFI Private Mansion	Residential	159,450	467,700	68,989	12,733	68,730	12,523	6,805	—	1,004
Shenyang CIFI Jin Court	Residential	—	117,959	17,400	—	7,657	—	15,405	—	2,272
Chongqing CIFI City	Residential, Office/Commercial	—	830,674	122,531	—	101,232	—	8,206	—	1,210
Chongqing CIFI Ronchamp Town	Residential	16,180	3,519	519	859	1,290	—	—	—	—
Chongqing CIFI Fashion Tribe	Office/Commercial	4,696	—	—	—	743	—	—	—	—
Changsha CIFI International Plaza	Office/Commercial	437,325	944,961	139,389	108,108	39,480	8,741	1,259	—	186
Changsha CIFI Dream Mansion	Residential	—	823,886	121,530	117,148	—	7,033	1,013	—	149
Changsha CIFI Private Mansion	Residential	241,639	115,399	17,022	17,993	37,581	6,414	924	—	136
Wuhan CIFI Private Mansion	Residential	700,121	1,279,849	188,788	136,673	88,850	9,364	1,349	—	199
Carpark and others		189,809	367,305	54,180	134,257	60,613	2,736	394	—	58
Total/ASP		17,046,700	20,713,067	3,055,340	1,938,298	1,324,214	10,686	1,539		227

- **Rental income.** Our rental income increased by RMB21.3 million, or 51.9%, to RMB62.2 million (US\$9.2 million) in 2016 from RMB41.0 million in 2015. This increase was primarily due to the commencement of leasing by Shanghai CIFI Haishang International.
- **Property management income, project management income and other property related service income.** Our revenue generated from property management, project management income and other property related service income increased by RMB306.1 million, or 26.8%, to RMB1,449.2 million (US\$213.8 million) in 2016 from RMB1,143.1 million in 2015. This increase was primarily due to the addition of new property projects we entered into during the year for which we have received project management service fees. On July 15, 2016, we entered into an equity transfer agreement to sell our majority equity interest in Shanghai

Yongsheng, which carried out our property management services. Upon completion of such sale, Shanghai Yongsheng's results of operations will no longer be consolidated into our financial statements.

Cost of Sales and Services

Cost of sales and services increased by RMB2,491.6 million, or 17.7%, to RMB16,578.8 million (US\$2,445.5 million) in 2016 from RMB14,087.2 million in 2015. This increase was primarily due to an increase in cost of property sales as a result of an increase in total GFA delivered.

Gross Profit

Gross profit increased by RMB1,502.0 million, or 36.2%, to RMB5,645.6 million (US\$832.8 million) in 2016 from RMB4,143.6 million in 2015. Our reported gross profit margin increased to 25.4% in 2016 from 22.7% (24.1% as adjusted for the accounting effects due to an increase of equity interests in certain projects) in 2015. The increase in our reported gross profit margin was primarily due to (i) higher profitability of our properties delivered during this period, and (ii) a higher proportion of recognized revenue from residential properties for home upgraders, which generally have higher profit margins.

Other Income, Gains and Losses

We recognized other income and gains of RMB161.8 million (US\$23.9 million) in 2016 as compared to other income and gains of RMB541.7 million in 2015. The decrease in our other income and gains in 2016 was primarily attributable to the loss of RMB20.7 million (US\$3.1 million) from the early redemption of our 12.25% senior notes due 2018 issued in 2013 and the net exchange loss of RMB378.3 million (US\$55.8 million) due to the depreciation of RMB during the year.

Change in Fair Value of Investment Properties

We recognized a fair value loss on investment properties of RMB100.4 million (US\$14.8 million) in 2016 as compared to a fair value gain on investment properties of RMB128.1 million in 2015. The fair value loss on investment properties in 2016 was mainly due to the reduction of the overall capital value and/or rental values of our investment properties.

Selling and Marketing Expenses

Selling and marketing expenses increased by RMB153.6 million, or 41.4%, to RMB524.5 million (US\$77.4 million) in 2016 from RMB370.9 million in 2015. This increase was primarily due to our launching of more new property projects for pre-sale in 2016.

Administrative Expenses

Administrative expenses increased by RMB271.5 million, or 44.7%, to RMB878.9 million (US\$77.4 million) in 2016 from RMB607.4 million in 2015. This increase was primarily due to our business expansions.

Share of Results of Joint Ventures and Associates

Our share of results of joint ventures and associates amounted to profits of RMB1,062.7 million (US\$156.8 million) in 2016 from RMB172.6 million in 2015 primarily due to an increase in the share of gain in the fair value of investment properties under construction of our joint ventures.

Finance Costs

Finance costs expensed and capitalized increased by RMB376.2 million, or 21.2%, to RMB2,150.2 million (US\$317.2 million) in 2016 from RMB1,774.0 million in 2015. This increase in finance costs expensed and capitalized was primarily attributable to our increased total indebtedness level, partly set off by the decreased in weighted average cost of indebtedness. Total finance costs expensed increased by RMB326.8 million, or 161.1%, to RMB529.7 million (US\$78.1 million) in 2016 from RMB202.9 million in 2015. Our weighted average cost of indebtedness was 5.5% in 2016, as compared to 7.2% in 2015. The decrease was primarily attributable to our effective liability management.

Profit Before Taxation

As a result of the above factors, profit before taxation increased by RMB1,032.0 million, or 27.1%, to RMB4,836.8 million (US\$713.5 million) in 2016 from RMB3,804.8 million in 2015.

Income Tax Expense

Income tax expense increased by RMB338.4 million, or 25.4%, to RMB1,672.4 million (US\$246.7 million) in 2016 from RMB1,334.0 million in 2015. Our effective tax rate decreased to 34.6% in 2016 from 35.1% in 2015.

Profit and Total Comprehensive Income for the Period

As a result of the above factors, profit and total comprehensive income for the period increased by RMB693.6 million, or 28.1%, to RMB3,164.4 million (US\$466.8 million) in 2016 from RMB2,470.8 million in 2015.

Profit Attributable to Equity Owners and Non-Controlling Interests

Profit attributable to our equity owners increased by RMB712.0 million, or 34.0%, to RMB2,807.5 million (US\$414.1 million) in 2016 from RMB2,095.5 million in 2015. Excluding effects from fair value gains/losses, net exchange loss/gain, expenses relating to share option grants, loss on early redemption of senior notes, and share of fair value gains/losses and net exchange loss/gain at joint ventures and associated companies, net of deferred taxes, our core profit attributable to our equity owners increased by 27.8% to RMB2,824.0 million (US\$416.7 million) in 2016 from RMB2,209.8 million in 2015.

Profit attributable to owners of perpetual capital instruments was nil in 2016 as compared to RMB38.0 million in 2015 because we repurchased all perpetual capital instruments in 2015. Profit attributable to non-controlling interests increased by RMB19.5 million, or 5.8%, to RMB356.8 million (US\$52.6 million) in 2016 from RMB337.3 million in 2015. This increase was primarily due to more projects with non-controlling interests being recognized during the period.

2015 Compared to 2014

Revenue

Our revenue increased by RMB2,051.5 million, or 12.7%, to RMB18,230.8 million in 2015 from RMB16,179.3 million in 2014, primarily due to an increase in our revenue generated from sales of properties.

- *Sales of properties.* Revenue recognized from sales of properties increased by RMB1,393.0 million, or 8.9%, to RMB17,046.7 million in 2015 from RMB15,653.7 million in 2014. This increase was in line with the increase in our ASP for properties delivered, offset by the

decrease in our total GFA delivered. Our recognized ASP for properties delivered increased by RMB1,825 per sq.m., or 16.5%, to approximately RMB12,873 per sq.m. in 2015 from approximately RMB11,048 per sq.m. in 2014. Our total GFA delivered decreased by approximately 92,725 sq.m., or 6.5%, to approximately 1,324,214 sq.m. in 2015 from approximately 1,416,939 sq.m. in 2014.

The following table sets out the breakdown of our revenue recognized from sales of properties, the total GFA delivered and recognized ASP by project in 2014 and 2015, respectively.

Project	Primary intended use of the project	For the year ended December 31,							
		2014		2015		2014		2015	
		Recognized revenue		Total GFA delivered		Recognized ASP			
		(RMB'000)		(sq.m.)		(RMB per sq.m.)			
Shanghai Henderson CIFI Centre	Residential	—	2,336,054	—	64,082	—	36,454		
Shanghai CIFI Arthur Shire	Residential	—	1,002,206	—	32,782	—	30,572		
Shanghai CIFI Jiangwan Mansion	Residential	718,225	423,850	17,519	7,764	40,997	54,592		
Shanghai CIFI Haishang International	Office/Commercial	—	420,494	—	10,915	—	38,524		
Shanghai CIFI Park Mansion	Residential	—	232,282	—	6,788	—	34,220		
Shanghai CIFI Shilu	Residential	—	164,053	—	3,597	—	45,608		
Shanghai CIFI Private Mansion	Residential	475,914	147,858	29,404	6,455	16,185	22,906		
Shanghai CIFI Pleasant Garden	Residential	309,755	106,425	32,228	10,371	9,611	10,262		
Shanghai CIFI City	Residential	2,074,122	65,456	166,725	2,709	12,440	24,162		
Shanghai CIFI Luxury Courtyard	Residential	79,705	29,054	2,804	1,358	28,425	21,395		
Shanghai CIFI Pebble Beach	Residential	66,929	16,634	5,375	1,267	12,452	13,129		
Shanghai CIFI U Block	Office/Commercial	670,863	12,323	43,925	709	15,273	17,381		
Shanghai CIFI Samite Life	Residential	1,129,601	—	75,334	—	14,995	—		
Shanghai CIFI Pujiang International	Office/Commercial	234,527	—	13,616	—	17,224	—		
Shanghai CIFI Comfortable Joyous Bay	Residential	15,247	—	1,201	—	12,695	—		
Suzhou CIFI Private Mansion Usonian City Villa	Residential	—	1,249,645	—	97,290	—	12,845		
Suzhou CIFI Elegant City	Residential	—	1,023,108	—	109,373	—	9,354		
Suzhou CIFI Sunny Life	Residential	—	599,291	—	68,254	—	8,780		
Suzhou CIFI Private Mansion	Residential	723,638	25,195	86,185	1,598	8,396	15,767		
Suzhou CIFI Luxury Courtyard	Residential	1,913,699	5,468	227,380	703	8,416	7,778		
Suzhou CIFI Canal County	Residential	62,086	3,059	3,778	359	16,434	8,521		
Suzhou CIFI Ronchamp Town	Residential	6,670	—	583	—	11,441	—		
Hefei CIFI Central Park	Residential	22,003	—	4,677	—	4,705	—		
Hefei CIFI Private Mansion	Residential	788,406	1,549,300	92,973	186,005	8,480	8,329		
Zhenjiang CIFI Times	Residential	138,437	91,178	18,364	13,008	7,538	7,009		
Jiaxing CIFI Ronchamp Town	Residential	—	414,217	—	60,791	—	6,814		
Jiaxing CIFI Private Mansion	Residential	—	267,371	—	36,018	—	7,423		
Jiaxing CIFI Square	Residential	12,400	—	1,016	—	12,205	—		
Hangzhou Henderson CIFI Palace	Residential	—	796,754	—	100,932	—	7,894		
Beijing CIFI The Education Park	Office/Commercial	—	1,424,629	—	62,324	—	22,858		
Beijing CIFI The Upper House	Residential	1,785,712	1,195,060	73,604	48,501	24,261	24,640		
Beijing CIFI Private Mansion	Residential	—	80,000	—	3,570	—	22,409		
Beijing CIFI International Negotiate Garden	Office/Commercial	1,506,720	—	105,874	—	14,231	—		
Beijing CIFI Olympic City	Office/Commercial	2,998	—	171	—	17,532	—		
Langfang CIFI Path Walf	Residential	678,847	123,125	86,125	19,631	7,882	6,272		
Tianjin CIFI Private Mansion	Residential	—	1,243,746	—	93,774	—	13,263		
Tianjin CIFI Rosedale	Residential	777,503	249,645	102,902	31,996	7,556	7,802		
Shenyang CIFI Private Mansion	Residential	—	159,450	—	12,733	—	12,523		
Chongqing CIFI Ronchamp Town	Residential	84,226	16,180	13,607	1,290	6,190	12,543		
Chongqing CIFI Fashion Tribe	Office/Commercial	411,894	4,696	50,700	743	8,124	6,320		
Chongqing CIFI Langyuejun	Residential	115,422	—	21,269	—	5,427	—		
Changsha CIFI International Plaza	Residential	—	437,325	—	39,480	—	11,077		
Changsha CIFI Private Mansion	Residential	779,848	241,639	111,257	37,581	7,009	6,430		
Changsha CIFI Luxury Courtyard	Residential	4,883	—	914	—	5,342	—		
Wuhan CIFI Private Mansion	Residential	—	700,121	—	88,850	—	7,880		
Carpark and others		63,404	189,809	27,429	60,613	2,312	3,131		
Total		15,653,684	17,046,700	1,416,939	1,324,214	11,048	12,873		

- *Rental income.* Our rental income decreased by RMB0.7 million, or 1.7%, to RMB41.0 million in 2015 from RMB41.7 million in 2014. This decrease was primarily due to a temporary decrease in rental income from Jiaxing CIFI Square as a result of the exiting of department store tenant and re-leasing of such areas to retail shops.
- *Property management income and other property related service income.* Our revenue generated from property management and other property related service income increased by RMB659.2 million, or 136.2%, to RMB1,143.1 million in 2015 from RMB484.0 million in 2014. This increase was primarily due to the addition of new property projects we completed which were under our property management.

Cost of Sales and Services

Cost of sales and services increased by RMB2,051.5 million, or 17.5%, to RMB14,087.2 million in 2015 from RMB11,992.5 million in 2014. In 2015, we increased equity interests in certain projects resulting in financial consolidation of these projects as subsidiaries. Due to this accounting treatment, cost of sales of those delivered properties for such projects in 2015 were remeasured at fair value. The reported cost of sales in 2015 included RMB243.3 million of fair value gains related to such properties. Eliminating such fair value gains, the adjusted cost of sales in 2015 was approximately RMB13,843.9 million, up by 15.4% from 2014.

Gross Profit

Gross profit decreased by RMB43.2 million, or 1.0%, to RMB4,143.6 million in 2015 from RMB4,186.8 million in 2014. Our gross profit margin decreased to 22.7% (24.1% as adjusted for the accounting effects due to an increase of equity interests in certain projects) in 2015 from 25.9% in 2014. The decrease in our gross profit margin was primarily due to the recognition of contracted sales from 2014 as revenue in 2015. Property prices in 2014, which such contracted sales were based on, were generally lower than in 2015 due to market correction in the PRC.

Other Income, Gains and Losses

Other income increased by RMB295.1 million, or 119.6%, to RMB541.7 million in 2015 from RMB246.6 million in 2014. This increase was primarily due to a gain on disposal of subsidiaries of RMB219.3 million, a gain on remeasurement of RMB166.5 million and a gain from business combinations of RMB76.8 million, partially offset by exchange loss of RMB302.1 million due to the effects of the depreciation of Renminbi during this period.

Change in Fair Value of Investment Properties

We recognized a fair value gain on investment properties of RMB128.1 million in 2015 as compared to a fair value gain on investment properties of RMB241.2 million in 2014. The fair value gain on investment properties was due to the appreciation of the overall capital value of our investment properties.

Change in Fair Value of Trust and Other Loans Related Derivatives

In 2014, we recognized a fair value gain on trust loans related derivatives of RMB4.0 million. Such fair value gain reflected the change in fair value of the embedded financial derivatives relating to certain of our trust financing arrangements in 2014. We did not recognize any such fair value gain in 2015 because our trust loans were fully repaid during 2015.

Selling and Marketing Expenses

Selling and marketing expenses increased by RMB51.5 million, or 16.1%, to RMB370.9 million in 2015 from RMB319.4 million in 2014. This increase was primarily because we launched more new property projects for pre-sale in 2015.

Administrative Expenses

Administrative expenses increased by RMB78.0 million, or 14.7%, to RMB607.4 million in 2015 from RMB529.4 million in 2014. This increase was primarily due to an increase in staff costs and other administrative expenses in line with our business growth.

Share of Results of Joint Venture and Associates

Our shares of results of joint ventures and associates amounted to profits of RMB172.6 million in 2015 from losses of RMB118.7 million in 2014 primarily due to an increase in the share of gain in the fair value of investment properties under construction.

Finance Costs

Finance costs expensed decreased by RMB183.3 million, or 47.4%, to RMB202.9 million in 2015 from RMB386.2 million in 2014. This decrease in finance costs expensed was primarily attributable to the fact that we did not incur any interest expense on the settlement of trust and other loans with a derivative nature since all of our trust loans were fully repaid in 2015. Total finance costs capitalized increased by RMB521.8 million, or 49.7%, to RMB1,571.1 million in 2015 from RMB1,049.4 million in 2014. Our weighted average cost of indebtedness was 7.2% in 2015, as compared to 8.3% in 2014. The decrease was primarily attributable to our effective liability management.

Profit Before Taxation

As a result of the above factors, profit before taxation increased by RMB480.0 million, or 14.4%, to RMB3,840.8 million in 2015 from RMB3,324.8 million in 2014.

Income Tax Expense

Income tax expense increased by RMB8.8 million, or 0.7%, to RMB1,334.0 million in 2015 from RMB1,325.2 million in 2014. Our effective tax rate decreased to 35.1% in 2015 from 39.9% in 2014. This decrease in our effective tax rate was mainly because a higher proportion of our profit before taxation was derived from fair value gains relating to investment properties in 2015, for which no provision for LAT was required.

Profit and Total Comprehensive Income for the Year

As a result of the above factors, profit and total comprehensive income for the year decreased by RMB471.2 million, or 23.6%, to RMB2,470.8 million in 2015 from RMB1,999.6 million in 2014.

Profit Attributable to Equity Owners and Non-Controlling Interests

Profit attributable to our equity owners increased by RMB234.3 million, or 12.6%, to RMB2,095.5 million in 2015 from RMB1,861.1 million in 2014. Excluding the effects from the fair value gain in investment properties, net exchange loss, expenses relating to share option grants, interest expenses on settlement of trust and other loans with derivative nature, loss on repurchase of senior notes and share of

fair value gain and net exchange loss at joint ventures and associates companies, net of deferred taxes, our core profit attributable to our equity owners increased by 14.0% to RMB2,209.8 million in 2015 from RMB1,938.6 million in 2014.

Profit attributable to owners of perpetual capital instruments increased by RMB2.1 million, or 5.9%, to RMB38.0 million in 2015 from RMB35.9 million in 2014. Profit attributable to other non-controlling interests increased by RMB234.8 million, or 229.0%, to RMB337.3 million in 2015 from RMB102.5 million in 2014. This increase was primarily due to more projects with non-controlling interests being recognized during the year.

LIQUIDITY AND CAPITAL RESOURCES

To date, we have financed our working capital, capital expenditures and other capital requirements primarily through internally generated funds, bank borrowings, trust financings, net proceeds from our initial public offering in November 2012 and various capital markets offerings.

Cash Flows

The following table sets out selected cash flow data from our consolidated statements of cash flows for the periods indicated.

	For the year ended December 31,				Six months ended June 30,		
	2014	2015	2016		2016	2017	
	RMB'000	RMB'000	RMB'000	US\$'000	RMB'000	RMB'000	US\$'000
Net cash generated from (used in)							
operating activities	1,153,017	4,254,245	3,957,546	583,769	1,259,584	9,325,506	1,375,585
Net cash used in from investing							
activities	(4,666,520)	(3,893,377)	(6,573,080)	(969,581)	(996,257)	(4,438,403)	(654,699)
Net cash generated from (used in)							
financing activities	3,546,409	7,419,214	7,988,822	1,178,414	1,394,300	(179,206)	(26,434)
Net increase in cash and cash							
equivalents	32,906	7,780,082	5,373,288	792,602	1,657,627	4,707,897	694,452
Cash and cash equivalents at							
beginning of the year/period	7,060,748	7,093,654	14,873,736	2,193,993	14,873,736	20,328,397	2,998,598
Cash and cash equivalents at end of							
the year/period	7,093,654	14,873,736	20,328,397	2,998,598	16,538,823	25,034,770	3,692,825

Cash Flows from Operating Activities

For the six months ended June 30, 2017, we had net cash inflow from operating activities of RMB9,325.5 million (US\$1,375.6 million), which was primarily due to (i) a decrease in properties held for sale of RMB9,465.6 million (US\$1,417.4 million), (ii) an increase in deposits received from property sales of RMB4,624.7 million (US\$692.5 million) and (iii) an increase in accounts payable and accrued charges of RMB5,754.9 million (US\$861.8 million), partially offset by an increase in properties held under development for sale of RMB8,873.2 million (US\$1,328.7 million).

In 2016, we had net cash inflow from operating activities of RMB3,957.5 million (US\$583.8 million), which was primarily due to (i) a decrease in properties held for sale of RMB15,455.4 million (US\$2,279.8 million) and (ii) an increase in deposits received from property sales of RMB4,665.4 million (US\$688.2 million), partially offset by (i) an increase in properties held under development for sale of RMB11,658.3 million (US\$1,719.7 million) and (ii) an increase in deposits for land use rights for properties held for sale of RMB4,238.1 million (US\$625.2 million).

In 2015, we had net cash inflow from operating activities of RMB4,254.2 million, which was primarily due to (i) a decrease in properties held for sale of RMB12,265.5 million and (ii) a decrease in accounts and other receivables, deposits and prepayments of RMB1,956.9 million, partially offset by (i)

an increase in properties held under development for sale of RMB9,434.0 million, (ii) a decrease in deposits for land use rights for properties held for sale of RMB1,721.3 million; and (iii) a decrease in accounts payables and accrued charges of RMB328.9 million.

In 2014, we had net cash inflow from operating activities of RMB1,153.0 million, which was primarily due to (i) a decrease in properties under development for sale of RMB3,650.8 million; (ii) our profit before taxation of RMB3,324.8 million; and (iii) an increase in accounts payables and accrued charges of RMB456.2 million, partially offset by (i) a decrease in deposits received from property sales of RMB3,051.9 million; (ii) an increase in properties held for sale of RMB1,539.0 million; and (iii) an increase in accounts and other receivables, deposits and prepayments of RMB858.4 million.

Cash Flows from Investing Activities

For the six months ended June 30, 2017, we had net cash outflow from investing activities of RMB4,438.3 million (US\$654.7 million), which was primarily due to (i) advance to joint ventures and associates of RMB4,171.7 million (US\$615.4 million), (ii) net cash outflow from acquisition of subsidiaries of RMB1,927.1 million (US\$284.3 million) and (iii) advances to non-controlling interest of RMB1,072.4 million (US\$158.2 million), partially offset by (i) repayment from joint ventures and associates of RMB2,295.4 million (US\$338.6 million) and (ii) net cash inflow from deemed acquisition of a subsidiary of RMB1,600.5 million (US\$236.1 million).

In 2016, we had net cash outflow from investing activities of RMB6,573.1 million (US\$959.6 million), which was primarily due to (i) advances to joint ventures and associates of RMB3,732.9 million (US\$550.6 million) and (ii) advances to non-controlling shareholders of RMB2,075.3 million (US\$306.1 million), partially offset by repayment from joint ventures and associates of RMB1,718.6 million (US\$253.5 million).

In 2015, we had net cash outflow from investing activities of RMB3,893.4 million, which was primarily due to (i) capital injection into joint ventures of RMB3,121.0 million and (ii) advances to joint ventures and associates of RMB2,565.5 million, partially offset by net cash inflow from acquisition of subsidiaries of RMB1,992.5 million.

In 2014, we had net cash outflow from investing activities of RMB4,666.5 million, which was primarily due to capital injection into joint ventures of RMB3,882.2 million, partially offset by net cash inflow from disposal of a joint venture of RMB196.1 million.

Cash Flows from Financing Activities

For the six months ended June 30, 2017, we had net cash outflow from financing activities of RMB179.2 million (US\$26.4 million), which was primarily due to (i) repayment to joint ventures and associates of RMB6,927.8 million (US\$1,021.9 million), (ii) repayment of bank and other borrowings of RMB5,942.0 million (US\$876.5 million) and (iii) redemption of senior notes and corporate bonds of RMB3,274.0 million (US\$482.9 million), partially offset by new bank and other borrowings raised of RMB13,149.2 million (US\$1,939.6 million).

In 2016, we had net cash inflow from financing activities of RMB7,988.8 million (US\$1,178.4 million), which was primarily due to (i) new bank and other borrowings raised of RMB11,706.4 million (US\$1,726.8 million); (ii) advances from joint ventures and associates of RMB9,514.3 million (US\$1,403.4 million); and (iii) net proceeds from issue of senior notes and corporate bonds of RMB5,971.7 million (US\$880.9 million), partially offset by (i) repayment of bank and other borrowings of RMB10,885.7 million (US\$1,605.7 million) and (ii) repayment of senior notes of RMB3,239.6 million (US\$477.9 million).

In 2015, we had net cash inflow from financing activities of RMB7,419.2 million, which was primarily due to (i) new bank and other borrowings under IFRS of RMB10,543.3 million; (ii) net proceeds from issue of senior notes and corporate bonds of RMB7,659.8 million; and (iii) advances from joint ventures and associates of RMB5,233.8 million, partially offset by (i) repayment of bank and other borrowings of RMB11,494.9 million and (ii) repayment to joint ventures and associates interest paid of RMB3,265.4 million.

In 2014, we had net cash inflow from financing activities of RMB3,546.4 million, which was primarily due to (i) new bank and other borrowings under IFRS of RMB7,634.1 million; (ii) advances from joint ventures and an associate of RMB3,737.0 million; and (iii) net proceeds from issue of Original 2014 Notes of RMB1,174.5 million, partially offset by repayment of bank and other borrowings of RMB8,188.2 million and interest paid of RMB1,227.4 million.

Capital Resources

Property developments require substantial capital investment for land acquisition and construction and it may take many months or years before positive cash flows can be generated. To date, we have funded our growth principally from internally generated funds, bank borrowings, trust financings, net proceeds from our initial public offering in November 2012 and various capital markets offerings. Our financing methods vary from project to project and are subject to limitations imposed by PRC regulations and monetary policies.

We intend to continue to fund our future development and debt servicing costs from existing financial resources and cash generated from operations. We may also raise additional funds through debt or equity offerings in the future to finance all or a portion of our future development, for debt servicing or for other purposes. Our ability to obtain adequate financing to satisfy our debt service requirements may be limited by our financial condition and operating results and the liquidity of international and domestic financial markets. Any failure by us to achieve timely rollover, extension or refinancing of our short-term debt may result in our inability to meet our obligations in connection with debt service, accounts payable and/or other liabilities when they become due and payable.

INDEBTEDNESS AND CONTINGENT LIABILITIES

Bank and Other Borrowings under IFRS

The following table sets out the breakdown of our outstanding bank and other borrowings under IFRS as of the dates indicated:

	As of December 31,				As of June 30,	
	2014	2015	2016		2017	
	RMB'000	RMB'000	RMB'000	US\$'000	RMB'000	US\$'000
Bank loans, secured	6,858,948	9,461,819	7,078,839	1,044,111	12,645,425	1,865,299
Bank loans, unsecured	1,834,849	2,196,084	6,488,308	957,076	12,513,514	1,845,842
Trust loans, secured ⁽¹⁾	310,000	—	—	—	—	—
Other loan, unsecured	500,000	—	—	—	—	—
Total	<u>9,503,797</u>	<u>11,657,903</u>	<u>13,566,647</u>	<u>2,001,187</u>	<u>25,158,939</u>	<u>3,711,141</u>

Note:

(1) Trust loans were trust financings obtained from trust companies in the PRC. Our trust loans were fully repaid during 2015.

Our secured bank and other borrowings under IFRS are secured by certain investment properties, properties under development, properties held for sale, and/or equity interests in certain of our subsidiaries. Certain of our trust financings are also secured by a transfer of a minority equity interest in the relevant project subsidiary to the relevant trust company. Our other unsecured loans are borrowed from independent third parties.

The following table sets out the maturity profiles of our bank and other borrowings under IFRS as of the dates indicated.

	As of December 31,				As of June 30,	
	2014	2015	2016		2017	
	RMB'000	RMB'000	RMB'000	US\$'000	RMB'000	US\$'000
Within one year or on demand	3,035,362	2,793,500	2,367,536	349,230	4,984,163	735,203
More than one year, but not exceeding two years	4,135,940	3,569,081	4,279,591	631,273	6,213,486	916,538
More than two years, but not exceeding three years	1,760,860	3,794,053	5,501,963	811,583	9,294,924	1,371,074
More than three years, but not exceeding four years	—	—	532,227	78,508	2,378,811	350,893
More than four years, but not exceeding five years	—	954,700	—	—	1,471,439	217,049
More than five years	571,635	546,569	885,330	130,593	816,116	120,384
	<u>9,503,797</u>	<u>11,657,903</u>	<u>13,566,647</u>	<u>2,001,187</u>	<u>25,158,939</u>	<u>3,711,141</u>
Less: Amount due within one year shown under current liabilities	<u>(3,035,362)</u>	<u>(2,793,500)</u>	<u>(2,367,536)</u>	<u>(349,230)</u>	<u>(4,984,163)</u>	<u>(735,203)</u>
Amount due after one year	<u>6,468,435</u>	<u>8,864,403</u>	<u>11,199,111</u>	<u>1,651,957</u>	<u>20,174,776</u>	<u>2,975,938</u>

Our bank borrowings are arranged at fixed and variable rates. The following table shows the range of effective interest rates for our bank and other borrowings under IFRS as of the dates indicated.

	As of December 31,			As of June 30,
	2014	2015	2016	2017
Bank loans	5.6%–8.5%	2.9%–9.0%	1.5%–9.0%	1.2%–9.0%
Trust loans	9.0%	—	—	—
Other loans	5.0%–9.6%	—	—	—

In 2014, 2015 and 2016 and the six months ended June 30, 2017, our weighted average cost of indebtedness (calculated as the weighted average of interest costs of all bank and other borrowings, senior notes and onshore bonds outstanding during the relevant year/period) was 8.3%, 7.2% and 5.5% and 5.0% respectively.

Trust and Other Financings

We have obtained, from time to time, trust and financings from a number of trust companies and other lenders in the PRC. Compared to bank loans, such financings offer greater flexibility in terms of availability. While drawdowns on bank loans usually depend on actual construction progress, drawdowns such financings may be made in full in one or multiple installments as agreed with the relevant lenders. However, we have to bear higher financing costs due to higher interest rates under these financing arrangements. There is no guarantee that we will be able to enter into these arrangements, if needed, in the future at all or on favorable terms. Our trust loans were fully repaid during 2015.

Indebtedness

We now have, and will continue to have after the offering of the Bonds, a substantial amount of indebtedness. As of December 31, 2014, 2015 and 2016 and the six months ended June 30, 2017, our total bank and other borrowings under IFRS (not including senior notes and onshore bonds) amounted to RMB9,503.8 million, RMB11,657.9 million and RMB13,566.6 million (US\$2,001.2 million) and RMB25,158.9 million (US\$3,711.1 million), respectively. As of June 30, 2017, we also had outstanding the 2015 Notes, the 2017 Notes, the First Tranche of 2015 Onshore Bonds, the Second Tranche of 2015 Onshore Bonds, the First Tranche of 2016 Onshore Bonds and the Second Tranche of 2016 Onshore Bonds with carrying amounts of RMB14,397.9 million (US\$2,123.8 million). We issued the August 2017 Perpetual Securities and the December 2017 Perpetual Securities on August 24, 2017 and on December 19, 2017, respectively. In addition, we issued the 2018 Notes on January 23, 2018. See “Description of Other Material Indebtedness and Obligations” for details on the outstanding loans and other indebtedness.

Since 2010, as our business scale expanded with an increased number of properties under development, our utilization of our banking and other loan facilities increased. As of June 30, 2017, we had un-utilized banking facilities of RMB3,010.0 million (US\$444.0 million), out of total banking facilities available to us of RMB28,168.9 million (US\$4,155.1 million). Certain of our banking and other loan facilities are subject to a number of customary affirmative and/or negative covenants, such as restrictions on change of control and disposition of material assets, as well as financial ratios, such as debt-to-equity ratio, with which we must comply. See “Description of Other Material Indebtedness and Obligations.” In respect of the un-utilized facilities available to us as of June 30, 2017, there are no additional collateral or security required for any drawdown of such facilities.

Except as disclosed in this offering circular, we did not have any outstanding debt securities issued and outstanding or authorized, or otherwise created but unissued, term loans, other borrowings or indebtedness in the nature of borrowing including bank overdrafts, liabilities under acceptances (other than normal trade bills), acceptance credits, hire purchase commitments, mortgages and charges, material contingent liabilities or guarantees outstanding as of June 30, 2017.

Contingent Liabilities

Mortgage Guarantees

We have provided mortgage guarantees to PRC banks in respect of the mortgage loans provided by the PRC banks to our customers. Our mortgage guarantees are issued from the dates of grant of the relevant mortgage loans and released upon the earlier of (i) the relevant property ownership certificates being obtained and the certificates of other interests with respect to the relevant properties being delivered to the mortgagee banks, or (ii) the settlement of mortgage loans between the mortgagee banks and our customers.

The following table shows our total mortgage guarantees as of the dates indicated.

	As of December 31,				As of June 30,	
	2014	2015	2016		2017	
	RMB in millions	RMB in millions	RMB in millions	US\$ in millions	RMB in millions	US\$ in millions
Mortgage guarantees	2,761.5	3,644.2	7,644.6	1,127.6	7,792.6	1,149.5

We did not experience any material default on mortgage guarantees in 2014, 2015 and 2016 and six months ended June 30, 2017.

Loan Guarantees

See “Description of Other Material Indebtedness and Obligations.”

Off-Balance Sheet Commitments and Arrangements

Except for the contingent liabilities set out above, we have not entered into any financial guarantees or other commitments to guarantee the payment obligations of any third parties. We have not entered into any derivative contracts that are indexed to our shares and classified as shareholder’s equity, or that are not reflected in our consolidated financial statements. We do not have any variable interests in any unconsolidated entity that provides financing, liquidity, market risk or credit support to us or engages in leasing or hedging or research and development services with us.

Contractual Obligations

As of December 31, 2014, 2015 and 2016 and June 30, 2017, we had the following commitments in respect of acquisition of land use rights contracted in but not provided for:

	As of December 31,				As of June 30,	
	2014	2015	2016		2017	
	RMB’000	RMB’000	RMB’000	US\$’000	RMB’000	US\$’000
Expenditure in respect of acquisition of land use rights contracted but not provided for in our consolidated financial statements	2,853,928	3,225,930	5,935,920	875,595	9,438,477	1,392,249

Subsequent to June 30, 2017, we incurred material contractual obligations in connection with our land acquisitions.

We lease certain of our office premises under operating leases with terms ranging from one to ten years. The following table summarizes the total future minimum lease payments under non-cancellable operating leases payable as of the dates indicated.

	As of December 31,			
	2014	2015	2016	
	RMB’000	RMB’000	RMB’000	US\$’000
Within one year.	10,049	8,169	3,669	541
In the second to fifth year inclusive	10,562	3,667	—	—
	20,611	11,836	3,669	541

We lease out a number of buildings under operating leases. The leases typically have a term of one to 20 years. The following table summarizes amounts of receivables from our non-cancellable operating leases as of the dates indicated.

	As of December 31,			
	2014	2015	2016	
	RMB’000	RMB’000	RMB’000	US\$’000
Within one year.	36,571	40,747	81,395	12,006
In the second to fifth year inclusive	52,262	104,474	303,799	44,813
After five years.	5,345	28,167	13,593	2,005
	94,178	173,388	398,787	58,824

QUANTITATIVE AND QUALITATIVE DISCLOSURE OF MARKET RISKS

Market risk is the risk of loss related to adverse changes in the market prices of financial instruments, including interest rates and foreign exchange rates. We are exposed to various types of market risks in the ordinary course of business, including changes in interest rates and foreign exchange rates. We maintain our accounting records and prepare our financial statements in Renminbi.

Our assets are predominantly in the form of investment properties, properties under development and completed properties held for sale. In the event of a severe downturn in the property market, these assets may not be readily realized.

Commodities Risk

We are exposed to fluctuations in the prices of raw materials, primarily steel and cement, for our property developments. We currently do not engage and do not expect to engage in commodities hedging activities. We purchase most of our supplies of steel and cement at market prices. Such purchase costs are generally accounted for as part of contractor fees pursuant to our arrangements with the relevant construction contractors. Accordingly, rising prices for construction materials will affect our construction costs in the form of increased fees payable to our contractors. As a result, fluctuations in the prices of our construction materials could have a significant impact on our operating results.

Interest Rate Risk

We undertake debt obligations to support our property development and general working capital needs. We are exposed to interest rate risks, primarily relating to our bank and other borrowings under IFRS and bank deposits with variable interest rates. Upward fluctuations in interest rates increase the cost of our financing and may adversely affect our prospective purchasers' willingness and ability to purchase our properties. Fluctuations in interest rates can also lead to significant fluctuations in the fair value of our debt obligations. Our net profit is also affected by changes in interest rates due to the impact such changes have on interest income from our bank deposits. We currently do not have any derivative instruments to hedge our interest rate risk. We also have borrowings at fixed rates, which expose us to fair value interest rate risk.

Any increase of benchmark lending rates published by PBOC may result in an increase in our interest costs, as certain of our bank borrowings in the PRC bear floating interest rates linked to PBOC-published rates. PBOC published benchmark one-year lending rates, which directly affect the property mortgage rates offered by commercial banks in China, as of December 31, 2014, 2015 and 2016 were 5.60%, 4.35% and 4.35%, respectively. We cannot assure you that PBOC will not raise lending rates in the future or that our business, financial condition will not be adversely affected as a result.

Foreign Exchange Rate Risk

We conduct our business primarily in Renminbi. We are exposed to foreign exchange rate risk relating to (i) the portion of our bank deposits that we maintain in Hong Kong dollars and U.S. dollars and (ii) foreign currency-denominated obligations such as our offshore credit facilities, the 2015 Notes, the 2017 Notes, the August 2017 Perpetual Securities, the December 2017 Perpetual Securities, the 2018 Notes and the Bond. On July 21, 2005, the PRC government changed its policy of pegging the value of the Renminbi to the U.S. dollar. Under the policy, the Renminbi was permitted to fluctuate within a narrow and managed band against a basket of certain foreign currencies. In 2007, 2012 and 2014, the PBOC widened the floating band for the trading prices in the inter-bank foreign exchange market of the Renminbi against the U.S. dollar. This change in policy resulted in a gradual appreciation of the Renminbi against the U.S. dollar and, in turn, the Hong Kong dollar, which value is linked to the U.S. dollar. In August 2015, the PBOC moved to devalue the Renminbi against the U.S. dollar and

announced a policy change allowing a more market-based determination of the official fixing rate. Following such announcement, the Renminbi depreciated significantly against the U.S. dollar. In February 2017, the PBOC has adjusted its FX fixing formula, making adjustments to existing fixing model which was introduced in February 2016. In October 2016, RMB was formally included in IMF's Special Drawing Rights basket. Renminbi has witnessed multiple fluctuation in past one year. As a result, we suffered a net exchange gain of RMB213.3 million (US\$31.5 million) for the six months ended June 30, 2017 as compared to a net exchange loss of RMB163.9 million for the six months ended June 30, 2016. See "Risk Factors — Risks Relating to our Business — Our profitability and results of operations are affected by changes in foreign exchange rates." The PRC government may take further actions that could cause future exchange rates to vary significantly from current or historical exchange rates. A depreciation in the Renminbi would (i) adversely affect the value of any dividends we pay to our shareholders outside the PRC and (ii) require us to use more Renminbi funds to service the same amount of any foreign currency debt. An appreciation in the Renminbi, however, would adversely affect the value of the proceeds we will receive from this offering or any capital resources in foreign currency if they are not converted into Renminbi in a timely manner.

Starting in early 2016, we adopted a hedging policy to actively manage our foreign exchange rate risk exposure relating to non-Renminbi denominated indebtedness. We may, depending on the circumstances and trend of currency exchange rates, consider and enter into hedging arrangements to mitigate the impact of Renminbi's depreciation. We plan to utilize the most appropriate and cost effective hedging instruments to hedge our foreign exchange rate risk exposure relating to non-Renminbi denominated indebtedness. Our hedging arrangements shall, to the extent possible, match the value and the maturity of the relevant non-Renminbi denominated indebtedness being hedged.

Based on the above policy, we entered into U.S. dollar versus offshore Renminbi capped forward contracts to hedge certain of our foreign exchange rate risk exposure relating to non-Renminbi denominated indebtedness. Under such currency capped forward contracts, on the expiry date:

- if the then prevailing U.S. dollar versus offshore Renminbi exchange rate ("Expiry Rate") is less than or equal to the pre-specific capped rate ("Capped Rate"), we shall buy the contract amount of U.S. dollar against offshore Renminbi at the pre-specified contract rate ("Strike Rate"); or
- if the Expiry Rate is greater than the Capped Rate, we shall receive the relevant depreciation amount of offshore Renminbi against U.S. dollar up to the Capped Rate ("Capped Amount").

The capped forward contracts utilized by us had contract values and expiry dates matching the outstanding amounts and maturity dates of the specific U.S. dollar or Hong Kong dollar denominated indebtedness being hedged. These capped forward contracts enable us to lock into the relevant pre-specified Strike Rate of U.S. dollar versus Renminbi exchange rate for the repayment of our outstanding non-Renminbi denominated indebtedness. However, our protection against Renminbi depreciation will be limited up to the relevant Capped Rates. As of June 30, 2017, we had entered into capped forward contracts with an aggregate contract value of US\$1,148 million at the Capped Rates of 7.0 and 7.5.

Other than those disclosed above, we did not have any other material exposures to foreign exchange rate fluctuations or any other hedging arrangements as of June 30, 2017. We will monitor our foreign exchange rate risk exposure closely and may, depending on the circumstances and trend of foreign currencies, consider adjusting our foreign exchange rate hedging policy in the future.

Inflation/Deflation Risk

According to the National Bureau of Statistics, China's overall national inflation/(deflation) rate, as represented by changes in the general consumer price index, was approximately 1.4%, 1.4% and 2% in 2014, 2015 and 2016, respectively. Inflation or deflation has not had a significant effect on our business during such period. However, we cannot assure you that any inflation or deflation in China in the future will not have an adverse effect on our business, financial condition, operating results or prospects.

NON-GAAP FINANCIAL MEASURES

We use EBITDA to provide additional information about our operating performance. EBITDA refers to our earnings before the following items:

- fair value changes from investment properties (including investment properties from joint venture), trust and other loan related derivatives, and derivative financial instrument;
- interest expense (including interest capitalized in cost of sales);
- amortization;
- income tax expense;
- depreciation;
- gain from business combination and re-measurement;
- exchange loss (including exchange loss from joint venture); and
- loss on early redemption of senior notes.

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

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

The following table reconciles our profit for the year/period under IFRS to our definition of EBITDA for the years/periods indicated:

	For the year ended December 31,				For the six months ended	
	2014		2015		June 30,	
	RMB'000	RMB'000	RMB'000	US\$'000	RMB'000	US\$'000
Profit and total comprehensive income for the year/period	1,999,588	2,470,788	3,164,375	466,770	2,607,893	384,685
Adjustments:						
Change in fair value of investment properties	(241,166)	(96,075)	75,325	11,111	(14,465)	(2,134)
Change in fair value of trust and other loans related derivatives	(4,000)	—	—	—	—	—
Interest expense (excluding interest capitalized in cost of sales)	386,228	202,885	529,651	78,128	99,587	14,690
Interest capitalized into cost of sales	959,400	1,356,919	1,877,956	277,013	563,283	83,090
Income tax expense	1,325,237	1,334,039	1,672,390	246,691	1,561,131	230,279
Depreciation	14,171	18,279	15,950	2,353	10,725	1,582
Amortization	66,011	49,870	47,971	7,077	10,131	1,494
Change in fair value of investment properties from joint venture	—	(348,671)	(677,703)	(99,967)	(733,708)	(108,228)
Gain from business combination and re-measurement	—	—	(72,150)	(10,643)	—	—
Change in fair value of derivative financial instrument	—	—	(314,768)	(46,431)	165,661	24,436
Exchange loss (gain)	—	302,127	378,284	55,800	(213,284)	(31,461)
Exchange loss from joint venture	—	175,580	127,872	18,862	(46,111)	(6,802)
Loss on early redemption of senior notes	—	20,725	182,263	26,885	128,288	18,923
EBITDA	4,505,469	5,486,466	7,007,416	1,033,649	4,139,131	610,554
EBITDA margin	<u>27.8%</u>	<u>30.1%</u>	<u>31.5%</u>	<u>31.5%</u>	<u>36.8%</u>	<u>36.8%</u>

You should not consider our definition of EBITDA in isolation or construe it as an alternative to profit for the year or as an indicator of operating performance or any other standard measure under IFRS. Our definition of EBITDA does not account for income taxes. Our EBITDA measures may not be comparable to similarly titled measures used by other companies.

INDUSTRY OVERVIEW

Unless otherwise specified, the information set forth in this section has been extracted, in part, from various official government publications. Such information has not been independently verified by us, the Joint Lead Managers, or any of our and their affiliates or advisors. The information may be inaccurate, incomplete, out-of-date or inconsistent with other information compiled within or outside the PRC.

OVERVIEW OF THE PRC ECONOMY

China has experienced a significant economic growth since the adoption of the reform and opening-up policy by the PRC Government in 1978. China's nominal GDP grew at a CAGR of 13.0% from 2006 to 2016, reaching approximately RMB74.47 trillion in 2016, making China one of the fastest growing economies in the world. For the twelve months ended December 31, 2016, China's nominal GDP increased to approximately RMB74,412.76 billion, representing a period-on-period growth rate of approximately 6.7%.

The table below sets out selected economic statistics for China for the years/periods indicated:

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	June 2017 YTD
Nominal GDP (RMB in billion)	21,943.9	27,023.2	31,951.6	34,908.1	41,303.0	48,930.1	54,036.7	59,524.4	64,397.4	68,550.6	74,412.7	38,149.0
Population (million)	1,314.5	1,321.3	1,328.0	1,334.5	1,340.9	1,347.4	1,354.0	1,360.7	1,367.8	1,373.5	1,382.7	NA
Fixed asset investment (RMB in billion)	9,347.2	11,741.4	14,816.7	19,413.9	24,141.5	30,193.3	36,483.5	43,652.8	50,200.5	55,159.0	59,650.1	28,060.5
Per capita GDP (RMB)	16,738.0	20,505.0	24,121.0	26,222.0	30,876.0	36,403.0	40,007.0	43,852.0	47,203.0	49,992.0	53,980.0	NA
Real GDP growth rate (%)	12.5	13.9	7.1	11.9	9.9	8.8	8.1	7.7	7.2	6.8	6.7	

Sources: CEIC Data Company Ltd.; National Bureau of Statistics of China

Note: (1) CEIC Data Company Ltd. is an independent data provider in the international financial information service industry. CEIC Data Company Ltd. compiles and updates economic and financial data for research by economists and analysts. The data compiled by CEIC Data Company Ltd. is used by investment banks, corporations, law firms, consultants, investment and insurance companies, universities and libraries, and multinational organizations. CEIC Data Company Ltd. has not been commissioned by our Company.

Before the global financial crisis in 2008, China's nominal GDP grew at a CAGR of approximately 18.3% between 2003 and 2008. Following the global financial crisis in 2008, China further strengthened its economy by loosening macroeconomic policies and launching its RMB4 trillion stimulus package in 2008. Starting in 2010, in order to cope with the rising inflation and unbalanced economic growth, China implemented a series of economic austerity measures to slow down its overheated economy by adjusting interest rates, bank deposit reserve ratio and austerity measures for the housing market. From 2010 to 2016, China's real GDP grew at an annual growth rate of approximately 9.9%, 8.8%, 8.1%, 7.7%, 7.2%, 6.8% and 6.9%, respectively.

The PRC's annual real GDP growth rate target set by the PRC Government in recent years had been 8% between 2005 and 2011, 7.5% between 2012 and 2015, and 6.5% for 2016. After years of high but unbalanced economic growth, the PRC Government sets a more moderate annual growth target which aims to improve the quality of economic growth and to promote economic restructuring as a way

to sustain longer-term growth. In January 2015, the PRC government announced a real GDP growth rate of 7.4% in 2014, undershooting the growth rate target. The real GDP growth rate further dropped to 6.9% in 2015, resulting in the slowest growth since 1990. As mentioned above, the actual growth rate of the country consistently surpassed the targeted level from 2005 to 2013.

OVERVIEW OF THE REAL ESTATE MARKET IN THE PRC

Recent developments of the real estate policies in the PRC

Prior to the 1980s, the real estate industry in the PRC was part of the nation’s planned economy. From the 1980s, the PRC’s real estate and housing sector began the transition to a market-oriented system. Since 2003, the PRC Government has at various times taken action to tighten its control over the overheated real estate market and enacted various policies and administrative measures to discourage speculation in the residential property market and to increase the supply of affordable housing.

A brief timeline of recent key events in the development of the real estate policies and regulations in the PRC is set out below:

2011 On January 26, 2011, the General Office of the State Council issued the Notice on Further Adjustment and Control of Real Estate Market 《國務院辦公廳關於進一步做好房地產市場調控工作有關問題的通知》 (“2011 Notice”), which provides, among other things, that:

- each municipal government shall issue its annual housing price control target in respect of newly constructed residential properties in the first quarter of 2011, after taking into account of the local economic development, the average increase rate of per capita disposable income and the capability to pay for residential properties;
- the reinforcement of the management of government-subsidized residential properties and the increase in the supply of public leasing residential properties;
- the strengthening of the supervision and inspection of LAT collection in respect of property development projects where the prices of properties developed are higher than properties in the vicinity;
- real estate development enterprises are encouraged to build a certain proportion of public leasing residential properties together with the development of ordinary residential properties, and hold, operate or sell these public leasing residential properties to the PRC Government;
- second residential property purchasers are required to pay a down payment of no less than 60% of the purchase price for these second residential properties and the applicable mortgage rate must be at least 1.1 times that of the corresponding benchmark interest rate;
- any transfer of residential properties by individuals within five years of purchase shall be subject to a business tax calculated based on the relevant sale prices received;
- entities and persons participating in the bidding of land shall state the source of capital and provide the relevant evidence;

- land use rights granted over a parcel of land where a construction work commencement permit has not been obtained for more than two years shall be revoked and a fine will be imposed on the land which has been idle for more than one year;

no land or any development project on the land shall be transferred in any manner whatsoever if the total project development investment is less than 25% (excluding the land premium);

and if:

- a local authority fails to issue its annual housing price control target in respect of newly constructed residential properties on a timely basis; or
- a local authority fails to comply with the obligation in achieving the target of government-subsidized residential properties; or
- the housing prices of newly constructed residential properties exceed the relevant annual price control target of these properties, the relevant local authority shall report to the State Council and the responsible persons of such local authority may be held accountable by the Ministry of Supervision, the Ministry of Construction in accordance with the relevant PRC laws and regulations.

On January 27, 2011, the MOF and the SAT promulgated the Notice on Adjusting the Business Tax Policies on Individual Housing Transfer 《關於調整個人住房轉讓營業稅政策的通知》. The Notice provides, effective from January 28, 2011, that transfers of residential properties by individuals who have held them for less than five years are subject to business tax calculated on a gross basis; transfers of non-residential properties by individuals who have held them for five years or more are subject to business tax calculated on a net basis; and transfers of residential properties by individuals who have held them for five years or more are exempted from business tax.

On March 8, 2011, the General Office of CBRC issued the Notice on Promoting Housing Financial Services and Strengthening Risk Management 《關於做好住房金融服務加強風險管理的通知》, which stipulates that in handling the individual housing loan business after the promulgation of the 2011 Notice, banking financial institutions shall strictly implement the provision that with respect to families that purchase second residential properties through loans, the down payment shall not be less than 60%, and the loan interest rate shall not be less than 1.1 times of the benchmark rate.

2012 The PRC government issued a revised catalog of guidance, effective in January 2012, pursuant to which foreign investment in the construction and operation of villas is removed from the restriction category to the prohibited category.

The PRC government issued a notice which aimed to insist on stabilizing the housing price and guaranteeing the sufficient supply of social security housing and ordinary commercial housing.

On June 1, 2012, the MLR promulgated the Measures for the Disposal of Idle Land which strengthen the regulation on idle land in the manner of specifying several definitions and strengthening punishment in the previous idle land regulations.

In December 2012, the Central Economic Work Conference announced that China will continue its property market control policies in 2013, step up the construction and management of low-income housing, as well as renovation of run-down areas.

2013 On February 20, 2013, the State Council announced five measures on the control of the PRC property market.

On February 26, 2013, the State Council issued the Notice on Continuing Adjustment and Control of Property Markets 《關於繼續做好房地產市場調控工作的通知》 which, among other restrictive measures, provides that further restraining measures are to be adopted to strengthen the regulation of the property market.

Recently, a new round of policies aimed at promoting affordable housing and discouraging speculative investments in residential properties was announced in a number of large Chinese cities, further limiting the eligibility of non local residents to purchase properties locally and requiring the local banks to raise down payment requirements for second home purchases.

On July 19, 2013, the PBOC announced a few measures to further liberalize China's lending interest rate effective from July 20, 2013, among which the most important is the removal of the lending rate floor, which was 30% below the benchmark rates. However, the floor on the mortgage rate, which was 30% below the benchmark rates, remains to curb speculative demand on the property market and maintain healthy development of the market.

In the third quarter of 2013, the minimum down payment was raised from 60% to 70% in several cities, including Guangzhou, Shanghai and Hangzhou.

2014 As of September 10, 2014, among 46 cities that restricted house purchases, 39 cities have loosened or canceled the restrictions. On July 19, 2014, Wuhan eased the restriction on the purchase of homes with area over 140 sq.m. On August 7, 2014, Foshan eased its home purchase restriction allowing non-residents to buy one housing unit and registered local residents to buy up to two units. On September 3, 2014, Dalian removed its home purchase restriction, allowing both residents and non-residents to buy houses without limits on the number of units purchased.

2015 As of March 1, 2015, the new property registration rules in China unifies property registration nationwide. The new registration system shares information such as property location, area and origin of ownership in real time among government departments including the police, taxation and audit authorities.

On March 27, 2015, the MOHURD and the MLR jointly issued a notice to address the property oversupply issue. Key measures included adjusting land supply, allowing developers to change their project planning (i.e. adjusting the unit sizes of apartments), and allowing developers to change the land uses (e.g. from residential to social housing, commercial, recreational, tourism and cultural uses) of land plots where construction has not yet started.

On March 30, 2015, the PBOC, CBRC and MOHURD jointly announced an easing of the housing mortgage policy. The second home downpayment requirement for self-use ordinary housing was lowered from 60–70% to 40%, and the interest rate floor (1.1x) was eliminated. The down payment requirement eased from 30% to 20% for first home purchases under Housing Provident Fund scheme, and from 40% to 30% for second home purchases. MOF exempted business tax on second-hand sales of ordinary housing held for more than two years.

On May 10, 2015, the PBOC announced that the one-year lending rate will decrease to 5.10% and the one-year deposit rate will decrease to 2.25%. The floating range cap of deposit rate has increased from 1.3 times the benchmark deposit rate to 1.5 times.

On June 27, 2015, against the backdrop of plunging stocks and local government bond sales drained of liquidity, the PBOC cut its benchmark one-year lending rate by 25bps to 4.85%. The one-year deposit rate fell by 25bps to 2.0%, while reserve ratios for some lenders including city commercial and rural commercial banks were cut by 50bps.

On August 25, 2015, in a move to stimulate the slowing economy and stem a slide in share prices that has rattled global investors, the PBOC further cut its benchmark one-year lending rate by 25bps to 4.60% while the deposit rate was reduced to 1.75%.

On October 23, 2015, China stepped up monetary easing to combat deflationary pressures and a slowing economy, with the PBOC cutting its benchmark one-year lending rate by 25bps to 4.35%, while the one-year deposit rate fell to 1.50% from 1.75%. Reserve requirements for all banks were lowered by 50 bps, with an extra 50 bps reduction for some institutions.

2016 On February 17, 2016, the SAT, MOF, MOHURD promulgated the Circular on Adjusting Deed Tax and Business Tax Policies for Real Estate Transactions 《關於調整房地產交易環節契稅、營業稅優惠政策的通知》, for individuals purchasing only one residence for their families (family members include the buyer, the buyer's spouse and minor children, as applicable) with the area of 90 square meters or less, the deed tax is reduced to 1%; for residences with the area of more than 90 square meters, the deed tax is reduced to 1.5%. The deed tax for individuals purchasing a second residence with the area of 90 square meters or less is reduced to 1% and for residences with the area of more than 90 square meters is reduced to 2% (not applicable in Beijing, Shanghai, Guangzhou and Shenzhen).

On March 23, 2016, the SAT and MOF promulgated the Circular on Comprehensively Promoting the Pilot Program of the Collection of Value-added Tax in Lieu of Business Tax 《關於全面推開營業稅改徵增值稅試點的通知》 which provided that the pilot program of the collection of value-added tax in lieu of business tax shall be promoted nationwide in a comprehensive manner as of May 1, 2016, and all taxpayers of business tax engaged in the building industry, the real estate industry, the financial industry and the life service industry shall be included in the scope of the pilot program with regard to payment of value-added tax instead of business tax. Entities and individuals engaged in sales of real property within the territory of the PRC are value-added taxpayers, and shall pay 11% value-added tax rather than 5% business tax according to these measures.

On March 25, 2016, General Office of Shenzhen Municipal People's Government of Guangdong Province issued the Opinions on Consummating Housing Security System and Promoting the Development of Real Estate Market Stably and Healthily 《深圳市人民政府辦公廳關於完善住房保障體系促進房地產市場平穩健康發展的意見》 which requires every District People's Government of Shenzhen and all units directly under the Shenzhen Municipal Government to increase multi-channel housing supply, improve the housing security system, implement the differentiated housing credit policy, improve the housing purchase policy, regulate the real estate market order and strengthen the prevention and control of the real estate financial risks.

On March 25, 2016, General Office of Shanghai Municipal People's Government forwarded the Circular of Several Opinions of Shanghai Housing Urban and Rural Construction Management Committee and Other Three Departments on Further Consummating Housing Security System and Promoting the Development of Real Estate Market Stably and Healthily 《上海市人民政府辦公廳轉發市住房城鄉建設管理委等四部門關於進一步完善本市住房市場體系和保障體系促進房地產市場平穩健康發展若干意見的通知》 which requires relevant units under the Shanghai Municipal Government to establish the real estate market supervision joint meeting, increase land supply for housing, implement the housing purchase restriction policy strictly, implement the differentiated housing credit policy, strengthen the market supervision and law enforcement inspection, promote the low-rent housing and public rental housing, increase the talent apartment housing, consummate the establishment, supply and management of common property security housing, and promote the transformation of old areas and "villages in the city".

From September 30, 2016 to date, Beijing, Tianjin, Suzhou and other cities have issued new property market control policies, including restoring the restriction on purchases of residential properties and tightening credit policy. On October 10, 2016, the MOHURD issued the Circular on Further Regulating Operations of Real Estate Developers to Safeguard the Real Estate Market Order 《關於規範房地產開發企業經營行為維護房地產市場市場秩序的通知》, which requires that improper operations of real estate developers shall be investigated and punished according to law. The improper operations include releasing or spreading false housing information and advertisements, maliciously pushing higher and artificially inflating housing prices by fabricating or spreading information on rising property price and other operations.

On November 25, 2016, the Shanghai Housing Urban and Rural Construction Management Committee, People’s Bank of China Shanghai Branch and China Banking Regulatory Commission Shanghai Regulatory Bureau promulgated the Notice on Promoting the Stable, Healthy and Orderly Development of Shanghai’s Real Estate Market and Further Consummating the Differential Housing Credit Policy 《關於促進本市房地產市場平穩健康有序發展進一步完善差別化住房信貸政策的通知》, which, among other things, provides that (1) each housing administrative authority shall strengthen the housing transaction supervision, verify the housing status and information of the purchasers and issue the inspection results according to relevant rules and regulations; (2) for any family which purchases its first residential property with individual commercial housing loan, the family is required to pay a down payment of no less than 35% of the purchase price; (3) if any family has no residential property in Shanghai but has record(s) of commercial housing loan or housing provident fund loan, or the family already has one residential property in Shanghai, the family is required to pay a down payment of no less than 50% or 70% of the purchase price, depending on whether the family purchases an ordinary residential property or a non-ordinary residential property with the individual commercial housing loan. See “Regulation — Real Estate Development — Estate Loan.”

On November 29, 2016, the Shanghai Housing Provident Fund Management Committee issued the Circular on Adjusting the Policies of Shanghai Municipality on Housing Provident Fund for Individual Loan 《關於調整本市住房公積金個人貸款政策的通知》, which, among other things, (1) provides that, for any family which has no residential property in Shanghai nor any record of housing provident fund loan, the residential property bought by such family shall be treated as the first residential property for its loan application and the credit policy remains unchanged; (2) provides that, for any family which has no residential property in Shanghai but has one loan record, or has one residential property and intends to purchase the second residential property to improve its living conditions, the residential property bought by such family shall be treated as the second residential property for improving living conditions for its loan application; (3) prohibits the Shanghai Housing Provident Fund Management Center from providing a loan to any applicant if the family already has two loan records or if the purpose of purchasing a second residential property by the family is not for improving living conditions. See “Regulation — Real Estate Development — Estate Loan.”

Key growth drivers of the real estate market in the PRC

In addition to ongoing housing reform and the overall growth of the PRC economy, the key factors driving growth of the real estate market in the PRC are increases in disposable income and rapid urbanizations.

The table below sets out selected economic statistics of the PRC for the years indicated:

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	June 2017 YTD
Urban population (million)	582.9	606.3	624.0	645.1	669.8	690.8	711.8	731.1	749.2	767.5	793.0	NA
Urbanization rate (%)	44.3	45.9	47.0	48.3	50.0	51.3	52.6	53.7	54.8	55.9	57.3	NA
Per capita disposable income of urban households (RMB)	11,759	13,786	15,781	17,175	19,109	21,810	24,565	26,462	28,844	31,195	33,616	18,322

Source: CEIC Data Company Ltd.; National Bureau of Statistics of China

Furthermore, demand for real estate property is also driven by the emergence and growth of the mortgage lending market in China. Due to this favorable market environment, investment in real estate development in China rose from approximately RMB1,942.3 billion in 2006 to approximately RMB10,258 billion in 2016, representing a CAGR of approximately 18.1%.

The table below sets out selected data relating to the property market in the PRC for the years/ periods indicated:

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	June 2017 YTD
Real estate development (RMB in billion)	1,942.3	2,528.9	3,120.3	3,624.2	4,825.9	6,179.7	7,180.4	8,601.3	9,503.6	9,597.9	10,258.1	5,061.0
GFA of commodity properties sold (million sq.m.)	618.6	773.5	659.7	947.6	1,047.6	1,093.7	1,113.0	1,305.5	1,206.5	1,284.9	1,573.5	746.6
GFA of residential properties sold (million sq.m.)	554.2	701.4	592.8	861.8	933.8	965.3	984.7	1,157.2	1,051.9	1,124.1	1,375.4	647.9
Average selling price of commodity properties (RMB per sq.m.)	3,366.8	3,863.9	3,799.9	4,681.0	5,032.4	5,357.1	5,791.0	6,237.3	6,323.5	6,792.5	7,475.5	NA
Average selling price of residential properties (RMB per sq.m.)	3,074.2	3,610.6	3,445.3	4,427.4	4,707.1	5,036.8	5,429.9	5,849.8	5,931.8	6,472.4	7,202.6	NA
Total sales revenue of commodity properties (RMB in billion)	2,082.6	2,988.9	2,506.8	4,435.5	5,272.1	5,858.9	6,445.6	8,142.8	7,629.2	8,728.1	11,762.7	5,915.2
Total sales revenue for residential properties (RMB in billion)	1,703.8	2,532.3	2,042.4	3,815.7	4,395.3	4,861.9	5,346.7	6,769.5	6,239.6	7,275.3	9,906.4	4,929.8

Source: CEIC Data Company Ltd.; National Bureau of Statistics of China

The average selling price of commodity properties sold in China increased from approximately RMB3,367 per sq.m. in 2006 to approximately RMB7,476 per sq.m. in 2016. This represented a year-on-year increase of approximately 10.1% compared to the average selling price of commodity properties sold in China of approximately RMB6,793 in 2015. The average selling price of residential properties increased from approximately RMB3,074 per sq.m. in 2006 to approximately RMB7,203 per sq.m. in 2016. This represented a year-on-year increase of approximately 11.3% from the average selling price of residential properties of approximately RMB6,472 in 2015.

Recent developments and trends in the real estate market in the PRC

Demand for real estate in China has seen an increase over the years. According to CEIC Data Company Ltd., an independent data provider, and the National Bureau of Statistics of China, the total sales revenue of commodity properties in China increased from approximately RMB2,082.6 billion in 2006 to approximately RMB8,728.1 billion in 2015. This represented a year-on-year increase of approximately 14.4% compared to the total sales revenue of commodity properties of approximately RMB7,629 in 2014. During the same period, the aggregate GFA of commodity properties sold in China increased from approximately 618.6 million sq.m. in 2006 to approximately 1,284.9 million sq.m. in 2015. This represented a year-on-year increase of 6.5% from aggregate GFA of commodity properties sold of approximately 1,206.5 million sq.m. in 2014. Of the 1,284.9 million sq.m. of the aggregate GFA of commodity properties sold in 2015, approximately 1,124.1 million sq.m. were residential properties, representing an increase of approximately 6.1% from 2014.

Growth in the real estate market increased moderately in 2011 and 2012, in response to the change of policy environment after the PRC Government issued a number of real estate-related austerity measures. In 2013, the real estate market experienced a substantial growth after the slow down in the prior two years. Nationwide contracted sales increased by approximately 11.1%, 10.0% and 26.3% in 2010, 2011 and 2013, respectively. However, the market entered into a correctional phase in 2014 after years of significant growth, with contracted sales decreased by approximately 6.3% nationwide, mainly due to oversupply in the market and slower than expected economic growth in China which impacted property sales.

Throughout the tightening policy environment in 2011, the performance of real estate market in second-tier cities was relatively better than the performance of first-tier cities, as the austerity measures had greater impact on first-tier cities. In 2011, contracted sales amount increased in nine out of 14 second-tier cities, compared to one out of four first-tier cities. After the rounds of austerity measures in 2011 and early part of 2012, the contracted sales of major PRC cities improved. Performance of first tier cities rebounded with three of four first-tier cities achieving period-on-period growth, while the contracted sales ten out of 14 second-tier cities increased in 2012. Then in 2013, almost all PRC cities experienced growth, except for Shenyang. Shenyang's real estate market was not directly impacted by the austerity measures in 2011 and 2012. However, affected by tightened austerity measure towards the end of 2013 and the economic slowdown, almost all PRC cities experienced a decline in contracted sales, except four second-tier cities. Nonetheless, the outlook for 2015 remains positive as the PRC government starts to relax the measures and mortgage policies to induce more property sales in the market.

The table below sets out the comparison of year-on-year changes/period-on-period changes (%) in contracted sales amount between first- and second-tier cities for the years/period indicated:

	Year ended December 31,								
	2008	2009	2010	2011	2012	2013	2014	2015	2016
Nationwide	(16.1)	76.9	18.9	11.1	10.0	26.3	(6.3)	14.4	34.8
First-tier cities									
Beijing	(34.1)	96.6	(10.6)	(16.8)	36.4	6.7	(22.4)	28.4	NA
Guangzhou	(20.2)	37.6	30.2	(13.7)	21.4	48.5	(7.1)	NA	NA
Shanghai	(38.7)	128.5	(31.2)	(12.3)	2.1	46.5	(10.5)	45.5	31.5
Shenzhen	(24.2)	88.4	(19.9)	18.9	(2.9)	39.4	(8.3)	NA	NA
Second-tier cities									
Changchun	19.3	48.9	50.8	20.9	(6.9)	1.5	(6.9)	NA	NA
Changsha	(12.7)	81.7	44.7	18.8	5.6	24.6	(20.7)	20.2	48.8
Chengdu	(25.5)	88.2	13.9	18.3	14.6	2.4	(2.3)	(0.2)	38.9
Chongqing	(17.3)	72.2	34.1	16.2	7.0	16.8	4.9	4.9	16.3
Dalian	3.0	51.6	18.8	(14.4)	17.6	17.2	(31.9)	(17.3)	NA
Hangzhou	(25.6)	135.9	(9.1)	(30.2)	50.3	16.8	(8.8)	NA	NA
Harbin	(2.6)	33.8	57.8	13.3	20.9	28.7	(24.2)	7.1	NA
Hefei	(2.8)	63.7	8.1	32.8	(3.0)	33.8	11.6	7.1	60.8
Jinan	28.3	39.3	54.0	19.8	12.9	30.6	8.4	NA	28.3
Nanjing	(40.4)	137.3	(7.7)	(9.2)	34.4	46.2	(3.7)	NA	56.0
Ningbo	(35.6)	126.3	6.2	(25.4)	14.2	22.2	3.7	NA	NA
Qingdao	(9.5)	79.3	27.2	(13.8)	(0.6)	27.7	(0.8)	NA	NA
Shenyang	11.8	13.2	38.1	35.6	21.8	(8.0)	(35.1)	(21.6)	NA
Tianjin	(16.3)	45.4	13.9	11.9	(2.1)	18.3	(8.0)	20.4	94.3

Source: CEIC Data Company Ltd.

The real estate markets of selected cities in the PRC

Shanghai

- *Overview*

Shanghai is the leading financial and commercial center in China, as well as one of the fastest growing financial capitals in the world. Shanghai has an area of approximately 6,341 sq.km. as of December 31, 2015 and a population of approximately 24.2 million as of December 31, 2016. The table below sets out selected economic statistics of Shanghai for the years/period indicated:

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Nominal GDP											
(RMB in billion)	1,057.2	1,249.4	1,407.0	1,504.6	1,716.6	1,919.6	2,018.2	2,160.2	2,356.1	2,496.5	2,746.6
Real GDP growth rate (%)	12.7	15.2	9.7	8.2	10.3	8.2	7.5	7.7	7.0	6.9	6.8
Per capita GDP (RMB)	54,858	62,041	66,932	69,164	76,074	82,560	85,033	90,100	97,300	103,100	113,600
Per capita disposable income of urban households											
(RMB)	20,668	23,623	26,675	28,838	31,838	36,230	40,188	43,851	47,710	NA	57,692

Source: CEIC Data Company Ltd.; Shanghai Bureau of Statistics

- *The real estate market in Shanghai*

The table below illustrates key figures relating to the real estate market in Shanghai for the years indicated:

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Residential											
Total GFA completed											
(million sq.m.)	27.1	28.1	18.7	15.1	14.0	16.5	16.1	14.2	15.4	NA	15.3
Total GFA sold											
(million sq.m.)	26.2	32.8	20.1	29.3	16.9	15.0	15.9	20.2	17.8	20.1	20.2
Average selling price											
(RMB per sq.m.)	7,039	8,253	8,115	12,364	14,290	13,566	13,870	16,192	16,415	21,501	25,910
Commercial											
Total GFA completed											
(million sq.m.)	2.4	2.6	2.2	2.0	1.8	2.6	1.8	2.5	2.1	NA	NA
Total GFA sold											
(million sq.m.)	1.9	2.0	1.2	1.3	1.3	0.9	1.2	1.2	1.0	4.2	NA
Average selling price											
(RMB per sq.m.)	6,479	6,613	6,610	15,237	15,779	19,527	16,218	19,294	22,014	18,324	NA

Source: CEIC Data Company Ltd.; Shanghai Bureau of Statistics and National Bureau of Statistics of China

Beijing

- *Overview*

As the nation's capital, Beijing's economy has developed significantly over the years and this was primarily due to the robust growth of national economy as well as the increasing inflow of foreign direct investments. Beijing has an area of approximately 16,411 sq.km. as of December 31, 2015 and a population of approximately 21.7 million as of December 31, 2016.

The table below sets out selected economic statistics of Beijing for the years/period indicated:

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Nominal GDP											
(RMB in billion)	811.8	984.7	1,111.5	1,215.3	1,411.4	1,625.2	1,787.9	1,950.1	2,133.1	2,296.9	2,489.9
Real GDP growth rate (%)	13.0	14.5	9.1	10.2	10.3	8.1	7.7	7.7	7.3	6.9	6.7
Per capita GDP (RMB)	51,722	60,096	64,491	66,940	73,856	81,658	87,475	93,213	99,995	106,000	115,000
Per capita disposable income of urban households											
(RMB)	19,978	21,989	24,725	26,738	29,073	32,903	36,469	40,321	43,910	NA	57,275

Source: Beijing Bureau of Statistics

- *The real estate market in Beijing*

The table below illustrates key figures relating to the real estate market in Beijing for the years indicated:

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Residential											
Total GFA completed											
(million sq.m.)	21.9	18.5	14.0	16.1	15.0	13.2	15.2	16.9	18.0	13.8	12.8
Total GFA sold											
(million sq.m.)	22.1	17.3	10.3	18.8	12.0	10.3	14.8	13.6	11.4	11.3	9.9
Average selling price											
(RMB per sq.m.)	7,375	10,661	11,648	13,224	17,151	15,518	16,553	17,854	18,499	NA	NA
Commercial											
Total GFA completed											
(million sq.m.)	2.9	3.2	3.1	3.2	2.7	2.3	2.4	1.8	2.2	9.8	7.6
Total GFA sold											
(million sq.m.)	1.1	1.3	1.1	1.6	1.4	1.1	1.1	1.0	0.8	4.3	2.7
Average selling price											
(RMB per sq.m.)	14,965	17,585	17,148	19,091	22,452	24,920	20,476	26,405	25,414	NA	NA

Source: CEIC Data Company Ltd.; Beijing Bureau of Statistics and National Bureau of Statistics of China

Chongqing

- *Overview*

Chongqing is one of the four municipalities directly under the administration of the central PRC Government. Chongqing has an area of approximately 82,400 sq.km. as of December 31, 2015 and a population of approximately 30.5 million as of December 31, 2016. The table below sets out selected economic statistics of Chongqing for the years/period indicated:

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Nominal GDP											
(RMB in billion)	390.7	467.6	579.4	653.0	792.6	1,001.1	1,141.0	1,265.7	1,426.5	1,572.0	1,755.9
Real GDP growth rate (%)	12.4	15.9	14.5	14.9	17.1	16.4	13.6	12.3	10.9	11.0	10.7
Per capita GDP (RMB)	13,939	16,629	20,490	22,920	27,596	34,500	38,914	42,795	48,032	52,330	57,902
Per capita disposable income of urban households											
(RMB)	11,570	12,591	14,368	15,749	17,532	20,250	22,968	25,216	25,147	NA	29,610

Source: CEIC Data Company Ltd.; Chongqing Bureau of Statistics

- *The real estate market in Chongqing*

The table below illustrates key figures relating to the real estate market in Chongqing for the years indicated:

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Residential											
Total GFA completed											
(million sq.m.)	17.0	17.7	19.5	23.8	21.8	28.3	33.9	28.7	27.7	31.9	30.8
Total GFA sold											
(million sq.m.)	20.1	33.1	26.7	37.7	39.9	40.6	41.1	43.6	44.2	44.8	51.1
Average selling price											
(RMB per sq.m.)	2,081	2,588	2,640	3,266	4,040	4,492	4,805	5,238	5,094	5,012	5,162

Source: CEIC Data Company Ltd.; Chongqing Bureau of Statistics and National Bureau of Statistics of China

Tianjin

- *Overview*

Tianjin is one of the four municipalities directly under the administration of the central PRC government. Tianjin has an area of approximately 11,947 sq.km. as of December 31, 2015 and a population of approximately 15.6 million as of December 31, 2016. The table below sets out selected economic statistics of Tianjin for the years/period indicated:

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Nominal GDP											
(RMB in billion)	446.3	525.3	671.9	752.2	922.4	1,130.7	1,289.4	1,437.0	1,572	1,653.8	1,788.5
Real GDP growth rate (%)	14.7	15.5	16.5	16.5	17.4	16.4	13.9	12.5	10.0	9.3	9.0
Per capita GDP (RMB)	42,141	47,970	58,656	62,574	72,994	85,213	93,173	99,607	105,202	NA	114,494
Per capita disposable income											
of urban households											
(RMB)	14,283	16,357	19,423	21,402	24,293	26,921	29,626	32,658	31,506	NA	NA

Source: CEIC Data Company Ltd.; Tianjin Bureau of Statistics; National Bureau of Statistics of China

- *The real estate market in Tianjin*

The table below illustrates key figures relating to the real estate market in Tianjin for the years indicated:

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Residential											
Total GFA completed											
(million sq.m.)	13.1	14.0	14.9	15.8	16.0	16.5	19.1	21.2	21.3	NA	NA
Total GFA sold											
(million sq.m.)	13.3	14.0	11.4	14.6	13.5	13.7	15.1	17.2	14.8	NA	NA
Average selling price											
(RMB per sq.m.)	4,649	5,576	5,598	6,605	7,913	8,548	8,010	8,390	8,760	NA	NA

Source: CEIC Data Company Ltd.; National Bureau of Statistics of China

Suzhou

- *Overview*

Suzhou is a city located in the southern part of Jiangsu Province. It has a total area of approximately 8,488 sq.km. as of December 31, 2015 and a population of approximately 10.6 million as of December 31, 2016. The table below illustrates selected economic statistics of Suzhou for the years/period indicated:

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Nominal GDP											
(RMB in billion)	482.0	570.0	670.1	774.0	922.9	1,071.7	1,201.2	1,301.6	1,350.0	1,450.0	1,540.0
Real GDP growth rate (%)	15.5	16.0	12.5	11.5	13.3	12.0	10.1	9.6	8.0	7.5	7.5
Per capita GDP (RMB)	62,526	69,151	78,875	83,696	93,043	102,129	114,029	120,000	131,500	136,300	145,000

Source: CEIC Data Co. Ltd.; Suzhou Bureau of Statistics

- *The real estate market in Suzhou*

The table below illustrates key figures relating to the real estate market in Suzhou for the years indicated:

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Residential											
Total GFA completed											
(million sq.m.)	14.8	14.8	11.3	14.1	12.2	9.2	13.9	12.3	11.3	NA	NA
Total GFA sold											
(million sq.m.)	11.9	16.5	8.3	20.1	11.8	9.8	12.6	16.3	14.5	19.4	22.6
Average selling price											
(RMB per sq.m.)	4,194	4,956	5,533	6,331	8,213	9,028	8,980	9,479	9,639	NA	NA

Source: CEIC Data Company Ltd.; Suzhou Bureau of Statistics and Jiangsu Bureau of Statistics

Hangzhou

- *Overview*

Hangzhou is the capital and largest city of Zhejiang Province in Eastern China. The city grew to become one of the most renowned and prosperous cities in China partly due to its beautiful natural scenery. Hangzhou has an area of approximately 8,488 sq.km. as of December 31, 2015 and a population of approximately 9.2 million as of December 31, 2016. The table below sets out selected economic statistics of Shanghai for the years/period indicated:

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Nominal GDP											
(RMB in billion)	344.2	410.0	478.1	508.8	594.9	701.9	780.2	834.4	920.1	1,005.4	1,105.0
Real GDP growth rate (%)	14.3	14.6	11.0	10.0	12.0	10.1	9.0	8.0	8.2	10.2	9.5
Per capital GDP (RMB)	51,878	52,590	60,414	63,333	69,828	101,370	111,758	118,589	103,757	112,268	121,349
Per capita disposable income											
of urban households											
(RMB)	19,027	21,689	23,534	26,171	30,035	32,434	35,704	39,310	44,632	NA	52,185

Sources: CEIC Data Company Ltd.; Hangzhou Bureau of Statistics; Hangzhou Economic and Social Development Report

The table below illustrates key figures relating to the real estate market in Hangzhou for the years indicated:

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Residential											
Total GFA completed											
(million sq.m.)	6.3	7.7	7.7	6.3	8.0	8.4	6.7	8.5	9.3	NA	11.1
Total GFA sold											
(million sq.m.)	6.8	10.4	6.8	13.1	8.0	6.0	9.2	9.7	9.5	12.9	18.9
Average selling price											
(RMB per sq.m.)	5,967	7,432	8,212	10,613	14,259	12,749	13,292	14,679	14,035	NA	NA
Commercial											
Total GFA completed											
(million sq.m.)	0.5	0.8	0.6	0.7	1.0	1.0	0.7	0.8	1.1	NA	NA
Total GFA sold											
(million sq.m.)	0.3	0.4	0.3	0.5	0.7	0.5	0.7	0.5	0.6	1.9	NA
Average selling price											
(RMB per sq.m.)	8,931	9,548	8,332	10,355	13,421	16,598	12,549	17,511	17,242	NA	NA

Sources: CEIC Data Company Ltd.; Hangzhou Bureau of Statistics

Wuhan

● Overview

Wuhan is the capital of Hubei Province and is the most populous city in Central China. The city is recognized as the political, economic, financial, cultural, and educational and transportation centre of central China. Wuhan covers an area of approximately 8,494 sq.km. and a population of 10.6 million as of December 31, 2015. The table below sets out selected economic statistics of Shanghai for the years/period indicated:

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Nominal GDP											
(RMB in billion)	259.1	314.2	396.0	462.1	556.6	676.2	800.4	905.1	1,006.9	1,096.6	1,191.3
Real GDP growth rate (%)	14.8	15.6	15.1	13.7	14.7	12.5	11.4	10.0	9.7	8.8	7.8
Per capital GDP (RMB)	29,899	35,582	44,290	51,144	58,961	68,315	79,482	89,000	98,000	104,132	NA
Per capita disposable income of urban households (RMB)	12,360	14,357	16,712	18,385	20,806	23,738	27,061	29,821	NA	NA	39,737

Sources: CEIC Data Company Ltd.; Wuhan Bureau of Statistics; Wuhan Economic and Social Development Report 2013

The table below illustrates key figures relating to the real estate market in Wuhan for the years indicated:

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Residential										
Total GFA completed										
(million sq.m.)	7.7	8.1	7.7	8.2	7.3	9.7	9.0	5.3	6.5	NA
Total GFA sold										
(million sq.m.)	9.1	10.7	6.8	10.4	11.0	11.8	13.9	17.5	19.8	NA
Average selling price										
(RMB per sq.m.)	3,535	4,516	4,681	5,199	5,550	6,676	6,895	7,238	7,399	NA
Commercial										
Total GFA completed										
(million sq.m.)	0.5	0.6	0.4	0.4	1.0	1.0	0.9	0.6	0.5	NA
Total GFA sold										
(million sq.m.)	0.5	0.5	0.2	0.3	0.5	0.8	0.7	1.2	1.6	NA
Average selling price										
(RMB per sq.m.)	8,148	8,370	8,099	11,161	11,576	14,116	13,155	13,903	14,410	NA

Sources: CEIC Data Company Ltd.; Wuhan Bureau of Statistics

Hefei

- *Overview*

Hefei is the capital city of Anhui Province. It has a total area of approximately 11,430 sq.km. and a population of approximately 7.8 million as of December 31, 2015. The table below illustrates selected economic statistics of Hefei for the years/period indicated.

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Nominal GDP											
(RMB in billion)	112.1	140.2	177.7	210.2	270.3	363.7	416.4	467.3	515.8	566.0	627.4
Real GDP growth rate (%)	17.9	18.7	17.7	17.8	17.5	15.4	13.6	11.5	10.0	10.5	9.8
Per capita GDP (RMB)	23,203	28,134	34,482	41,543	54,796	48,540	55,182	61,555	67,394	73,102	80,136

Source: CEIC Data Company Ltd.; Hefei Bureau of Statistics

- *The real estate market in Hefei*

The table below illustrates key figures relating to the real estate market in Hefei for the years indicated:

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Residential											
Total GFA completed											
(million sq.m.)	4.5	5.1	4.6	4.8	5.8	6.6	7.3	10.7	7.0	NA	NA
Total GFA sold											
(million sq.m.)	5.8	9.5	8.7	11.8	8.6	10.6	11.2	14.5	13.3	12.9	17.1
Average selling price											
(RMB per sq.m.)	2,874	3,154	3,425	4,095	5,500	5,608	5,754	6,084	6,917	7,512	9,312

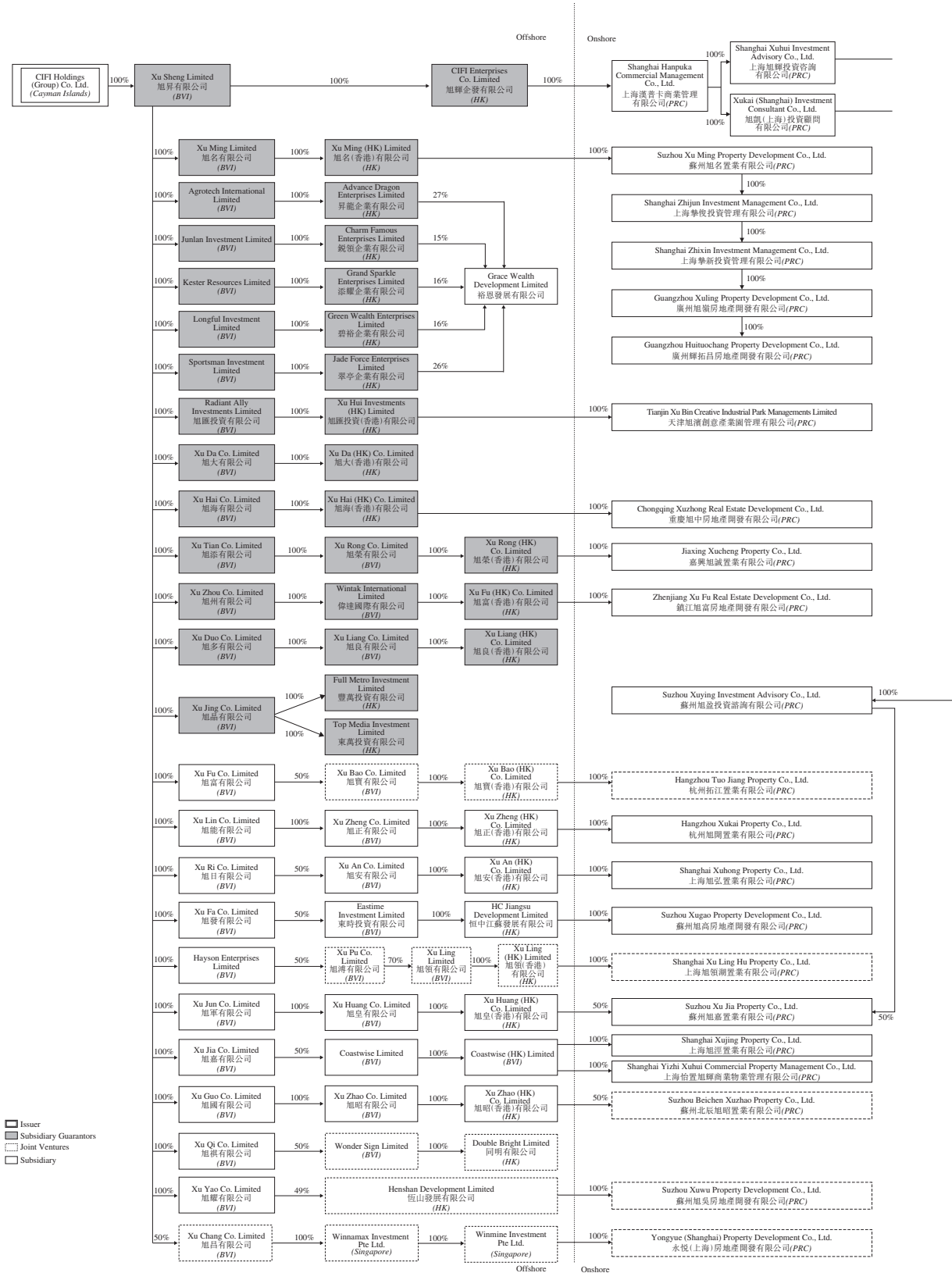
Source: CEIC Data Company Ltd.; China Real Estate Statistics Yearbook 2014 and Hefei Bureau of Statistics

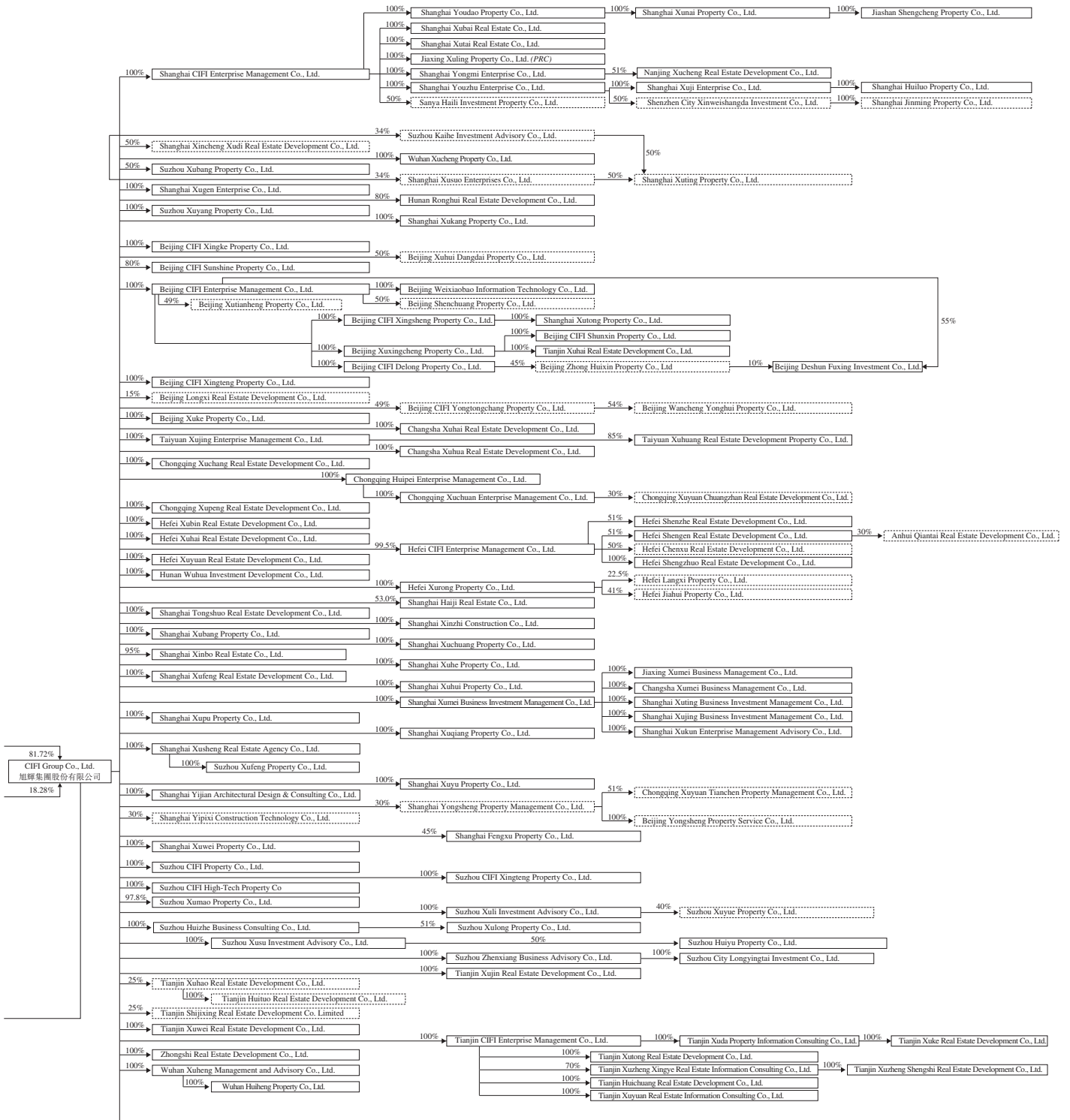
Competition in the real estate market of the PRC

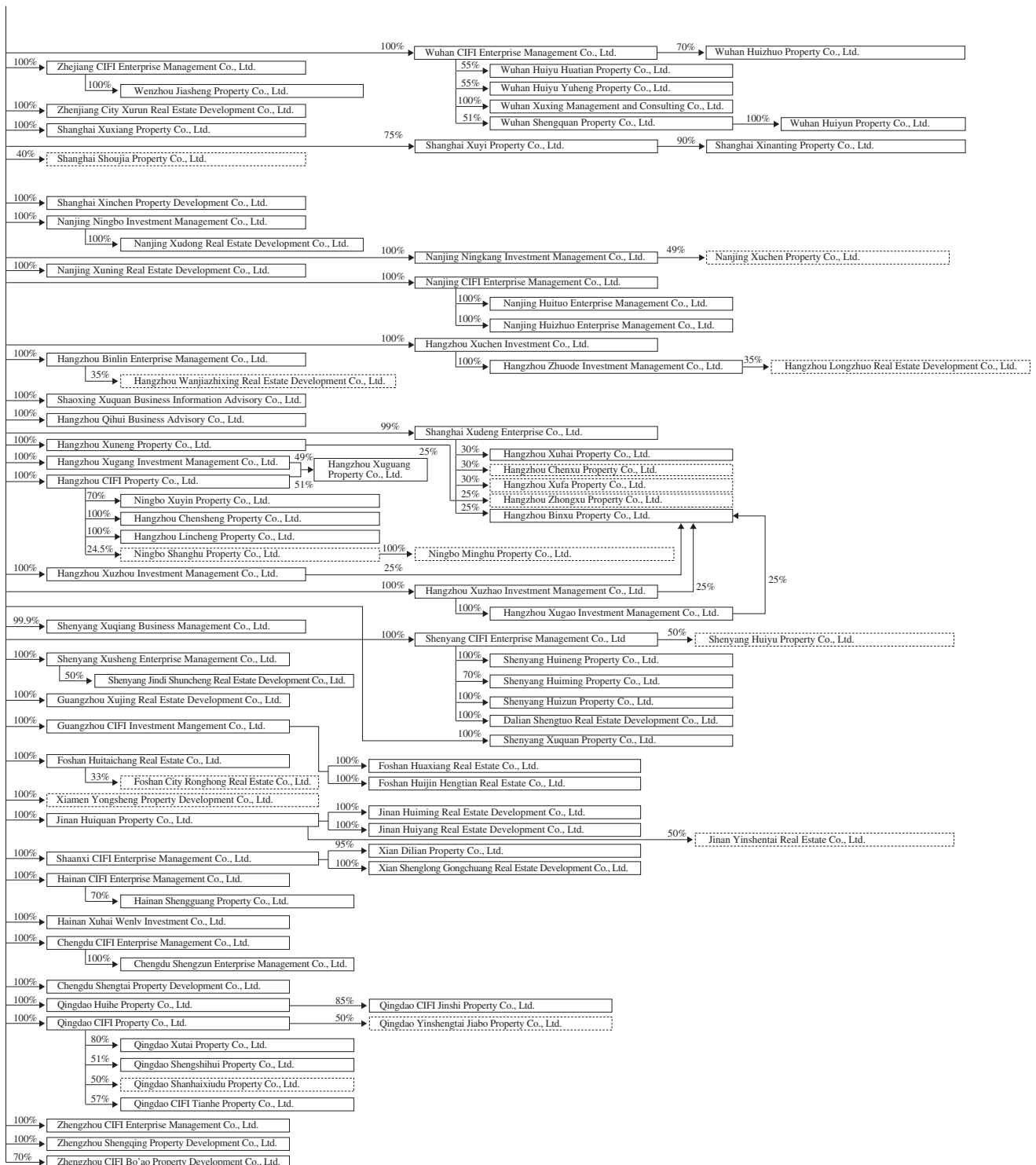
While our Directors believe that there is no reliable and consistent industry source publishing respective market share of major PRC real estate developers over the years, the real estate market in the PRC is highly fragmented. Competition in the real estate market in the PRC has intensified over the past few years. Industry participants in different cities in the PRC include national, regional and local real estate developers. We compete with other real estate developers on the basis of a number of factors, including product quality, service quality, price, financial resources, brand recognition, ability to acquire land and other factors. We believe that the real estate market in the PRC still has large growth potential. Please refer to the section headed “Business — Competition” in this offering circular for further details on the competitive landscape of the real estate market in the PRC.

CORPORATE STRUCTURE

The following chart shows our simplified corporate structure as of the date of this offering circular:







BUSINESS

OVERVIEW

Headquartered in Shanghai, we are engaged in property development and property investment business in the PRC. In 2017, in terms of contracted sales amount, we were ranked 15th according to the list of “China Real Estate Enterprises Sales Ranking in 2017” published by China Real Estate Information Corporation Information Group.

We principally focus on developing high quality and end-users driven properties in first- and second-tier cities in China. Our development projects cover various properties types including residential, office and commercial complexes. For our residential property development, we mainly develop residential products that offer our end-users comfortable living environment and proximity to good ancillary facilities and transportation links. For our commercial property development, we mainly develop offices and community commercial properties.

We have achieved a nationwide geographical coverage and a strong presence in selected first-tier cities and second-tier cities in China. Our business operations are diversified in terms of geographic locations, which facilitates our future expansion. As of June 30, 2017, we had projects in 29 cities in four geographic regions in the PRC: the Yangtze River Delta Region, which includes Shanghai, Suzhou, Hangzhou, Hefei, Nanjing, Ningbo, Zhenjiang, Yixing, Wuxi, Taicang, Wenzhou and Jiaying, the Pan Bohai Rim, which includes Beijing, Tianjin, Shenyang, Jinan, Qingdao, Dalian and Langfang, the Central Western Region, which includes Chongqing, Chengdu, Zhengzhou, Xi’an, Changsha and Wuhan, and the South China Region, which includes Hong Kong, Sanya, Guangzhou and Foshan. As of June 30, 2017, we had a land bank with an aggregate total GFA of approximately 22.1 million sq.m. and an aggregate GFA attributable to us of approximately 12.4 million sq.m.

Leveraging our effective business model focused on rapid asset turnover, strong execution capabilities and business strategies developed in line with government policies on China’s real estate sector, we are poised to continue our rapid growth and develop into a renowned nationwide property developer.

RECENT DEVELOPMENTS

Subsequent to June 30, 2017, we have purchased 68 land projects. The following table sets forth certain information concerning such land projects.

City	Project	Intended Primary Use	Group's equity interest (%)	Total Planned GFA (excluding carparks) (sq.m.)	Total Consideration (RMB)	Attributable consideration (RMB)	Average land cost (RMB/sq.m.)
1 Hangzhou	Jiangan District, Yuanzhuyihao Project	Office/Commercial	100.0	26,100	230,000,000	230,000,000	8,807
2 Hefei	New Station District, No. 215 Project	Residential	100.0	154,000	1,179,900,000	1,179,900,000	7,664
3 Hefei	Binhu District, No. 25 Project	Residential/Commercial	21.5	295,900	2,089,000,000	449,140,000	7,060
4 Ji'an	Licheng District, Fengshenlu Project	Residential	100.0	112,000	1,712,600,000	1,712,600,000	15,291
5 Dalian	Shahekou District, Police Affairs Training Base Project	Residential/Commercial	100.0	16,300	225,980,000	225,980,000	13,847
6 Wenzhou	Ouhai District, Chashan Project	Residential	100.0	139,100	1,172,000,000	1,172,000,000	8,426
7 Jiaxing	Pinghu county, Danghujiedao No. 1 Project	Residential	100.0	39,000	378,930,000	378,930,000	9,728
8 Jiaxing	Jiashan County, Weitang Project	Residential	100.0	214,600	1,609,740,000	1,609,740,000	7,500
9 Xi'an	Economic and Technological Development Zone, Ronghua International Project	Office/Commercial	100.0	87,500	875,000,000	875,000,000	10,006
10 Xi'an	Chanba Ecological District Project	Office/Commercial	70.0	151,100	435,710,000	305,000,000	2,883
11 Qingdao	Huangdao District, Xingyuecheng Project	Residential	50.0	187,000	430,090,000	215,050,000	2,300
12 Nanjing	Jiangning District, G54 Project	Residential	49.0	80,500	1,610,000,000	788,900,000	19,991
13 Taichang	Shaxi Town Project	Residential	28.0	102,000	386,130,000	108,120,000	3,786
14 Nanjing	Jiangning District, G56 Project	Residential	49.0	231,500	3,720,000,000	1,822,800,000	16,069
15 Chongqing	Yubei District, Huayu Lijia Project	Residential/Commercial	30.0	601,600	4,440,000,000	1,332,000,000	7,380
16 Hefei	Shushan District, W1611 Project	Residential	30.0	229,700	2,013,500,000	604,050,000	8,766
17 Hefei	Binhu District, No. 20 Project	Residential/Commercial	25.4	387,100	2,780,000,000	706,120,000	7,181
18 Wuhan	Hongshan District, Qingling Village K1-2-4 Project	Residential/Commercial	55.0	784,800	5,101,200,000	2,805,660,000	6,500
19 Wuhan	Hongshan District, Qingling Village, K3 Project	Residential	51.0	658,800	4,611,680,000	2,351,956,800	7,000
20 Qingdao	Chengyang District, Qingwei Road Project	Residential	50.0	243,700	1,462,300,000	731,150,000	6,000
21 Hangzhou	Xihu District, Jiang Village Project	Office/Commercial	49.0	183,500	1,400,000,000	686,000,000	7,631
22 Chongqing	Dadukou District, Masangxi No. 66 Project	Residential/Commercial	33.0	340,100	1,540,000,000	508,200,000	4,528
23 Nanjing	Jiangning District, G36 project	Residential/Commercial	20.0	178,200	1,700,000,000	340,000,000	9,538
24 Ningbo	Jiangbei District, Tianshui Jiayuan, No. 2 Project	Residential	50.0	103,200	1,044,910,000	522,455,000	10,122
25 Jinan	Lixia District, Jinyulanshan Project	Residential	50.0	102,800	617,800,000	308,920,000	6,008
26 Hangzhou	Xiaoshan District, Haishang Mingyue West Project	Residential	33.0	46,700	434,000,000	143,220,000	9,301
27 Chongqing	Yuzhong District, Shidaitianje Project	Residential	33.0	60,000	484,000,000	159,720,000	8,067
28 Beijing	Shunyi District, Shayu Town Matouzhuang Project	Residential/Commercial	24.5	120,200	4,950,000,000	1,212,750,000	41,181
29 Xi'an	New Area District, Daming Palace Residential Project	Residential	70.0	107,500	237,000,000	165,900,000	2,206
30 Wuhan	Wuchang District, Phoenix Building Project	Office	51.0	49,200	981,150,000	500,390,000	19,926
31 Beijing	Chaoyang District, Dongba Project	Residential	26.0	194,900	4,980,000,000	1,294,800,000	25,547
32 Nanjing	Jiangning, District, Tangshan Road, G66 Project	Residential	100.00	29,400	310,000,000	310,000,000	10,537
33 Xiamen	Xiangan District, 12 Mu Project	Residential	100.00	19,400	246,000,000	246,000,000	12,680
34 Nanning	Liangqing District, GC2017-095 Project	Residential	100.00	67,500	316,180,000	316,180,000	4,900
35 Dongguan	Shipai Village, No. 25 Project	Residential	100.00	84,700	864,040,000	864,040,000	10,207
36 Shenyang	Yuhong District, Xihe Road, No 2 Project	Residential/Commercial	100.00	188,300	1,110,800,000	1,110,800,000	5,900
37 Shenyang	Guhuang District, Baihua Group Project	Residential/Commercial	20.00	113,700	822,340,000	164,470,000	7,235
38 Shijiazhuang	Yuhua District, Nanli Village Project	Residential/Commercial	77.00	92,200	302,000,000	232,540,000	3,277

City	Project	Intended Primary Use	Group's equity interest (%)	Total Planned GFA (excluding carparks) (sq.m.)	Total Consideration (RMB)	Attributable consideration (RMB)	Average land cost (RMB/sq.m.)	
39	Wenzhou	Jingkai District, Jinhai Yuanqu Project	Residential	50.00	149,700	677,000,000	338,500,000	4,524
40	Jinan	Licheng District, Hancanghe Project	Residential/Commercial	43.50	278,600	2,170,000,000	943,950,000	7,789
41	Qingdao	Jiaozhou City, Taihu Road Project	Residential/Commercial	37.50	299,200	738,310,000	276,870,000	2,468
42	Chengdu	Shuangliu District, 75 Mu Project	Residential/Commercial	51.00	99,600	756,600,000	385,870,000	7,600
43	Zhongshan	Nantou Town, Suixi Village Project	Residential	100.00	65,900	265,210,000	265,210,000	4,030
44	Linyi	Luozhuang, Guangfazhiye Project	Residential/Commercial	25.50	408,700	594,660,000	151,640,000	1,455
45	Tianjin	Dongli District, Haishang International City Project	Residential	20.00	561,000	3,045,720,000	609,140,000	5,428
46	Taicang	Liuhe Town, Yinhewan Project	Residential	16.70	74,900	195,510,000	32,650,000	2,609
47	Hangzhou	Linan District, Tianmushan Project	Commercial	100.00	49,900	159,830,000	159,830,000	3,201
48	Hangzhou	Linan District, Yuqian Project	Commercial	100.00	35,900	68,620,000	68,620,000	1,913
49	Hangzhou	Linan District, Qingshanhu, Keji Cheng Project	Residential	50.00	158,700	1,763,500,000	881,750,000	11,113
50	Taizhou	Jiaojiang District, Hongjia Street Project	Residential/Commercial	100.00	57,400	346,200,000	346,200,000	6,027
51	Hefei	Luyang District, No.1704 Project	Residential	100.00	174,200	1,784,700,000	1,784,700,000	10,247
52	Zhangjiagang	Nanhu Road, No. 2013-B28-A Project	Residential	100.00	73,300	609,770,000	609,770,000	8,317
53	Zhangjiagang	Jingang Avenue, No. 2013-B27 Project	Residential	100.00	40,600	287,460,000	287,460,000	7,074
54	Shanghai	Yangpu District, Dinghai Community Project	Office/Commercial	50.00	109,500	2,980,000,000	1,490,000,000	27,222
55	Beijing	Chaoyang District, Sunhe Project	Residential	50.00	58,900	3,365,000,000	1,682,500,000	57,152
56	Qingdao	Jiaozhou District, Boguanjinan East Project	Residential	50.00	21,600	95,620,000	47,810,000	4,427
57	Qingdao	Jiaozhou District, Boguanjinan West Project	Residential	50.00	136,200	402,520,000	201,260,000	2,955
58	Qingdao	Huangdao District, Boguanxinghai First Phrase Project	Residential	50.00	58,700	148,300,000	74,150,000	2,528
59	Qingdao	Huangdao District, Boguanxinghai Second Phrase Project	Residential	50.00	34,900	161,620,000	80,810,000	4,629
60	Qingdao	Chengyang District, Boguanyipin Project	Residential/Commercial	50.00	34,700	154,740,000	77,370,000	4,455
61	Qingdao	Chengyang District, Dejun Fifth Phrase Project	Residential	50.00	70,500	173,820,000	86,910,000	2,466
62	Qingdao	Chengyang District, Shuxiangjiayuan Project	Residential	50.00	44,200	304,320,000	152,160,000	6,892
63	Jinan	Shizhong District, Boguanshanyue Project	Residential	25.50	60,300	185,730,000	47,360,000	3,078
64	Linyi	Beicheng District, Boguanxincheng East Project	Residential	35.00	153,000	291,890,000	102,160,000	1,940
65	Linyi	Beicheng District, Boguanxincheng West Project	Residential	35.00	221,100	302,370,000	105,830,000	1,391
66	Jiaxing	Jiashan County, No. 2012-42 Project	Residential	50.00	45,200	401,860,000	200,930,000	8,889
67	Jiaxing	Jiashan County, No. 2016-7 Project	Residential	50.00	29,000	232,080,000	116,040,000	8,000
68	Jiaxing	Jiashan County, Huimin Project	Residential	50.00	106,000	789,260,000	394,630,000	7,444

Issuance of the August 2017 Perpetual Securities, the December 2017 Perpetual Securities and the 2018 Notes

In August and December 2017, we issued 5.375% senior perpetual securities in an aggregate amount of US\$300,000,000 and US\$300,000,000, respectively. In addition, in January 2018, we issued 5.5% senior notes in an aggregate amount of US\$300,000,000. For details, see “Description of Other Material Indebtedness and Obligations.”

COMPETITIVE STRENGTHS

We are a strategy-oriented real estate enterprise and our focused operating strategies give us the following competitive strengths:

We principally focus on developing high quality and end-users driven residential, office and community commercial properties, primarily in first- and second-tier cities in the PRC.

We believe that having a product positioning in line with government policies and market trends is essential to our success. The main focus of the current government measures is to curb speculative real estate investment, whereas properties targeted at end-users are less susceptible to such policy risk. Since 2010, we have reinforced our development strategies to target end-users' demand in first- and second-tier cities with large population, of substantial market size and with sustainable inflow of residents and investment capital. Our residential products offer end-users with comfortable living environment and proximity to good ancillary facilities and transportation links. Our office-for-sale properties offer a compelling value proposition for small- to medium-size enterprises which are typically seeking properties with the right balance amongst cost, quality and location.

We believe that there are solid end-users' demand for mass-market residential products due to growing new population and for office products with the increasing investment from a diverse range of industries in first- and second-tier cities. This focus in the past years has thus helped to ensure that our overall business operations have been less susceptible to the government policies and real estate-related austerity measures. In addition, we believe our community commercial properties serve to enhance our product structure and to better satisfy our end-users' demand. As of December 31, 2016, projects in first- and second-tier cities in aggregate accounted for approximately 97% of the total GFA of our land bank; while residential and office-for-sale projects in aggregate accounted for approximately 99% of the total GFA of our land bank.

We adopt a high asset turnover and high sell-through business model with strong execution capabilities that allows us to achieve a development cycle of typically three years, which not only improves our return and operating cash flow but also helps us achieve financial stability.

We have strong execution capabilities to achieve high asset turnover and high sell-through. These capabilities include:

- Our strategy-driven disciplined approach to land acquisition. In order to achieve high asset turnover and high sell-through, we typically focus on buying land which fulfills our stated product strategies, and we generally do not buy land that has title and planning issues or that requires resettlement. These issues can often take a long time to resolve, resulting in difficulties to ascertain the development schedules of the projects;
- Our efficient project planning and design capabilities, which enable us to determine and implement the positioning and design of projects on a timely basis. With these efficient project planning and design capabilities, we are generally able to obtain project planning and construction approvals within a short period of time after land acquisition;
- Our standardized products and operating procedures covering various phases of our development process, including planning and design, selection of construction contractors and suppliers, construction supervision and quality control, and sales and marketing. With these standardized operating procedures, we are able to (i) commence construction within a short period of time after land acquisition and start pre-sale of the property as soon as

practicable, (ii) sell most of our projects during the pre-sale period, (iii) avoid carrying a large inventory of un-sold projects upon completion, and (iv) achieve a development cycle of typically three years for projects; and

- minimal exposure to low-yielding investment properties.

Our high asset turnover and high sell through business model not only improves our return and operating cash flow but also helps us achieve financial stability, which in turn helps mitigate adverse effects from market volatilities. In 2014, 2015 and 2016 and six months ended June 30, 2017, our average asset turnover rate was approximately 58.3%, 60.4% and 73.4% and 99.6%, respectively. The calculation of average asset turnover rate is based on (a) contracted sales divided by (b) average total asset less investment properties during a financial year.

We have achieved a nationwide geographical coverage and a solid presence in our selected first- and second-tier cities in the PRC.

We believe that our established geographical coverage is a key factor supporting our pursuit of sustainable growth in the real estate industry in the PRC. We established our business in Shanghai in 2000 and entered into Beijing in 2001 and have since strengthened our position in these two first-tier cities. We started our national expansion into other second- and third-tier cities as early as in 2006. We began acquiring land in Suzhou and Jiaxing in 2006, in Hefei, Chongqing, Zhenjiang and Changsha in 2007, in Langfang in 2008, in Tianjin in 2011, in Hangzhou, Wuhan and Shenyang in 2013, in Nanjing in 2014, in Guangzhou in 2015, in Ningbo, Foshan, Yixing, Jinan and Sanya in 2016. As of June 30, 2017, our property development projects covered 29 cities in four geographic regions in the PRC: the Yangtze River Delta Region, the Pan Bohai Rim, the Central Western Region and the South China Region. As of June 30, 2017, approximately 28.9% and 68.5% of our aggregate total GFA was located in first-tier and second-tier cities, respectively.

Compared with other real estate developers, our early implementation of national geographical coverage has given us a solid foothold in the property markets in the PRC. Over the years, we have accumulated extensive knowledge of the business environment and the distinctive subcultures of the regional real estate markets where we operate, including (i) enhancing our local planning and execution capability, (ii) transplanting our standardized products to shorten project development cycle, and (iii) developing extensive working relationships with the various local governments and local business partners. Our established regional presence gives us a first-mover advantage compared to our competitors without operations in these cities and reduces our future investment risks when we continue to grow in these regional markets.

Overall, our established nationwide coverage and our solid presence in our selected first- and second-tier cities has thus helped to ensure that our overall business operations have been less susceptible to the government policies and real estate-related austerity measures.

We have a highly disciplined and systematic approach to land acquisitions and have strategically acquired low-cost land reserves in a prudent manner.

We have adopted a highly disciplined and systematic approach to land acquisition. We aim to capture opportunities in China's fluctuating land market by avoiding acquisitions when the land market overheats and by engaging in land acquisitions when a low cost opportunity becomes available. In order to achieve high asset turnover and high sell-through, we typically focus on buying land which fulfills our stated product strategies, and we generally do not buy land that has title and planning issues or that requires resettlement. These issues can often take a long time to resolve, resulting in difficulties to

ascertain the development schedules of the projects. We generally acquire land based on stringent evaluations on market demand, financial and return criteria. We actively participate in land auctions but bid cautiously with strict price limit to ensure that our acquired land prices are not overly expensive.

We have a policy of building a land bank sufficient for our project developments and well diversified in terms of number of projects and different geographical regions in a prudent manner. Most of our development projects within our existing land bank are single-phase projects. These characteristics of our land bank facilitate quick asset turnover and ensure financial stability.

We acquire most of our land sites through public tenders, auctions and listings-for-sale, but we also diversify our acquisition channels by making private acquisitions, which include (i) investing in or taking over property holding companies, (ii) acquiring construction-in-progress from original project owners, or (iii) establishing joint ventures with other real estate developers for land acquisition. By having joint ventures with other renowned real estate developers for land acquisition, we believe that we are able to create synergies through collaboration, diversify our project risks and enhance our brand value. We believe that such joint ventures also show recognition of our execution capacities and governance standards.

During the six months ended June 30, 2017, we acquired 32 new projects with an aggregate contracted land cost attributable to us of approximately RMB20.9 billion. During such period, we continued to collaborate with joint venture partners to jointly develop a majority of our newly acquired projects. While we continue to focus on first-tier and strong second-tier cities, the land acquisitions we made during this period had an emphasis on laggard second-tier cities, which we believe have a potential for re-rating into a higher tier or stronger second-tier city.

In the past years, we systematically monitored and evaluated hundreds of land acquisition opportunities in cities within our operational coverage. Out of these acquisition opportunities, we pursued selected parcels of land by taking into consideration various criteria including: (i) location, as well as development and growth potential of a particular site, (ii) local governmental planning and development requirements or restrictions applicable to the site, and (iii) local market conditions and consumer behavior.

As of June 30, 2017, the total GFA of our land bank was approximately 22.1 million sq.m. and the attributable GFA of our land bank was approximately 12.4 million sq.m. As of June 30, 2017, average acquisition cost of our overall land bank was approximately RMB8,573 per sq.m.

From January 1, 2013 and up to June 30, 2017, we systematically executed our land acquisition plan as follows:

<u>Year</u>	<u>Number of projects</u>	<u>Cities</u>	<u>Total GFA excluding carpark</u> (sq.m.)	<u>Average land acquisition costs</u> (RMB per sq.m.)
2013	21	Shanghai, Suzhou, Hangzhou, Hefei, Jiaxing, Beijing, Tianjin, Shenyang, Changsha, Wuhan and Chongqing	3,800,000	4,050
2014	10	Shanghai, Nanjing, Hefei, Suzhou, Beijing and Zhenjiang	1,302,400	7,480
2015	25	Tianjin, Shanghai, Beijing, Suzhou, Hangzhou, Chongqing, Nanjing, Shenyang, Wuhan, Hefei and Guangzhou	4,419,900	6,680
2016	36	Tianjin, Hangzhou, Shenyang, Hefei, Wuhan, Ningbo, Foshan, Yixing, Beijing, Changsha, Jinan, Chongqing Sanya and Suzhou	6,500,000	3,700
Six months ended June 30, 2017 .	30	Shanghai, Jiaxing, Suzhou, Wuxi, Hangzhou, Ningbo, Hefei, Beijing, Tianjin, Chongqing, Chengdu, Changsha, Zhengzhou, Sanya	4,401,700	8,573

Notes:

- (1) Information in the above table is based on the relevant successful land tender auction confirmations, the land grant contracts, the land transfer agreements or the share transfer agreements.
- (2) The number of projects, total GFA excluding carpark, and average land acquisition costs in the above table represent the number of projects, total GFA excluding carpark and average land acquisition costs of projects that we acquired from January 1, 2013 to June 30, 2017.
- (3) The total GFA excluding carpark and the calculation of average land acquisition costs in the above table exclude the GFA of the carpark.
- (4) Figures concerning total GFA excluding carpark use GFA data rounded to the nearest hundred sq.m.
- (5) Information in the above table excludes projects in Hong Kong. For the six months ended June 30, 2017, we acquired two land parcels in Hong Kong.

We have adopted coherent business and financial strategies which balance solid growth and financial prudence.

We have adopted coherent strategies in business expansion and cashflow management, which are well balanced for solid growth and financial stability, and enable us to lower risks.

We generate most of our operating cash from property sales. Our strong cash position enables us to strategically acquire land at competitive prices, primarily using our internally generated funds and proceeds from our offshore fundraisings. We have a policy of maintaining sufficient operating cash and saleable resources every month to cover our accumulated debt on loans maturing within one year.

We strive to maintain a prudent financial gearing with sufficient financial resources for our operations and to further improve our debt structure by targeting a longer average duration, a lower proportion of non-bank borrowings, and a lower average cost of borrowings. Following our initial public offering in November 2012, we have substantially lowered our financial gearing. As of December 31, 2016, our net debt-to-equity ratio was approximately 50.4%. Our net debt-to-equity ratio is calculated by our total indebtedness including bank and other borrowings, senior notes, and onshore bonds under IFRS less bank balances and cash including restricted cash and pledged bank deposits as a percentage of total equity at the end of the relevant financial year/period.

We have a highly experienced senior management team and an efficient management structure between our headquarters and regional companies which support nationwide coverage.

We have a highly experienced senior management team comprising well-regarded professionals in real estate development, planning, design, finance and other relevant aspects. Our Chairman, Mr. Lin Zhong, has about 26 years of experience in the real estate business. Our Vice Chairman, Mr. Lin Wei, and our Chief Executive Officer, Mr. Lin Feng, have about 21 years and 17 years of experience, respectively, in the real estate business. We have adopted a three-tier management system comprising our board of directors, senior management at the headquarters level and senior management at the regional project company level. This management structure ensures a direct reporting line between our regional project companies and our headquarters, which facilitates the operating efficiency for our expansion and enhances our overall internal control.

BUSINESS STRATEGIES

We aim to become (i) one of the leading real estate enterprises in the PRC in terms of sales, (ii) a nationally renowned real estate brand name, and (iii) a mainstream real estate company in each city where we have a presence. We plan to implement the following future business strategies to achieve our stated growth objectives:

We adopt the “balanced development and sustainable growth” strategy to pursue sustainable and quality growth.

We target an expansion pace higher than growth rates of the industry average and those of the leading developers while stress balance and discipline to avoid radical, high gearing and low margin expansions. We will manage our expansion cautiously by taking into account our sales performance, profitability and shareholders’ return while maintain financial prudence. We will continue to follow our disciplined investment criteria and selectively acquire quality sites as and when suitable opportunities arise in order to maintain sustainable growth in saleable resources and reduce our expansion risk. We will also mitigate our business risks through lowering our exposures using joint ventures, maintaining balanced operating cash flows, lowering our finance costs and developing popular differentiating products in the mainstream end-users’ segment.

We seek to maintain appropriate pace for land acquisition with precise product positioning and execution of development and sales.

In the course of expansion, we emphasize on maintaining the appropriate pace for land acquisition with precise product positioning and execution of development and sales. We strive to acquire land parcels at an attractive cost during the appropriate industry cycle and sell our properties when the market demand is robust. We continue to place strong emphasis in acquiring land to develop two main products: mass-market residential properties and office properties. We will focus on expanding in primarily China’s first- and second-tier cities with large populations, of substantial market size, and with sustainable inflow of residents and investment capital. We further plan to place priority on quality sites in locations better suited for products targeted at self-use upgraders, the product segment which offers the best profit margin potential under current market condition.

We plan to further enhance our brand recognition and improve customer satisfaction and loyalty.

We are dedicated to improve its product quality and customer service to meet the ever-demanding preferences and needs by consumers. Based on the customer satisfaction survey conducted annually by the third-party consultancy firm engaged by us, we recorded new highs in overall customer satisfaction in property sales in 2015 compared to previous yearly ratings, evidencing that our brand recognition has further strengthened. We aim to further enhance our brand recognition by providing a higher value of

our products through better architectural designs and improved landscaping. We plan to allocate more resources to brand management and brand promotion, and to incorporate customers' satisfaction as an integral and significant part of our management evaluation and appraisal system.

We aim to further improve our product capabilities and apply innovations to our operations.

We plan to allocate and invest more resources to enhance our product capabilities and innovations. In line with our strategy of tapping into the upgraders' market and improving our profit margin, we are committed to enhance our product capabilities and increase the proportion of our properties that are fully-fitted residential products. In 2014, the "CIFI Product Research Center" commenced operations and began its research and development of standardized fully-fitted residential product modules. Our research center studies the application of a range of construction and fitting materials and simulates the corresponding customer experience on different residential unit layouts and configurations and will strengthen our product capabilities for future development.

We strive to embrace innovations to revolutionize our business process, enhance our sales channels, and improve our product designs and provision of value-added customer services. For example, in 2014, we pioneered the industry trend of utilizing mobile Internet applications and successfully developed and applied our "CIFI Wei-Sales" platform to facilitate third-party agency sales of our properties.

OVERVIEW OF OUR PROPERTY DEVELOPMENTS

As of June 30, 2017, our property portfolio consisted of 150 property projects under various stages of development located in the Yangtze River Delta Region, the Pan Bohai Rim, the Central Western Region and the South China Region. As of June 30, 2017, approximately 74% of the total GFA of our projects were residential projects while the remaining were office and community commercial projects.

For our residential property development, we principally focus on developing residential units with comfortable living environment and proximity to public transportation networks. We target to sell these residential properties to end-users who are mainly first-time purchasers or upgraders. Within our residential property development, we mainly develop the following types of residential properties:

- high-rise and mid-rise apartments — which are typically buildings higher than nine stories;
- low-rise garden apartments — which are typically low-rise buildings of five to eight stories; and
- townhouses — which typically include connected townhouses, courtyard townhouses and split-level townhouses.

For our office and commercial property development, we principally focus on developing office projects at locations on the outskirts of first-tier cities and in city area locations in second-tier cities. Within our commercial property development, we mainly develop office projects which are office blocks used by enterprises or small or home office units used by individuals. We offer to sell these office properties both on en-bloc basis and on strata-title unit basis. These office projects offer a compelling value proposition for our customers, which are typically seeking property with the right balance amongst cost, product quality, and location.

We also develop community commercial projects, which are integrated city complexes comprising different property elements with residential, office and/or retail components. For these integrated projects, we typically intend to sell the street-level retail areas while retaining the podium retail complex and lease them out as our investment properties.

Our property development projects may be broadly categorized as follows:

- Completed projects — comprising property projects which we have completed and of which we have received the relevant certificates of completion issued by the relevant governmental authorities;
- Projects under development — comprising property projects in respect of which we have received the relevant construction work commencement permits and which or certain phase(s) of which are pending completion; and
- Projects for future development — comprising property projects in respect of which we have (a) received the relevant land use rights certificates, (b) signed the relevant land grant contracts but not yet obtained land use rights certificates, or (c) received the confirmation letter on bidding for granting land use right but not yet signed the relevant land grant contracts and, in each case, construction work has not yet commenced.

Certain of our property development projects comprising multiple phases of development may fall into any one or more of the above categories.

As of June 30, 2017, we had a land bank with an aggregate GFA of approximately 22.1 million sq.m, comprising completed unsold projects with an aggregate GFA of approximately 4.0 million sq.m., projects under development and projects for future development with an aggregate GFA of approximately 18.1 million sq.m.

PORTFOLIO OF OUR PROPERTY DEVELOPMENT PROJECTS

The tables below is a summary of our portfolio of property development projects as of June 30, 2017.

Project	Primary intended use of the project	Saleable/Rentable GFA remaining unsold (carpark excluded) (sq.m.)	Interest attributable to us (%)
Completed properties			
<i>Yangtze River Delta</i>			
Shanghai CIFI Pujiang International	Office	17,425	100.0
Shanghai CIFI Luxury Courtyard	Residential	4,647	100.0
Shanghai CIFI Comfortable Joyous Bay	Residential	399	100.0
Shanghai CIFI Pebble Beach	Residential	35,584	100.0
Shanghai CIFI Pleasant Garden	Residential	3,184	100.0
Shanghai CIFI City	Residential	14,342	100.0
Shanghai CIFI Samite Life	Residential	5,751	100.0
Shanghai CIFI Jiangwan Mansion	Residential	7,722	100.0
Shanghai CIFI U Block	Office/Commercial	6,639	100.0
Shanghai CIFI Arthur Shire	Residential	5,718	100.0
Shanghai Greenland CIFI E World Center	Office/Commercial	11,822	50.0
Shanghai CIFI Elite Mansion	Residential	13,193	50.0
Shanghai Amber Gard	Residential	679	35.0
Shanghai Henderson CIFI Center	Residential, Office/ Commercial	37,800	50.0
Shanghai CIFI Haishang International	Office/Commercial	614	53.0
Shanghai CIFI Haishang International	Investment properties	45,400	53.0
Shanghai CIFI Park Mansion West	Residential	22,816	67.5
Shanghai CIFI Shilu	Residential	1,803	100.0
Shanghai CIFI Pure Center	Office/Commercial	48,509	45.0
Shanghai Shangkun CIFI Villa	Residential	3,810	50.0
Shanghai BCL CIFI the Great City	Residential	108,876	40.0
Shanghai Changning District, Huashanliyuan Project	Residential	10,500	100.0
Suzhou CIFI Canal County	Residential	10,988	100.0
Suzhou CIFI Luxury Courtyard	Residential	30,826	100.0
Suzhou CIFI Private Mansion	Residential	9,440	100.0
Suzhou CIFI Private Mansion	Residential	11,247	100.0
Usonian City Villa			
Suzhou CIFI Elegant City	Residential	22,122	100.0
Suzhou CIFI Sunny Life	Residential	6,837	100.0
Suzhou CIFI Apple Paradise	Residential	50,679	50.0
Hefei CIFI Central Park	Residential	1,323	100.0
Hefei CIFI Private Mansion	Residential	33,071	100.0
Hefei CIFI Original Villa	Residential	51,103	100.0
Zhenjiang CIFI Times	Residential and office	12,810	100.0
Zhenjiang CIFI East One Place	Residential	1,734	100.0
Nanjing CIFI Yincheng Baimalanshan	Residential	62,107	51.0
Nanjing CIFI Nine Modern Life	Residential	10,514	100.0
Jiaxing CIFI Square (Commercial)	Investment properties	82,600	100.0
Jiaxing CIFI Ronchamp Town	Residential	7,105	100.0
Hangzhou Henderson CIFI Palace	Residential	18,975	100.0
Hangzhou Greenland CIFI Glorious City	Residential	16,137	50.0
Hangzhou Greenland CIFI Glorious City	Office/Commercial	710	50.0
<i>Pan Bohai Rim</i>			
Beijing CIFI Wangxin Commercial Center	Investment properties	4,900	100.0
Beijing CIFI Olympic City	Office/Commercial	5,629	100.0
Beijing CIFI International Negotiate Garden	Office/Commercial	326	100.0
Beijing CIFI The Upper House	Residential	14,802	80.0
Beijing CIFI The Education Park	Office/Commercial	82	100.0
Beijing MOMA CIFI Residence	Residential	29,294	50.0
Langfang CIFI Path Walf	Residential	40,577	100.0
Tianjin CIFI Rosedale	Residential	6,949	100.0
Tianjin CIFI Private Mansion	Residential	66,524	100.0
Tianjin CIFI Paradise Bay	Residential	111,310	25.0
Shenyang CIFI Private Mansion	Residential	80,471	100.0

<u>Project</u>	<u>Primary intended use of the project</u>	<u>Saleable/Rentable GFA remaining unsold (carpark excluded) (sq.m.)</u>	<u>Interest attributable to us (%)</u>
Shenyang CIFI Jin Court	Residential	30,343	100.0
<i>Central Western Region</i>			
Chongqing CIFI Ronchamp Town	Residential	59,045	100.0
Chongqing CIFI Paradise Town	Residential	774	100.0
Chongqing CIFI Purple City	Office/Commercial	89,154	100.0
Chongqing CIFI City	Residential	347,690	100.0
Chongqing CIFI City	Office/Commercial	161,726	100.0
Chongqing CIFI City	Investment properties	11,067	100.0
Changsha CIFI Private Mansion	Residential	105,345	100.0
Changsha CIFI International Plaza	Residential	1,765	100.0
Changsha CIFI International Plaza	Office/Commercial	57,668	100.0
Changsha CIFI International Plaza	Investment properties	24,967	100.0
Changsha CIFI Dream Mansion	Residential	7,581	80.0
Wuhan CIFI Private Mansion	Residential	106,228	100.0
<i>Other</i>			
Fuzhou CIFI Riverside	Residential	3,700	100.0
Hong Kong Nos. 44, 46, 48 & 50, Chung Hom Kok Road, No.1 Horizon Drive	Residential	Net saleable area: 2,450 sq.m. (26,369 sq.ft.)	100.0
Carparks		<u>1,775,796</u>	
GRAND TOTAL		<u><u>3,993,725</u></u>	

- (1) "Saleable/Rentable GFA remaining unsold (carpark excluded)" figures are rounded to the nearest hundred sq.m.
- (2) "Saleable GFA" represents the GFA of a property which we intend to sell and which does not exceed the multiple of the site area and the maximum permissible plot ratio as specified in the relevant land grant contracts or other approval documents from the local governments relating to the project. "Rentable GFA" refers to GFA that is not for sale and is available for rental purposes.
- (3) The figures for aggregate GFA, total GFA, saleable GFA and rentable GFA that appear in this offering circular are based on figures provided in the relevant governmental documents, such as the property ownership certificate, the construction work planning permit, the pre-sale permit, the construction land planning permit or the land use rights certificate. The categories of information contained in this offering circular are based on our internal records. Figures for GFA under development and GFA for future development and information regarding planned construction period are estimates only. The information setting out the construction period for completed blocks or phases of our projects in this offering circular is based on the relevant governmental documents or our internal records.
- (4) Our effective equity interest in the project refers to our effective equity interest in the project as of the date of this offering circular.

Project	Primary intended use of the project	Estimated Completion date	Site Area (sq.m.)	Total GFA under development and held for future development (Carpark excluded)	Pre-sold (sq.m.)	Interest attributable to us (%)
				(sq.m.)		
Properties under development and held for future development						
<i>Yangtze River Delta</i>						
Shanghai CIFI La Baie D'Evian	Residential	2017	189,800	24,500	—	100.0
Shanghai Lujiazui Yangjing Project	Office, commercial	2017	87,200	61,323	46,848	50.0
Shanghai Lujiazui Yangjing Project	Investment properties	2017				
Shanghai Jiuting Center	Commercial and residential	2018–2019	83,400	227,100	5,665	34.0
Shanghai Baoshan District, Luodian Town Meiluo Jiayuan Community No. 01 Project	Office, commercial	2018	30,185	45,278	—	25.0
Shanghai Minhang District, Xinzhuang Town Min Hang New Town Project	Office, commercial	2018	15,726	51,895	—	50.0
Shanghai Putuo District, Changshou Community D5-6 Project	Investment properties	2018	11,648	45,427	—	50.0
Shanghai Huangpu District, Madang Road Project	Office	2020	8,600	25,800	—	100.0
Suzhou CIFI Park Mansion	Residential	2017	68,000	108,000	105,603	100.0
Suzhou Henderson CIFI City	Residential	2017–2019	171,300	394,100	319,992	50.0
Suzhou North Star CIFI No.1 Courtyard	Residential	2017–2018	178,700	180,500	150,042	50.0
Suzhou CIFI Lake Mansion	Residential	2018	131,000	209,700	94,621	40.0
Suzhou Wujiang District, Taihu Lake New City	Residential	2019	96,278	173,300	—	50.0
Suzhou Henderson CIFI Riverside Park, Phase 2	Commercial and residential	2018	N/A	16,721	2,917	30.0
Suzhou Henderson CIFI Riverside Park, Phase 3	Commercial and residential	2018	N/A	98,397	44,710	30.0
Suzhou Henderson CIFI Discovery Island (Xiangcheng District, G3 Project)	Office, commercial	2018	N/A	100,416	21,752	30.0
Suzhou Wuzhong District, West Mountain Project	Residential	2019	161,766	32,353	—	100.0
Suzhou Wuzhong District, Luzhi Project	Residential	2019	28,600	42,900	—	51.0
Suzhou Wuzhong District, Xukou Project	Residential	2019	48,500	121,300	—	49.0
Jiaxing Jiashan County, 2011-028 Project	Residential	2019	18,000	36,200	—	100.0
Jiaxing Jiashan County, Yaozhuang 2016-5-1 Project	Residential	2019	64,900	142,700	—	100.0
Yixing Grand Lakeview	Commercial and residential	2018–2021	N/A	485,665	—	50.0
Hangzhou CIFI Canal Mansion (Yuhang District Chongxian Xincheng No. 18 Site Project)	Residential	2017	35,300	90,800	37,311	100.0
Hangzhou Shunfa CIFI Honor Mansion	Residential	2017–2018	55,400	98,300	97,389	30.0
Hangzhou CIFI Times City	Commercial and residential	2018	54,100	129,800	78,658	100.0
Hangzhou Vanke CIFI Luna Sea	Commercial and residential	2018	57,600	143,900	7,033	33.0
Hangzhou Xiao Shan District, Olympic Park FG16-04 Project	Commercial	2018	29,800	86,400	—	100.0
Hangzhou CIFI Jun Yue Palace (Xiaoshan District, Xiaozhengchuchu 2015-No.32 Project)	Residential	2018	57,394	114,788	33,999	23.0
Hangzhou Binjiang CIFI Wanjiashixing (Yuhang District, Liangzhu New Town, No. 64 Project)	Residential	2018	24,596	54,111	53,295	35.0
Hangzhou CIFI Binjiang East Mansion (Xiaoshan District, Xianghu 2016-No. 5 Project)	Residential	2018	37,699	75,398	15,580	29.0
Hangzhou Longfor CIFI Crystal Central (Xihu District, Sandun North Project)	Residential	2018	34,172	95,682	16,677	20.0
Hangzhou Xiaoshan District, Dajiang East Project	Residential	2018	88,494	203,536	—	100.0
Hangzhou Lin'an County, Shizishan No.23 Project	Residential	2019	42,900	90,100	—	100.0
Hangzhou Lin'an County, Shizishan No.24 Project	Residential	2019	50,400	110,900	—	100.0

Project	Primary intended use of the project	Estimated Completion date	Site Area (sq.m.)	Total GFA under development and held for future development (Carpark excluded)		Pre-sold (sq.m.)	Interest attributable to us (%)
				(sq.m.)	(sq.m.)		
Hangzhou Xiaoshan District, Beigandanyuan Project	Commercial and residential	2019	11,400	37,700	—	100.0	
Hefei North Star CIFI Park Mansion Luzhou	Residential	2018–2019	141,700	239,000	133,034	50.0	
Hefei CIFI Ronchamp Courtyard	Residential	2019	99,972	235,934	244,503	22.5	
Hefei CIFI Lake Betsuin	Residential	2019	151,780	399,550	273,789	50.0	
Hefei Hi-Tech Industry Development Zone, TF 4 Project .	Residential	2020	104,800	225,200	—	15.2	
Hefei Hi-Tech Industry Development Zone, TF 5 Project .	Residential	2020	139,700	297,600	—	20.0	
Hefei Luyang District, No. N1614 Project	Residential	2019	22,600	56,400	—	100.0	
Hefei Binhu District, No. 14 Project	Residential	2020	111,400	245,000	—	17.0	
Wuxi Huishan District, Qianqiao Street, Yangxirenjia North Project	Residential	2019	90,500	271,600	—	60.0	
Wuxi Huishan District, Qianqiao Street, Shangwei Road North Project	Residential	2019	47,400	142,200	—	60.0	
Ningbo CIFI Central Mansion (Yinzhou District, Zhonggong Temple Project)	Commercial and residential	2018	38,256	72,686	14,169	100.0	
Ningbo Prosperous Reflection (Dongbuxincheng Project) .	Residential	2021	157,100	350,100	53,786	33.0	
Nanjing CIFI Park Mansion Qinhuai	Residential	2018	28,700	80,400	65,639	100.0	
Nanjing North Star CIFI Park Mansion Jinling	Residential	2017–2018	25,300	70,700	69,463	49.0	
<i>Pan Bohai Rim</i>							
Beijing Vanke World	Office, commercial	2017	46,924	94,800	72,217	26.5	
Beijing CIFI No.26 Block	Office, commercial	2017	88,700	206,700	125,804	10.0	
Beijing CIFI Yihexiang	Office	2017	13,500	19,000	167	59.5	
Beijing Tianheng CIFI No.7 Courtyard	Commercial and residential	2017–2018	158,300	266,200	94,643	49.0	
Beijing Longxi CIFI No.6 Courtyard	Commercial and residential	2018	97,992	97,992	68,824	20.0	
Beijing Fangshan District, Gongchen Street, No. 0007 Project	Office, commercial	2019	10,384	25,960	—	100.0	
Beijing Fengtai District, Zhuangwei B10 Project	Office, commercial	2019	5,200	15,500	—	100.0	
Beijing Fangshan District, Fangshan Street No.2 Project . .	Residential	2019	53,600	101,500	—	50.0	
Beijing Chaoyang District, Sunhe Town, Xidian Village, 2902–86 Project	Residential	2019	59,500	89,300	—	25.0	
Tianjin CIFI Yannan Garden	Residential	2017–2018	122,600	208,500	166,099	100.0	
Tianjin CIFI No.6 Courtyard	Residential	2018	96,089	99,900	36,847	70.0	
Tianjin CIFI Ronchamp Courtyard	Residential	2019	150,241	202,825	—	25.0	
Tianjin Binhai New District, Sino-Singapore Tianjin Eco-city, Tourism Area Project	Residential	2019	20,305	49,735	—	35.7	
Tianjin Jinghai District, Tuanboyishan County Project . . .	Residential	2017	55,800	139,400	—	40.0	
Tianjin Chengshizhiguang (Dongli District, Xiaowangzhuang Project)	Residential	2018	72,400	33,879	33,879	25.0	
Jinan Huaiyin District, West Station Area Changhe Estate B6 Project	Residential	2018	72,954	218,820	—	20.0	
Shenyang CIFI Fantastic Apartment	Residential	2018	5,340	15,487	14,432	100.0	
Shenyang Gemdale CIFI Jiuyunfenghua	Residential	2018	33,108	66,217	29,297	50.0	
Shenyang Tiexi District First Grain Warehouse Project	Residential	2020	84,832	186,630	27,452	100.0	
Shenyang CIFI Dong Yue City (Dadong District Vocational and Technical College South-1,2 Project) . .	Commercial and residential	2019	117,011	268,536	57,997	70.0	
Shenyang Dadong District, Vocational and Technical College South Project	Residential	2019–2022	89,354	196,580	—	50.0	
Central Western Region Chongqing Dongyuan CIFI Jiangshan Yue	Commercial and residential	2018–2019	325,600	635,700	133,208	30.0	
Chongqing Nanan District, Danzishi Project	Commercial and residential	2018–2019	150,519	443,781	—	33.3	
Chongqing Dadukou District Project	Residential	2020	26,400	105,600	—	100.0	
Chongqing Jiulongpo District, Yinchaoshe Project	Residential	2022	128,000	473,600	—	50.0	
Chongqing Banan District, Masangxi No.67 Project	Residential	2020	179,600	419,800	—	50.0	
Chengdu Chenghua District, Jinxiuhuacheng Project	Residential	2019	84,900	169,800	—	30.0	
Chengdu Chenghua District, Beichengzhongyang Project . .	Commercial and residential	2020	42,400	202,300	—	30.0	
Chengdu Wuhou District, Hongpailou Project	Residential	2019	10,700	20,200	—	22.5	

Project	Primary intended use of the project	Estimated Completion date	Site Area	Total GFA under development and held for future development (Carpark excluded)		Pre-sold	Interest attributable to us
				(sq.m.)	(sq.m.)		
Changsha Henderson Arch of Triumph	Commercial and residential	2018–2019	N/A	230,222	164,067	30.0	
Changsha Kaifu District, Dadi Project	Residential	2018–2019	518,697	830,356	—	50.0	
Changsha Tianxin District, Aoyuan South Project	Commercial and residential	2019	30,100	90,200	—	70.0	
Wuhan Yulong CIFI Peninsula	Commercial and residential	2017–2019	129,900	289,000	66,394	55.0	
Wuhan Hanyang District, Hanqiao Village Project Section B	Commercial and residential	2019–2021	103,822	481,010	—	55.0	
Zhengzhou Erqi District No.225 Project	Residential	2020	69,400	173,600	—	21.0	
<i>South China</i>							
Guangzhou Liwan District No.111, Baihua Road, Bai Hua Xiang Liao Chang Project	Residential	2018	31,900	143,600	—	19.0	
Foshan San Shui New Town Huijin Project	Commercial and residential	2019–2020	114,319	285,796	—	100.0	
Foshan San Shui New Town Huaxiang Project	Commercial and residential	2019–2020	134,001	268,002	—	100.0	
Foshan Chancheng District, Haiwu Road North, Fenjianghe Road West Project	Commercial and residential	2018	72,964	267,143	—	33.3	
Sanya Yalong Bay Project	Office, commercial	2018	46,930	18,772	—	50.0	
Sanya Xin'aoliyang Project	Residential	2019	200,000	50,000	—	51.0	
Hong Kong Yau Tong Sze Shan Street Project	Residential	2020	3,816 sq.m. (41,080 sq.ft.)	Net saleable area: 21,368 sq.m. (230,000 sq.ft.)	—	50.0	
Carpark				2,995,736	150,071		
TOTAL GFA of Properties under development and held for future development				18,106,605	3,227,873		
GRAND TOTAL (Completed, under development and for future development)				22,100,329			

Notes:

- (1) “Saleable/Rentable GFA remaining unsold” figures are rounded to the nearest hundred sq.m.
- (2) The site area information for an entire project is based on the relevant land use rights certificates, land grant contracts or tender documents, depending on which documents are available. If more than one such document is available, such information is based on the most recent document available.
- (3) The figures for aggregate GFA, total GFA, saleable GFA and rentable GFA that appear in this offering circular are based on figures provided in the relevant governmental documents, such as the property ownership certificate, the construction work planning permit, the pre-sale permit, the construction land planning permit or the land use rights certificate. The categories of information contained in this offering circular are based on our internal records. Figures for GFA under development and GFA for future development and information regarding planned construction period are estimates only. The information setting out the construction period for completed blocks or phases of our projects in this offering circular is based on the relevant governmental documents or our internal records.
- (4) Our effective equity interest in the project refers to our effective equity interest in the project as of the date of this offering circular.

The table below is a summary of our land bank for property projects as of June 30, 2017 by city and region.

By City and Region

	<u>Completed</u>	<u>Under Development</u>	<u>Total Land Bank</u>	<u>% of Total Land Bank</u>
	<u>Saleable/ Rentable GFA Remaining Unsold</u>	<u>GFA Under Development</u>	<u>Total GFA</u>	
	<u>sq.m.</u>	<u>sq.m.</u>	<u>sq.m.</u>	<u>%</u>
Yangtze River Delta				
Shanghai	407,232	616,700	1,023,932	4.6
Suzhou	142,139	1,477,687	1,619,826	7.3
Jiaxing	89,705	178,900	268,605	1.2
Zhenjiang	14,544	—	14,544	0.1
Hefei	85,497	1,698,684	1,784,181	8.1
Hangzhou	35,822	1,331,415	1,367,237	6.2
Nanjing	72,621	151,100	223,721	1.0
Ningbo	—	422,786	422,786	1.9
Wuxi	—	413,800	413,800	1.9
Yixing	—	485,665	485,665	2.2
Sub-total	<u>847,561</u>	<u>6,776,737</u>	<u>7,624,298</u>	<u>34.5</u>
Pan Bohai Rim				
Beijing	55,033	916,952	971,985	4.4
Tianjin	184,783	845,060	1,029,843	4.7
Langfang	40,577	—	40,577	0.2
Shenyang	110,814	733,450	844,264	3.8
Jinan	—	218,820	218,820	1.0
Sub-total	<u>391,207</u>	<u>2,714,282</u>	<u>3,105,489</u>	<u>14.1</u>
Central Western Region				
Chongqing	669,457	2,078,481	2,747,938	12.4
Changsha	197,326	1,150,778	1,348,104	6.1
Chengdu	—	392,300	392,300	1.8
Wuhan	106,228	770,010	876,238	4.0
Zhengzhou	—	173,600	173,600	0.8
Sub-total	<u>973,011</u>	<u>4,565,169</u>	<u>5,538,180</u>	<u>25.1</u>
South China				
Guangzhou	—	964,541	964,541	4.4
Hainan	—	68,772	68,772	0.3
Hong Kong	Net saleable area: 2,450 sq.m. (26,369 sq.ft.)	Net saleable area: 21,368 sq.m. (230,000 sq.ft.)	Net saleable area: 23,818 sq.m. (256,369 sq.ft.)	*
Sub-total	<u>2,450</u>	<u>1,054,681</u>	<u>1,057,131</u>	<u>4.8</u>
Other	<u>3,700</u>	<u>—</u>	<u>3,700</u>	<u>*</u>
Other — Carpark	<u>1,775,796</u>	<u>2,995,736</u>	<u>4,771,532</u>	<u>21.6</u>
	<u>3,993,725</u>	<u>18,106,605</u>	<u>22,100,329</u>	<u>100.0</u>

Note:

* Less than 0.1%

See “— Overview of Our Property Developments” for further details of our property development projects.

PROPERTY DEVELOPMENT

In developing a project, we follow a process of planning and execution that is systematic in approach while being flexible enough to accommodate new development in the fast-evolving business and regulatory environments of the real estate market in the PRC. Our headquarters and our regional project companies work closely together in developing a project. Our headquarters are responsible for making strategic decisions about project development, while the regional project companies generally oversee the day-to-day operations of the project development. We have adopted a three-tier management system comprising the board of directors, senior management at the headquarters level and senior management at the regional project company level. Our three-tier management system ensures a direct reporting line between the regional project companies and our headquarters, which enhances the overall internal control of our Group. We established this management and project development structure primarily because of the importance of local market conditions and other local factors to the property development industry in the PRC.

We have established key departments at our headquarters, including the Sales and Marketing Center (營銷管理中心), Operation Department (運營管理部), Design Department (設計管理部), Cost Control Department (成本審算管理部), Contract Procurement Department (合約採購管理部), Construction Management Department (工程管理部), Business Development Department (業務拓展部), Chief Executive Officer's Office (總裁辦公室), Human Resources Department (人力資源部), Financial Management Center (財務管理中心) and Legal Department (法務審計部), to oversee, support and facilitate the operations of our project companies. These include city and site selection, product positioning, design, cost planning, public tenders, contract preparation, construction, sales and marketing, financing, legal matters, human resources and other operations.

City and Site Selection

City and site selection is one of the most important and fundamental steps in the property development process. Our Business Development Department is primarily involved in the city and site selection process by identifying and evaluating a range of cities and sites in the PRC for potential property development opportunities. We collect relevant information regarding the potential acquisition opportunity and conduct preliminary feasibility studies and market research to evaluate the potential risks and returns of the investment, potential property demand in that area, preferences of the target customer groups and potential competition from other property developers in the vicinity. If we are satisfied with the result of the feasibility study, we will continue with our due diligence investigations and conduct a more detailed analysis of the potential acquisition. If the due diligence result is satisfactory, we will prepare a detailed project design and investment return analysis. This will then be passed to our Investment Committee, which consists of our Chairman, Mr. Lin Zhong, our Chief Executive Officer, Mr. Lin Feng and senior management including those from our Business Development Department, Operation Department, Design Department, Cost Control Department, Sales and Marketing Center and Financial Management Department, for consideration.

We generally take into consideration various criteria when deciding whether to pursue a site at a particular time, which include: (i) adhering to land sites suitable for our development strategies, and focusing on superior locations, such as areas identified by the PRC government to be the key development areas, (ii) following our disciplined approach to land acquisition, particularly our policy of generally not buying land that has title and planning issues or that requires resettlement, (iii) taking into consideration the real estate-related austerity measures, such as the prevailing national and local governmental policies, (iv) researching on the local market conditions and consumer behaviors, (v) considering the growth potential of a particular site, and (vi) focusing on locations with rapid economic growth and significant property appreciation potential and that offer a comfortable living environment with generous supporting infrastructure and proximity to cultural, leisure and commercial facilities, as well as sites with convenient access to public transportation.

Land Acquisition

We acquire land from the PRC government through public tenders, auctions and listings-for-sale. According to the “Regulations on the Grant of State-owned Land Use Rights by Tender, Auction or Listing-for-Sale” 《招標拍賣掛牌出讓國有建設用地使用權規定》, which were promulgated by the MLR on September 28, 2007 and became effective on November 1, 2007, the PRC government may only grant land use rights in respect of State-owned land for business, tourism, entertainment and residential commodity property development purposes by way of public tenders, auctions or listings-for-sale. Please refer to the section headed “Regulations” for further details of the applicable PRC laws and regulations.

In addition, we may acquire land in the PRC by (i) investing in or taking over property holding companies, (ii) acquiring construction-in-progress from the original project owners, or (iii) establishing joint ventures with other real estate developers for land acquisition. As a property developer focusing on the development and operation of integrated residential and commercial properties, our directors believe that acquiring land at competitive prices is critical to our overall development strategy.

Project Planning and Design

We have standardized operating procedures that cover various phases in our development process, including planning and design. Our efficient and standardized project planning and design capabilities enable us to quickly determine and implement the positioning and design of projects. Our Design Department is responsible for generating the core concepts and master planning for our projects. Once the master design concept of a property development project is established, we outsource the detailed project design work to reputable architectural and design firms. Based on the master design concept, our Design Department collaborates with the selected architectural and design firms to transform the concept into a more detailed design drawing, which must be approved by the relevant PRC governmental authorities. Once approved, the design drawing becomes the basis of the project.

In 2014, we further established the “CIFI Product Research Center”, which focuses on the research and development of standardized fully-fitted residential product modules. Our research center studies the application of a range of construction and fitting materials and simulates the corresponding customer experience on different residential unit layouts and configurations.

Construction

Appointment of Construction Companies

We outsource substantially all of our construction work to external construction contractors and select the construction contractors through a tender process. From 2010 to 2015, we engaged over 50 construction contractors. We have maintained relationships typically ranging from two to six years with these contractors. We have established a selection procedure to choose our construction contractors in order to ensure compliance with our quality and workmanship standards. We conduct detailed due diligence on the construction contractors during the bidding process. We typically take into account a construction contractor’s professional qualifications, reputation in the industry, track record, prices tendered, financial condition and technical abilities.

The construction contractor is typically obliged to undertake the construction work in strict compliance with our designs and requirements, and to provide regular progress reports to enable us to closely monitor the construction progress. Payments to construction contractors are made in stages in accordance with the terms and conditions stipulated in the construction contract signed between the construction contractors and us. The percentage of each stage payment varies from project to project. Upon signing a construction contract with us, generally, the construction contractor will be required to give us a performance bond of approximately 5% to 10% of the total payment. At closing and

settlement, generally, we will settle approximately 95% of the total payment, and retain approximately 5% as retention money. The retention money is used to cover any contingent expenses incurred as a result of any construction defects. The construction contractors are required to provide us with warranties, with warranty periods generally ranging from two to five years, for any losses we incur as a result of not meeting contractually or statutorily specified quality standards. The unused portion of the retention money will be returned to the contractors after the expiry of the warranty period. In general, where the construction schedules are delayed for more than the period of time as stipulated in the contracts, we will be entitled to a pre-determined amount as penalty and, in some cases, we will have the right to terminate the contracts. Our directors believe that the amount of retention money we withhold under our construction contracts is in line with the industry practice in the PRC and is sufficient to cover the construction warranties we give to our customers under the sale and purchase agreements.

Quality Control and Construction Supervision

We place a heavy emphasis on quality control and construction supervision of our projects. The construction contracts we enter into with the construction contractors typically contain warranties with respect to quality and timely completion of the construction projects. The following are some important measures or procedures we adopt for quality control and supervision of our property development:

- we require construction contractors to comply with the relevant PRC laws and regulations relating to the quality of construction, such as environmental, labor, social and safety regulations, as well as our own standards and specifications;
- in compliance with the relevant PRC laws and regulations, we engage certified construction supervision companies to monitor certain aspects of our project construction as specified by the relevant PRC laws and regulations. These construction supervision companies conduct quality and safety control checks on all building materials and workmanship on-site. They also monitor the progress of construction, work site safety and the construction completion schedule;
- we generally designate a few reputable suppliers from which our construction contractors can source material; and
- we exercise on-site inspection from time to time.

We did not encounter any material quality problems nor receive any material complaints in this regard nor experience any material adverse losses resulting from quality problems in 2014, 2015 and 2016.

Procurement

We typically procure the construction materials to be used in our projects through our construction contractors. However, in certain circumstances, we are responsible for procuring specialized building materials, such as elevators, windows, doors and interior fixtures, while the construction contractors are responsible for procuring more general construction materials such as cement and steel. In most circumstances, we designate a few reputable suppliers from which our construction contractors can source materials. This is done in order to ensure that the construction materials meet our particular standards and requirements. The construction contractors also procure all equipment necessary for each project in accordance with specifications provided by us.

Sales and Marketing

Sales and Marketing Plan

Our Sales and Marketing Center at the headquarters level formulates our nationwide marketing strategies and coordinates our promotion activities with our project companies.

The sales and marketing departments of our regional project companies are responsible for marketing our property products. Our sales and marketing personnel at the headquarters and regional levels co-operate closely to determine the appropriate sales and marketing plans for a particular project. They also conduct comprehensive market research, formulate pre-sale, sales and pricing strategies and plan and organize on-site pre-sale and sales procedures. We market our properties through traditional advertising channels such as billboard advertisements, newspapers, magazines, model displays, as well as through internet, mobile communication and e-commerce marketing platforms. We utilized customary sales and promotional methods such as price discounts, gifts and lucky draws (with normal gifts), weekend sales events to promote sales. We also employed external professional property sales agencies from time to time to provide sales and marketing services for certain of our property development projects. In 2014, we pioneered the industry trend of utilizing mobile Internet applications and successfully developed and applied our “CIFI Wei-Sales” platform to facilitate third-party agency sales of our properties. In 2014, 2015 and 2016 and six months ended June 30, 2017, the total selling and marketing expenses that we paid for our property development were RMB319.4 million, RMB370.9 million and RMB524.5 million (US\$77.4 million) and RMB271.0 million (US\$40.0 million), respectively, which represented 2.0%, 2.0% and 2.4% and 2.4% of our revenue for the same period.

The performance of our sales and marketing personnel is assessed throughout the sales and pre-sale process. Personnel who have met their pre-determined sales target have the opportunity to be awarded with monetary bonuses in addition to the monthly salary.

Pre-sale

The sales process of our property projects generally begins with pre-sale. There are various PRC laws and regulations governing pre-sale of properties which impose conditions to be fulfilled before the pre-sale of a particular property can commence. These include obtaining the relevant land use rights certificate, the construction work planning permit and the construction work commencement permit. For further details of the laws and regulations governing pre-sale, please refer to the section headed “Regulations.”

The pre-sale/sale contracts for the contracted sales of the Group are based on the standard forms regulated by the relevant land and commercial bureaus and vary from city to city. Such standard pre-sale/sales contract typically requires the purchaser to pay deposits according to a payment schedule stipulated under the pre-sale/sales contract, and also stipulates the penalty in the case of late payments or default payment by the purchasers. In the case of cancelled contracted sales, which are transactions cancelled after the pre-sale contracts have been signed and registered with the relevant government authorities but before the delivery of completed properties, we generally cannot claim any damages against the purchasers under the pre-sale/sales contracts, except for the late payment penalty and the forfeiture of certain portion of monies out of paid deposits as stipulated in the pre-sale/sales contracts. The amount of deposit paid by our customers and the amount forfeited as penalty for cancelled contracted sales are based on pre-sales/sales contracts regulated by the relevant land and commercial bureaus and we are not in the position to govern or determine such amount. The actual forfeited deposit income has not and is not expected to account for a significant percentage of the contracted sales income.

For most of the properties under cancelled contracted sales, we have been able to sell them to new purchasers. As a result, our business, financial condition and operating results have not been materially and adversely affected by these cancelled contracted sales.

Payment Arrangements

Our customers, including those purchasing pre-sale properties, can choose between payment by mortgage financing or by cash. The payment terms for pre-sale and sales of properties are substantially identical. We typically require our customers to pay a non-refundable deposit before entering into formal sale and purchase agreements. Generally, this deposit will be forfeited if the customers subsequently decide not to enter into formal sale and purchase agreements with us. Upon executing formal sale and purchase agreements, customers who choose to make cash payments are typically required to make payments in full or by installment (less any non-refundable deposit paid by them) before delivery of the property. For customers who choose to fund their purchase using mortgage loans provided by mortgage banks, they are typically required to pay at least 30% to 70% of the purchase price as a down payment in full or by installment, and settle the outstanding balance with mortgage loan drawdowns within one to six months from the date of the formal sale and purchase agreement based on the prevailing bank mortgage policies and practices in the PRC. Our customers may need to secure additional funds if the mortgage is insufficient to settle the outstanding balance. Under the relevant PRC laws and regulations, they may obtain mortgage loans with a repayment period of up to 30 years.

In line with the industry practice in the PRC, we assist our customers with mortgage loans and provide guarantees as security for mortgage loans from the banks to our customers. As a guarantor, we are jointly responsible for the payment of amounts due under the mortgage loans. These guarantees are released upon the earlier of (i) the relevant property ownership certificates being obtained and the certificates of other interests with respect to the relevant properties being delivered to the mortgagee banks, or (ii) the settlement of mortgage loans between the mortgagee banks and our customers.

The payment method for customers of our commercial properties is similar to the payment arrangement for our residential properties, the key difference being that the down payment is typically at least 50% of the purchase price, to be paid in full or in installments, as required by the PRC laws and regulations governing commercial properties.

As of June 30, 2017, our outstanding guarantees for our customers' mortgage loans amounted to RMB7,792.6 million (US\$1,149.5 million). See "Risk Factors-Risks Relating to Our Business-The terms on which mortgage loans are available to purchasers of our properties, if at all, may affect our sales" included elsewhere in this offering circular.

Delivery and After-sales Services

We have a dedicated customer service department to manage our after-sales services. Telephone hotlines are available to our customers to conveniently express their feedback and complaints about our properties and services. Our customers can also join our membership club, CIFI Property Customers Club (旭客會), and we provide free publications to our members to cultivate a sense of belonging and community.

Delivery of Completed Properties

We endeavor to deliver our properties to our customers on a timely basis. We closely monitor the progress of construction of our property development projects. The time frame for delivery is set out in the sale and purchase agreements entered into with our customers. Our sales and marketing staff and our construction team will inspect the properties prior to delivery to ensure quality.

Once a property development project has passed the requisite completion and acceptance inspections, we will notify our customers in respect of delivery. If we fail to deliver the property to our customers on the date of delivery stipulated in the sale and purchase agreement, we will be liable to refund a certain percentage of the pre-sale proceeds.

After delivery of completed properties, we are typically required to obtain a general property ownership certificate for each of our completed projects and, in general, will assist our customers in obtaining their property ownership certificates by providing the requisite information to the local title office for registration. Based on our experience, the actual timing for the issuance of property ownership certificates is subject to government administrative procedures and is not within our control (other than the submission of application), and it may take more time for certain cities to issue property ownership certificates. We are subject to the risk of failing to obtain property ownership certificates. For further information, see “Risk Factors — Risks Relating to Our Business-We may not be able to complete or deliver our development projects on time.”

According to our accounting policies, our revenue is recognized when properties are delivered to our customers. The recognition of our revenue from sales of properties is not subject to the grant of the property ownership certificates to the purchasers.

Information Technology System

We have invested in information technology to make our project development process more efficient and product know-how easy to use and convenient to share. We have implemented information technology systems including office automation, knowledge management, cost management, project planning and human resources. We are also in the process of implementing additional systems to complement our existing ones, such as a customer relationship management system and an enterprise resource planning system. Our human resources system enables our employees to access to our company policies and regulations and handle administrative procedures. Our enterprise resource planning system, upon implementation, will enable us to check the cost status and progress of each project, review contracts and analyze project operations.

INVESTMENT PROPERTIES

Along with our residential property projects, we also develop commercial properties and retain ownership of a portion of our commercial properties for lease. As we intend to hold these properties for long-term investment purposes, they are treated as investment properties. As of December 31, 2016, we held seven completed or under-development properties with an aggregate GFA of approximately 147,400 sq.m. as investment properties. We plan to selectively increase investment properties located in prime locations that are likely to appreciate in value.

PROPERTY MANAGEMENT SERVICES

We provided property management services to the owners of our residential and commercial properties through Shanghai Yongsheng, our majority-owned subsidiary. The services provided by the above property management companies included security, maintenance of common facilities, gardening, landscaping and other ancillary services. On July 15, 2016, we entered into an equity transfer agreement to sell our majority equity interest in Shanghai Yongsheng, which has become our associated company and ceased to be consolidated into our financial statements.

Under PRC laws and regulations, the home owners of a residential community of a certain scale have the right to change the property management service provider upon consent of a certain percentage of home owners. In 2014, 2015 and 2016, we did not experience any incident where the owners of our properties terminated services of our property management companies.

SUPPLIERS AND CUSTOMERS

In 2014, 2015 and 2016, our five largest customers, comprising individual purchasers of our residential properties and commercial properties for sale, in aggregate, accounted for approximately 1.3%, 2.4% and 2.9% of our total revenue, respectively, and our single largest customer accounted for approximately 0.5%, 0.5% and 1.3% of our total revenue in the same years, respectively.

In 2014, 2015 and 2016, our five largest suppliers, primarily comprising construction companies and general contractors, accounted for approximately 8.1%, 3.9% and 4.4% of our total cost of sales, respectively, and our single largest supplier accounted for approximately 2.2%, 1.1% and 1.1% of our cost of sales in the same years, respectively.

None of our directors, their associates and any shareholders (who or which to the knowledge of our directors owns more than 5% of our Company's share capital) has any interest in any of our five largest customers or suppliers.

COMPETITION

Competition in the real estate market in the PRC has intensified over the past few years. We compete against national and regional real estate developers in the PRC. We compete with other real estate developers on the basis of a number of factors, including product quality, service quality, price, financial resources, brand recognition, ability to acquire land and other factors. We believe that the real estate market in the PRC has large growth potential. However, different regions of the PRC have different regulatory restrictions on property development, and consumer preferences typically vary between different regions of the PRC. We believe that, with our solid and strong foothold in a number of cities and our ability to differentiate our products, we are less affected by the changes in market conditions. Furthermore, given our product differentiation, creditworthiness, reputation, quality products and services and our management skills in developing properties in the past decade, we believe we can react promptly to challenges in the real estate market in the PRC. For further information, see "Risk Factors — Risks Relating to Our Business — Intensified competition may materially and adversely affect our business, financial condition and results of operations."

INSURANCE

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

Property developers are not required under PRC national and local laws and regulations to maintain insurance coverage in respect of their property development operations. In general, our construction contractors are required to purchase certain insurance coverage for our properties. Our construction contractors typically have to maintain an all-risk policy for our properties under construction and, in general, cover the insurance of the subcontractors. We do not separately maintain all-risk policies for our properties, whether they are under development or have been completed prior to delivery. We also do not separately carry insurance against personal injury or other liabilities that may occur during the construction of our property development. Our directors consider that the insurance coverage of our Group is adequate and the insurance policy of our Group is in line with the industry standards. There is a risk that we may incur uninsured losses, damage or liabilities. For further information, see "Risk Factors — Risks Relating to Our Business — We may not have adequate insurance to cover our potential losses and claims."

EMPLOYEES

As of June 30, 2017, we had approximately 3,400 full-time employees in Mainland China and in Hong Kong, of whom 3,200 employees worked for our property development business and of whom approximately 200 employees worked for our commercial property leasing and management business.

We remunerate our employees based on their performance, working experience and the prevailing market wage level. As of June 30, 2017, the total remuneration of our employees consisted of basic salary, cash bonus and share-based incentives.

LEGAL PROCEEDINGS AND COMPLIANCE

From time to time, we are involved in legal or other disputes in the ordinary course of our business, primarily disputes with purchasers, construction contractors and employees. See “Risk Factors — Risks Relating to Our Business — We may be involved in disputes, administrative, legal and other proceedings arising out of our operations from time to time and may face significant liabilities or damage to our reputation as a result” for more details.

From 2010 to 2014, we were involved in a legal dispute with China Construction Sixth Bureau. In April 2010, construction fee dispute claims were brought by China Construction Sixth Bureau against our subsidiaries, Shanghai Xinzhi Construction Co., Ltd. (上海新置建築工程有限公司), CIFI Group Co., Ltd. and Suzhou Xuhui Property Co., Ltd. On April 22, 2014, the Second Intermediate People’s Court of Shanghai issued a judgement requiring us to pay approximately RMB26.0 million plus interest to China Construction Sixth Bureau. We paid the full amount in accordance with the judgement in 2014 and our bank balance of RMB21.8 million was subsequently released.

Save as disclosed above and based on information available to us, in 2014, 2015 and 2016, we were not involved in any litigation, arbitration or claim of material importance, and no litigation, arbitration or claim of material importance is known to our directors to be pending or threatened by or against us that may have a material adverse effect on our business, financial condition and operating results.

Property developers in China are subject to a number of environmental laws and regulations including the “PRC Environmental Protection Law” 《中華人民共和國環境保護法》, the “PRC Environmental Impact Assessment Law” 《中華人民共和國環境影響評價法》, the “PRC Prevention and Control of Noise Pollution Law” 《中華人民共和國環境噪聲污染防治法》 and the “PRC Administrative Regulations on Environmental Protection for Development Projects” 《建設項目環境保護管理條例》. Please refer to the section headed “Regulations” for details of these environmental laws and regulations.

We believe we are in compliance in all material respects with applicable environmental laws and regulations in China. In 2014, 2015 and 2016 and six months ended June 30, 2017, we did not experience any problems in the inspections conducted by the relevant environmental authorities upon delivery of our properties to our customers. See “Risk Factors — We are subject to potential environmental liability that could result in substantial costs.”

All of our PRC subsidiaries have obtained all material licenses, permits or certificates required for our business operations and have been in compliance in all material respects with all relevant PRC laws, regulations and rules in relation to main aspects of our business operations, with the exception of a number of our PRC subsidiaries which are in the process of renewing their Real Estate Enterprise Certificates as of the date of this offering circular. We do not expect material legal impediments for them to renew such certificates.

REGULATION

Set out below is a summary of certain aspects of PRC legal and regulatory provisions relating to our operations and business. These include laws and regulations relating to land, real estate development, real estate management, hotel operation, foreign investment enterprises, foreign exchange control, overseas listing, taxation, intellectual property and labor protection.

LAND

Categories of Land

Land in the PRC is categorized by ownership type or by usage. By ownership type, land can be divided into: (i) State-owned land (“SOL”) owned by the State and (ii) collectively-owned land (“COL”) which is collectively owned, under the Land Administration Law of the PRC 《中華人民共和國土地管理法》 adopted by the Standing Committee of NPC on June 25, 1986, as revised and amended on August 28, 2004. Unless otherwise specified by law, SOL is located in urban areas while COL comprises all land in rural and suburban areas. All land for residential construction and land and hills reserved for farmers in rural and suburban areas are allowed to be retained by farmers. COL is not allowed to be used for non-agricultural construction purposes. COL may be converted into SOL by and such conversion is subject to the approval of the State Council or the local government depending on the size and the original use of the relevant parcel of COL.

According to the Land Administration Law of the PRC 《中華人民共和國土地管理法》, land can also be divided into (i) land designated for agricultural use, (ii) land designated for construction use, and (iii) unutilized land. Land designated for agricultural use refers to land used directly in agricultural production, including cultivated land, wooded land, grassland, land for farmland water conservancy and water surfaces for breeding, etc. Land designated for construction use refers to land on which buildings and structures are built, including land for urban and rural housing and public facilities, land for industrial and mining use, land for building communications and water conservancy facilities, land for tourism and land for building military installations etc. Unutilized land refers to land other than that for agricultural and construction uses. The land user shall use the land in accordance with the approved use.

The land use rights of SOL can be further divided into two categories in terms of acquisition methods pursuant to the Provisional Regulations of the PRC on the Assignment and Transfer of the Right to the Use of the State-owned Land in Urban Areas 《中華人民共和國城鎮國有土地使用權出讓和轉讓暫行條例》 promulgated by the State Council on May 19, 1990. The first category, “allocated SOL” refers to the SOL which can be acquired by a user without paying compensation in accordance with law. The second category, “granted SOL” refers to the SOL which requires the acquirer to pay a land premium in accordance with law.

Pursuant to the Interim Measures for the Administration of Allocated Land Use Right 《劃撥土地使用權管理暫行辦法》 which became effective on March 8, 1992, an entity or individual that has been granted a parcel of allocated land is required to obtain prior approval from the relevant land authority, go through the land grant procedures, and pay the land premium before transferring, leasing or mortgaging that parcel of allocated land. Otherwise, according to the Provisional Regulations of the PRC on the Assignment and Transfer of the Right to the Use of the State-owned Land in Urban Areas 《中華人民共和國城鎮國有土地使用權出讓和轉讓暫行條例》, all the income gained from the allocated land shall be confiscated by the relevant land authority. Furthermore, the entity or individual that illegally transfers, leases or mortgages the parcel of allocated land shall be fined in accordance with the seriousness of the case.

On April 1, 2017, the MOHURD and the Ministry of Land and Resources jointly issued the “Circular of Relevant Work on Strengthening the Recent Administration and Control of Housing and Land Supply” (《關於加強近期住房及用地供應管理和調控有關工作的通知》) which provides, among others, that the cities above the prefecture level, the regions where prefecture, state or league is located, or the counties (or county-level cities) that have more than one million inhabitants should make a three-year (2017–2019) plan and a five-year (2017–2021) rolling plan for housing land supply, and publicize such plans by the end of June 2017. The circular further requires that local governments should adjust the size, structure and timing of land supply for residential housing in due course based on the period of depleting commodity residential housing inventory. For example, if the above period is longer than 36 months, no more land is to be supplied; if the said period is over 18 months but shorter than 36 months, land supply shall be reduced in size; if the said period is longer than six months but shorter than 12 months, more land shall be provided; however, if the current inventory could be sold in less than six months, land supply shall increase significantly and the rhythm of land supply shall be accelerated. In addition, the circular stipulates that local authorities should adopt the examination system of land acquisition capital to insure that the property developers use internal funds to acquire lands and that, if the land bid capital originates from a questionable source, the property developers shall be disqualified and prohibited from bidding, auction or listing of land within a certain period of time.

REAL ESTATE DEVELOPMENT

Establishment of a Real Estate Development Enterprise

Pursuant to the PRC Urban Real Estate Administration Law 《中華人民共和國城市房地產管理法》 (the “Urban Real Estate Law”) promulgated by the Standing Committee of NPC, which became effective on January 1, 1995 and was revised on August 30, 2007 and August 27, 2009, a “real estate developer” refers to an enterprise which engages in the development and operation of real estate for profit-making purposes. Under the Regulations on Administration of Development of Urban Real Estate 《城市房地產開發經營管理條例》 (the “Development Regulations”) promulgated by the State Council on July 20, 1998, revised on January 8, 2011, an enterprise engaging in real estate development must satisfy the following requirements in addition to other enterprise establishment conditions provided in the relevant laws and administrative regulations:

- its registered capital must be RMB1 million or more; and
- it must have four or more full-time professional real estate/construction technicians and two or more full-time accounting officers, each of whom must hold the relevant qualification certificate. The authorities at provincial level, autonomous region level or municipalities under the direct administration of central PRC governments may impose more stringent requirements regarding the registered capital and professional qualifications of real estate enterprises.

To establish a real estate development enterprise, the developer must apply for registration with the local SAIC at or above the county level, which should, in examining the application for the registration, seek the views of the real estate development authority at the relevant level. The developer must also report its establishment to the department of real estate development in the location of its registration within 30 days of receipt of its business license.

A foreign investor intending to engage in real estate development may establish an equity joint venture, a contractual cooperative joint venture or a wholly foreign owned enterprise in accordance with the PRC laws and regulations regarding foreign-invested enterprises. On June 28, 2017, the MOFCOM and the NDRC promulgated the Catalogue of Industries for Guiding Foreign Investment (2017 Revision), or Catalogue 2017, which took effect on July 28, 2017. The Catalogue 2017 re-classifies the encouraged items subject to limitations on ownership of category, the negative list for the access of

foreign investments, and applies unified restrictive measures. In addition, 11 items are removed from the Catalogue 2017 as the same restrictions apply to both foreign and domestic investments in these items, including, for example, the construction and operation of large-scale theme parks and the construction of villas and golf courses.

Qualification of a Real Estate Developer

Under the Provisions on Administration of Qualifications of Real Estate Developers 《房地產開發企業資質管理規定》(the “Provisions on Administration of Qualifications”) promulgated by the Ministry of Construction on March 29, 2000 and revised on May 4, 2015, a real estate developer must apply for a classification certificate. An enterprise may not engage in property development without a qualification classification certificate for real estate development. The competent authorities of construction under the State Council is in charge of monitoring the qualifications of all real estate developers within the PRC, and local real estate development authorities at or above the county level are in charge of monitoring the qualifications of local real estate developers. Under the Provisions on Administration of Qualifications, real estate developers are divided into four classes:

- Class 1 qualification is subject to preliminary examination by the construction authorities at the provincial level and the final approval of the competent authorities of construction under the State Council. A Class 1 real estate developer is not restricted as to the scale of its real estate projects and may undertake a real estate development anywhere in the country.
- Class 2, 3 or 4 qualifications and provisional qualifications are regulated by the construction authorities at the provincial level. A real estate developer of the Class 2 qualification or lower may undertake a project with a GFA of less than 250,000 sq.m., detailed business scope of the developer of the Class 2 qualification or lower is determined by the construction authorities at the provincial level.

Under the Provisions on Administration of Qualifications, the real estate development authorities will examine applications for registration of qualifications submitted by real estate developers by mainly considering their financial condition, and the length of time they have conducted real estate development business, the professional personnel they employ, the performance and operating results from their past real estate operations and their quality control systems. A real estate developer that passes the qualification examination will be issued a qualification certificate of the relevant class by the qualification examination authority. A developer of any qualification classification may only engage in the development and sale of real estate within its approved scope of business and may not engage in business which is limited to another higher classification. The real estate development authorities perform annual inspections of qualified developers. Developers who fail to meet the qualification requirements or which operate in breach of the requirements may have their qualification classification certificates degraded or revoked.

For a newly established real estate developer, which passes the qualification examination, the real estate development authority will issue a provisional qualification certificate within 30 days of receipt by the authority of the relevant application for filing. The real estate developer must apply to the real estate development authority within one month before the expiry of its provisional qualification certificate for a formal qualification classification certificate. Any failure to obtain the required provisional or formal qualification certificate or a development of a project exceeding the prescribed scope of the qualification may result in a fine ranging from RMB50,000 to RMB100,000 and, if such failure is not rectified within the prescribed period, the developer’s qualification certificate and/or business license may be revoked.

Acquisition of Land Use Rights

Although all land in the PRC is owned by the State or is collectively owned, individuals and entities may obtain land use rights and hold such land use rights for development purposes. Individuals and entities may acquire land use rights in different ways, the two most important ways of which are either a grant of land use rights by local land authorities or a transfer of land use rights by land users who have obtained land use rights. The grant of land use rights from local land authorities may be carried out by means of tender, auction or listing-for-sale and subject to the regulations discussed below as applicable, pursuant to agreements entered into directly with the local governments.

Grant of Land Use Rights

Pursuant to the Regulation on the Grant of Land Use Rights Through Bilateral Agreement 《協議出讓國有土地使用權規定》 promulgated by the MLR, which became effective on August 1, 2003, land use rights may be granted by way of a bilateral agreement between the relevant land authority and a grantee other than by means of tender, auction or listing-for-sale as required by laws, regulations or rules. The land premium set out in a bilateral agreement should not be lower than the minimum price set by the central government. For land in areas with standard land prices, the land premium pursuant to any bilateral agreement should not be less than 70% of the standard land price of the relevant land category. If the price guidelines are not adhered to, the land use rights cannot be granted. If there is only one prospective land user on the plot of land to be granted, the land authority may grant the land use rights through a bilateral agreement with the exception of land used for business, tourism, entertainment, residential commodity properties and other purposes for business operations. Upon full payment of the land premium, a land user may register with the land administration authority and obtain a land use rights certificate as evidence of the acquisition of the land use rights. As of July 1, 2002, the grant of land use rights by way of competitive processes is governed by the Regulations on the Grant of State-owned Land Use Rights by Tender, Auction or Listing-for-Sale 《招標拍賣掛牌出讓國有土地使用權規定》 (the “2002 Regulations”), issued by the MLR in May 2002. The 2002 Regulations specifically provide that the land to be used for operational purposes, including business, tourism, entertainment, and residential commodity properties, or land for which there are two or more prospective land users, must be granted by way of tender, auction or listing-for-sale. A number of measures are provided by the 2002 Regulations to ensure such grant of land use rights for commercial purposes is conducted openly and fairly. On November 1, 2007, the Regulations on the Grant of State-owned Construction Land Use Rights by Tender, Auction or Listing-for-Sale 《招標拍賣掛牌出讓國有建設用地使用權規定》 (the “2007 Regulations”), became effective to further strengthen the 2002 Regulations. The 2007 Regulations also require that the land used for industrial purpose (except land for mining) shall be granted by way of tender, auction or listing-for-sale. The 2007 Regulations further specify that the grantee of State-owned construction land use rights shall pay the premium for the grant of State-owned land use rights fully in accordance with the land grant contract before it could proceed with the relevant procedures for grant of State-owned land use rights registration and apply for a land use rights certificate. No grantee could be granted a land use rights certificate for the land in proportion to the partial payment of the premium that the grantee has paid. According to the Notice on Relevant Issues Concerning the Strengthening of Examination and Approval of Land Use in Urban Construction 《關於加強城市建設用地審查報批工作有關問題的通知》, promulgated by the MLR on September 4, 2003, from the day of promulgation, land use for high-end residential commodity properties shall be stringently controlled, and applications for land use right to build villas shall be stopped.

On May 22, 2014, the MLR issued the Provisions on the Economical and Intensive Use of Land 《節約集約利用土地規定》, which came into effect on September 1, 2014. The provisions require the use and price of commercial land to be determined by tender, auction or listing-for-sale. Compensation for

all types of land supply shall not be lower than the lowest standards stipulated by the government. No circumvention of land transferring fees shall be allowed by means of land-exchange projects, return of fees after collection or subsidies.

On March 31, 2004, the MLR and the Ministry of Supervision issued the Notice Regarding Supervision Work of Legal Enforcement Situation of Granting Business Land Use Rights Through Tender, Auction or Listing-for-Sale 《關於繼續開展經營性土地使用權招標拍賣掛牌出讓情況執法監察工作的通知》, which requires that commencing on August 31, 2004, land designated for the purposes of business operations shall be granted through tender, auction or listing-for-sale and may not be granted pursuant to the bilateral agreements entered into directly with the local land authority for any historical reasons.

The Notice on Issues Relating to the Strengthening of Land Control 《關於加強土地調控有關問題的通知》 promulgated by the State Council on August 31, 2006 sets out the administration of the income and expenditure relating to land premium, modifies the tax policies relating to the land and created a system of the publication of the standards of the lowest price in respect of the grant of the land use rights for SOL for industrial purposes.

On November 18, 2009, five governmental authorities, including the MOF, Ministry of Supervision, National Audit Office of the PRC, MLR and PBOC issued the Notice on Further Strengthening the Management of the Income and Expenditure Relating to Land Grants 《關於進一步加強土地出讓收支管理的通知》 to regulate the management of income and expenditure on land grants. In particular, property developers are required to provide a down payment of no less than 50% of the land premium and are required in principle to pay all of the land premium in installments within one year.

Pursuant to the Notice on Issues relating to Strict Enforcement of Adjustment Policies on Real Estate Land and Improvement of the Healthy Development of Land Market 《關於嚴格落實房地產用地調控政策促進土地市場健康發展有關問題的通知》 promulgated by the MLR on December 19, 2010 and became effective on the same date:

- provincial MLR shall reinforce the examination of public notices relating to the grant of land use rights by way of public tenders, auctions or listings-for-sale, and shall require the municipal and county MLR to withdraw these public notices and formulate a new plan for granting land use rights if any of the following events occur:
 - (i) land use rights granted over a parcel of land where the land area exceeds the size approved by the relevant competent authorities;
 - (ii) more than one parcel of land is granted to the same bidder at the same time;
 - (iii) land use rights granted over a parcel of land where the demolition of buildings erected on such land has not been carried out or the occupants of such land have not been compensated for the demolition and resettlement;
 - (iv) land use rights granted over a parcel of residential land with a plot ratio of less than one;
 - (v) land use rights granted to an unlawful entities; and
 - (vi) land use rights granted in other circumstances which will be in contravention of the relevant PRC laws and regulations.

- bidders for the land use rights and their controlling shareholders are not allowed to pass the bidder qualification examination if they, among other things, (i) fraudulently obtain land use rights by falsifying documents, (ii) resell or transfer land use rights illegally, (iii) leave the land idle for more than one year due to their own acts, and/or (iv) develop land in manners which contravenes the terms of the land use rights contracts. In addition, the bidders and their controlling shareholders are prohibited from participating in the grant of land use rights process before they rectify the above acts.

On January 26, 2011, the General Office of the State Council issued the Notice on Further Adjustment and Control of the Real Estate Market 《國務院辦公廳關於進一步做好房地產市場調控工作有關問題的通知》 to provide stricter management regulations of housing land supply. Among the various requirements set out by the notice, entities and persons participating in the bidding of land shall state the source of capital and provide the relevant evidence.

Pursuant to the Notice on Further Strengthening the Administration of the Costs and Revenues Associated with Land Transfer 《關於進一步加強土地出讓收支管理的通知》, jointly issued by the MOF, the MLR, the PBOC, the Ministry of Supervision and the National Audit Office on November 18, 2009, all payments for land use rights made in installments must be made in full within one year. In certain circumstances the payment term may be extended to two years upon the approval of the competent authorities. In addition, the initial installment payment may not be less than 50% of the total price of the land use rights.

The Emergency Notice on Further Tightening the Administration on Real Estate Land Use and Reinforcing the Control Results of Real Estate Market 《關於進一步嚴格房地產用地管理鞏固房地產市場調控成果的緊急通知》 (the “Emergency Notice”) promulgated on July 19, 2012, further emphasized the strict enforcement of current regulations on land grants:

- the plot area ratio for residential land shall not be less than 1.0;
- for all types of housing construction projects, construction work shall be commenced within one year of the date when the land is delivered as set forth in the land grant contract and shall be completed within three years after its commencement date;
- the bidding deposit for a land grant shall not be less than 20% of the base price; and
- the land grant contract shall be signed within 10 working days after a land grant deal is concluded, a down payment of 50% of the land premium shall be made within one month after signing the contract, and the remaining payment shall be made in a timely manner in accordance with the contract and in any event no more than one year.

According to the Circular on the Implementation of the Catalog for Restricted Land Use Projects (2012 Edition) 《限制用地項目目錄(2012年本)》 and the Catalog for Prohibited Land Use Projects (2012 Edition) 《禁止用地項目目錄(2012年本)》 promulgated by the MLR and the NDRC on May 23, 2012, the area of a plot of land to be granted for residential use may not exceed (i) seven hectares for small cities and towns, (ii) 14 hectares for medium-sized cities or (iii) 20 hectares for large cities. The plot area ratio for residential land shall not be lower than 1.0. No land may be granted for “villa” property projects.

Under the Urban Real Estate Law 《中華人民共和國城市房地產管理法》, those who have obtained the land use rights through grant must develop the land in accordance with the terms of use and within the period of commencement prescribed in grant contract for the land use rights.

Transfer of Real Estate

According to the Provisions on the Administration of Urban Real Estate Transfer 《城市房地產轉讓管理規定》 promulgated by the Ministry of Construction in August 1995, as amended in August 2001, a real estate owner may sell, donate or otherwise legally transfer real estate to another person or entity. When transferring a building, the ownership of the building and the land use rights attached are transferred together. The parties to the transfer must enter into a written real estate transfer contract and register the transfer with the competent real estate authority within 90 days of the execution of the transfer contract.

If the land use rights are initially obtained by way of a grant from a local land authority, the following conditions shall be satisfied when the real estate is transferred:

- the land premium having been paid in full according to the terms of the land grant contract, and land use rights certificate having been obtained;
- where investment and development is carried out in accordance with the terms of the land grant contract if it relates to (i) house construction projects, not less than 25% of the total development project shall be completed; and (ii) development of whole plot of land, the land having been developed and constructed according to the planning, and the construction of the civil infrastructure and public facilities such as water supply, drainage, power supply, heat supply, roads, traffic and communications having been completed, and the conditions for industrial use or construction having been fulfilled; and
- where the building was completed, the property ownership certificate have been obtained. If the land use rights are initially obtained by way of a grant from a local land authority, the term of the land use rights after the real estate transfer will be the remaining portion of the original grant obtained by the original land users.

If the land use rights transferred are initially obtained by way of allocation, the transfer shall be approved by the competent government authorities. Except as provided by relevant laws, the transferee must complete the formalities for the transfer of land use rights and pay the land premium after the transfer approval is obtained.

Pre-examination of the Construction Sites

Under the Measures for Administration of Examination and Approval for Construction Sites 《建設用地審查報批管理辦法》 promulgated by the MLR on March 2, 1999 and amended on November 30, 2010 and November 29, 2016, and the Measures for Administration of Preliminary Examination of Construction Project Sites 《建設項目用地預審管理辦法》 promulgated by the MLR on November 29, 2008 and became effective on January 1, 2009 which was amended on November 29, 2016 and became effective on January 1, 2017, a real estate developer must make a preliminary application for construction to the relevant land administrative authority when carrying out a feasibility study on a construction project. Upon receipt of a preliminary application, the land administration authority will carry out a preliminary examination of various aspects of the construction project in compliance with the overall zoning plans and land supply policies of the PRC Government, and will issue a preliminary approval if it is satisfied with the result of its examination. The opinions derived from this preliminary examination are requisite documents for the approval of the construction project.

Planning Permits and Construction Permits

Under the Measures for Administration on Planning of Granting and Transfer of Right to Use Urban State-owned Land 《城市國有土地使用權出讓轉讓規劃管理辦法》 promulgated by the Ministry of Construction on December 4, 1992 and which became effective on January 1, 1993 and was amended on January 26, 2011, after obtaining a construction land planning permit, the real estate developer shall organize the necessary planning and design work in accordance with planning and design requirements and apply for a construction work planning permit from the relevant urban planning authority pursuant to the Law of the PRC on Urban and Rural Planning 《中華人民共和國城鄉規劃法》 promulgated by Standing Committee of the NPC in October 2007 and effective on January 1, 2008 and revised on April 24, 2015.

A real estate developer must apply for a construction work commencement permit from the relevant construction administrative authority under the local people's government above the county level pursuant to the Measures for the Administration of a Construction Permit of Construction Projects 《建築工程施工許可管理辦法》 promulgated by the MOHURD on June 25, 2014 and became effective on October 25, 2014.

The Notice on Forwarding the Opinions of Such Departments as the Ministry of Construction relating to the Adjustment House Supply Control Structure and Stabilizing Property Prices (the “Guo Ban No.37 Document”) 《國務院辦公廳轉發建設部等部門關於調整住房供應結構穩定住房價格意見的通知》 promulgated by the General Office of the State Council on May 24, 2006 stipulates that since June 1, 2006, with regard to newly approved or constructed residential commodity properties, houses with a construction area of less than 90 sq.m. (including economically affordable houses) shall take up more than 70% of the total area to be constructed. The projects which have received project development approvals prior to the date on which Guo Ban No. 37 Document became effective but have not obtained construction work commencement permits must adjust their planning in order to confirm with the above-mentioned requirement. The Certain Opinions regarding the Implementation of the Ratio Requirements for the Structure of Newly Constructed Residential Properties 《關於落實新建住房結構比例要求的若干意見》 issued by the Ministry of Construction on July 6, 2006 restates that since June 1, 2006, houses in individual cities (or counties) with a construction area of less than 90 sq.m. shall comprise 70% of the total area of commodity houses newly approved and commenced in one year (calculated from June 1). All cities are required to implement the conditions for the planning and design of newly-built residential commodity properties and determine the structural proportion of residential commodity properties strictly in compliance with the above-mentioned requirements, and may not violate such requirement without authorization. The urban planning administration will not issue the construction work planning permit if any entity violates these requirements without authorization. If the planning and design is not in compliance, the examination and approval authorities of the design documents and the construction drawings will not issue the qualification certificate and, consequently, the construction administrative authority shall not issue the construction work commencement permit, and the real estate development authority shall not issue the Pre-sale Permit.

Completion of a Real Estate Project

Construction projects shall be delivered for use only after passing the inspection and acceptance test under Article 61 of the PRC Construction Law 《中華人民共和國建築法》, which became effective on March 1, 1998 and subsequently amended on April 22, 2011.

A real estate development project must comply with various laws and legal requirements concerning planning, construction quality, safety and environment and technical guidance on architecture, design and construction work, as well as provisions contained in the relevant contracts. On January 30, 2000, the State Council promulgated and implemented the Regulation on the Quality Management of Construction Projects 《建設工程質量管理條例》 (revised on October 7, 2017), which

sets out the respective quality responsibilities and liabilities for developers, construction companies, exploration companies, design companies and construction supervision companies. After the construction of a project is complete, the real estate developer must arrange an inspection and acceptance test under the supervision of the relevant competent governmental authorities together with the relevant parties involved in the construction and experts (if necessary) according to the Provisions on Inspection Upon Completion of Buildings and Municipal Infrastructure 《房屋建築和市政基礎設施工程竣工驗收規定》 promulgated by the MOHURD on December 2, 2013. The real estate developer shall submit records for filing to the departments in charge of project construction of the relevant local governmental authorities above the county level in the area where the projects are constructed within 15 days after the projects having successfully passed the completion acceptance inspection, pursuant to the Measures for the Administration on the Filing of Inspection Upon Completion of Buildings and Municipal Infrastructure 《房屋建築和市政基礎設施工程竣工驗收備案管理辦法》, promulgated by the Ministry of Construction on April 4, 2000 and amended by the MOHURD on October 19, 2009.

Sale of Commodity Properties

Under the Measures for Administration of Sale of Commodity Properties 《商品房銷售管理辦法》 promulgated by the Ministry of Construction on April 4, 2001 and became effective on June 1, 2001, the sale of commodity properties can include both sales prior to the completion of the properties and sales after the completion of the properties.

Pre-Sale of Commodity Properties

Any pre-sale of commodity properties must be conducted in accordance with the Measures for Administration of Pre-sale of Commodity Properties 《城市商品房預售管理辦法》 (the “Pre-sale Measures”) promulgated by the Ministry of Construction on November 15 1994, as amended on August 15, 2001 and July 20, 2004. The Pre-sale Measures provide that any pre-sale of commodity properties is subject to specified procedures. The pre-sale of commodity properties shall be subject to a licensing system. If a real estate developer intends to sell commodity properties in advance, it shall apply to the real estate administrative authority to obtain a pre-sale permit. The pre-sale of commodity properties is required to meet the following conditions:

- the related land premium having been fully paid up and a land use rights certificate having been obtained;
- a construction work planning permit and a construction work commencement permit having been obtained; and
- the funds invested in the development of the commodity properties intended for pre-sale representing 25% or more of the total investment in the project and the progress of construction and the completion and delivery dates having been properly determined.

The proceeds of pre-sale of commodity properties must be used to develop the relevant project. Further, the Pre-sale Measures authorizes the real estate administrative authority on the provincial autonomous regional and municipal level to set up their implementation rules in accordance with the Pre-sale Measures.

Sales after the Completion of Commodity Properties

Commodity properties may be put up for post-completion sale only when the preconditions for such sale have been satisfied. Under the Regulatory Measures on the Sale of Commodity Properties 《商品房銷售管理辦法》, the sale of commodity properties after the completion shall meet the following conditions:

- the real estate development enterprise has a business license and a qualification classification certificate for real estate development;
- the land use rights certificates or approval documents of land use having been obtained;
- the construction work planning permit and the construction work commencement permit having been obtained;
- the commodity properties having been completed, inspected and accepted as qualified;
- the relocation of the original residents having been completed;
- the supplementary essential facilities such as the supply of water, electricity, heating and gas, and communications are ready for use, and other public facilities are ready for use, or the schedule of the property management plan is completed; and
- the property management plan shall have been completed.

The Provisions on Sales of Commodity Properties at Clearly Marked Price 《商品房銷售明碼標價規定》 was promulgated by the NDRC on March 16, 2011 and became effective on May 1, 2011. According to the provisions, any real estate developer or real estate agency (“real estate operators”) is required to mark the selling price explicitly and clearly for both newly-build and second-hand commodity properties. The provisions require real estate operators to clearly indicate the prices and relevant fees of commodity properties, as well as other factors affecting the prices of commodity properties to the public. With respect to the estate development projects that have received property pre-sale license or have completed the filing procedures for constructed properties, real estate operators shall announce all the commodity properties available for sales on at once within the specified time limit. Furthermore, with regard to a property that has been sold out, real estate operators are obliged to disclose this information and to disclose the actual transaction price. Real estate operators cannot sell commodity properties beyond the explicit marked price or charge any other fees not explicitly marked. Moreover, real estate operators may neither mislead properties purchasers with false or irregular price marking, nor engage in price fraud by using false or misleading price marking methods.

Estate Loan

In June 2003, the PBOC issued the Notice on Further Strengthening the Management of Real Estate Credit Business 《關於進一步加強房地產信貸業務管理的通知》 to tighten the criteria for banks to issue loans to real estate development enterprises, governmental land reserve institutions, construction enterprises, individual buyers of residential properties and individual buyers of commercial properties.

On August 30, 2004, the CBRC issued the Guidance on Risk Management of Property Loans Granted by Commercial Banks 《商業銀行房地產貸款風險管理指引》. Pursuant to this guidance, commercial banks: (i) may not grant land reserve loans to borrowers whose capital funds are not in place or are seriously inadequate or whose operational management is non-standard; (ii) shall not grant loans in any form to projects that have not obtained the land use rights certificate, the construction land

planning permit, the construction work planning permit or the construction work commencement permit; and (iii) shall require that the capital ratio of development projects of real estate enterprises applying for loans be not less than 35%.

On September 27, 2007, the PBOC and the CBRC promulgated the Notice on Strengthening the Credit Management of Commercial Real Estate 《關於加強商業性房地產信貸管理的通知》, with a supplemental notice issued on December 5, 2007, aiming to tighten the control over real-estate loans from commercial banks to prevent excessive credit granting. The measures adopted include:

- If the loan is used for the purchase of a first self-use residential property with a GFA not larger than 90 sq.m., the proportion of down payment to the loan (including loans denominated in RMB and foreign currencies) shall not be less than 20%.
- If the loan is used for the purchase of a first self-use residential property with a GFA larger than 90 sq.m., the proportion of down payment to the loan shall not be less than 30%; if a borrower has already purchased a house with a loan and applies to purchase another one, the proportion of down payment to the loan shall not be less than 40%, and the loan interest rate shall not be less than 1.1 times that of the corresponding benchmark interest rate over the same corresponding period released by the PBOC.
- Commercial banks shall not issue housing mortgage loans where the loan amount fluctuates with the appraised value of the real estate and the usage is not clearly specified. For a house purchased with a mortgage, before the purchaser of such property repays the loan in full, its re-appraised net value shall not be used as the mortgage for additional loans.
- Houses for commercial use that are purchased with loans shall be houses of which the construction has been completed and accepted. The proportion of down payment for purchasing houses for commercial use shall not be less than 50%, with the loan period not exceeding ten years and the loan interest rate not less than 1.1 times that of the corresponding benchmark interest rate over the same corresponding period released by the PBOC.
- If a borrower applies for loans for houses to be used for both commercial and residential purposes, the proportion of down payment shall not be less than 45% and the provisions governing the administration of loans for houses for commercial use shall apply with regard to the loan period and interest rate level.
- Commercial banks shall not issue loans to real estate development enterprises that have been found by relevant governmental authorities to be hoarding land and houses.

In addition, commercial banks shall not issue loans to the real estate development enterprises with a capital ratio of development projects of less than 35%, or the real estate development enterprises that fail to obtain the land use rights certificate, construction land planning permits, construction work planning permits and construction work commencement permits. Commercial banks shall not accept commodity properties that have been vacant for more than three years as collateral for loans. In principle, real estate loans provided by commercial banks should only be used for projects in the areas where the commercial banks are located. Commercial banks shall not provide loans to real estate development enterprises to finance their payments for land premiums.

On July 29, 2008, the PBOC and CBRC promulgated the Notice on Financially Promoting Saving and Intensification of Use of Land 《關於金融促進節約集約用地的通知》, which, among other things, has the effect of:

- prohibiting commercial banks from granting loans to real estate developers for the purpose of paying land premiums;
- regulating secured loans for land reserves in various respects, including the requirements to obtain a land use rights certificate, to secure up to 70% value of the security's appraised valuation, and to limit the length of maturity to no more than two years;
- requiring lenders to be cautious in granting or extending loans to any property developer that (i) delays the commencement of development date specified in the land grant contract by more than one year, and (ii) has not finished one-third of the land area for the intended project, or (iii) has not invested a quarter of the intended total project investment amount; and
- prohibiting the grant of loans to the property developer for land which is recognized as being idle for over two years by the PRC land and resources authorities and the acceptance of such idle land as security for loans.

On October 22, 2008, the PBOC issued the Notice on Several Issues Regarding the Expansion of Downward Floating Interest Rate for Individual Commercial Housing Loans 《關於擴大商業性個人住房貸款利率下浮幅度等有關問題的通知》 to reduce the down payment requirements to 20% of the purchase price, and to lower the lending rate for residential properties of a commercial nature for individuals to 70% of the benchmark lending rate.

On May 25, 2009, the State Council issued the Notice on Adjusting Capital Ratio of Fixed Asset Investment Projects 《關於調整固定資產投資項目資本金比例的通知》, which sets out the minimum capital ratio for ordinary residential property development projects and social security housing development projects as 20%, and the minimum capital ratio for other property development projects as 30%.

On January 7, 2010, the General Office of the State Council promulgated the Notice on Promoting the Stable and Sound Development of the Real Estate Market 《關於促進房地產市場平穩健康發展的通知》, which, among other things, provides that family units (including the borrower, the borrower's spouse and minors) with outstanding mortgage loans intending to buy second residential properties for themselves are required to pay a down payment of no less than 40% of the purchase price for these second residential properties, and the applicable interest rate shall be set strictly based upon the associated risk level.

On April 17, 2010, the State Council also issued the Notice on Strict Control of the Escalation of Property Prices in Certain Cities 《關於堅決遏制部分城市房價過快上漲的通知》, which further increased the minimum down payment in respect of mortgage loans on purchases of a second residential property by individuals to 50% of the purchase price and provides that the applicable mortgage rate must be at least 1.1 times that of the corresponding benchmark interest rate over the same corresponding period released by the PBOC. The minimum down payment in respect of mortgage loans on purchases of a third or a further residential property by individuals may be substantially increased at the commercial bank's discretion and based on its risk control policies. The notice also specifies that the down payment for first self-used residential properties with a GFA of more than 90 sq.m. must be at least 30% of the purchase price. In addition, in those areas where property prices have escalated and property supply is tight, commercial banks may, depending on the level of risk, suspend granting

mortgage loans to buyers purchasing a third or a further residential property or to those non-local residents who fail to provide certificates evidencing their payment for over one year of local tax or social insurance.

On September 29, 2010, the PBOC and CBRC promulgated the Notice on Promoting Differentiated Housing Credit Policy 《關於完善差別化住房信貸政策有關問題的通知》, which, among other things:

- prohibits commercial banks from granting or extending loans to property developers that violate laws and regulations such as:
 - (i) holding idle land;
 - (ii) changing the land use and nature;
 - (iii) delaying the commencement and completion of development; and
 - (iv) intentionally holding back the sale of properties in the market for the purpose of selling these properties at a higher price in the future;
- prohibits commercial banks from granting housing loans to families that purchase three or more houses or non-local residents who fail to provide certificates evidencing their payment for over one year of local tax or social insurance; and
- increases the minimum of down payment to at least 30% for all first home purchases with mortgage loans.

On November 2, 2010, the MOHURD, the MOF, the PBOC and the CBRC jointly promulgated the Notice on Relevant Issues Concerning Policies of Regulation of Housing Provident Fund for Individual Housing Loan 《關於規範住房公積金個人住房貸款政策有關問題的通知》, which provided that, among other things:

- where a first-time home buyer (including the borrower, the borrower's spouse and minors) uses the housing provident fund for individual housing loans to buy an ordinary residential property for self-use, the minimum down payment shall be at least:
 - (i) 20%, if the GFA of the property is equal to or less than 90 sq.m.;
 - (ii) 30%, if the GFA of the property is more than 90 sq.m.;
- for a second-time home buyer that uses housing provident fund for individual housing loans, the minimum down payment shall be at least 50% and the minimum lending interest rate shall be 110% of the lending interest rate of a first-time home buyer of the same corresponding period;
- the second housing provident fund for individual housing loan will only be available to families whose per capita housing area is below the average in locality and such loan must only be used to purchase an ordinary house for self-use to improve residence conditions; and
- the housing provident fund for individual housing loans to families for their third or further residential property will be suspended.

On January 26, 2011, the General Office of the State Council issued the Notice on Further Adjustment and Control of Real Estate Market 《國務院辦公廳關於進一步做好房地產市場調控工作有關問題的通知》. According to this notice, second residential property purchasers are required to pay a

down payment of no less than 60% of the purchase price for these second residential properties and the applicable mortgage rate must be at least 1.1 times that of the corresponding benchmark interest rate. Local branches of the PBOC may raise the down payment ratio and interest rate on loans for second residential properties based on the following factors: the price control target set by the local government for newly constructed residential properties and policy requirements, as well as national unified credit policies.

On February 26, 2013, the General Office of the State Council issued the Notice on Continuing Adjustment and Control of Property Markets 《關於繼續做好房地產市場調控工作的通知》 which reaffirmed the above measures.

On September 29, 2014, PBOC and CBRC issued the Notice on Further Improvement of Housing Finance Service 《關於進一步做好住房金融服務工作的通知》, which states that, among other things:

- For the family to purchase its first residential property for private use with an individual loan, the down payment of the purchase shall be 30% of the total purchase price and the minimum of the interest rate of the loan is 70% of the base interest rate, and the specific rate may be determined by the bank at its discretion based on the risk.
- For the family which has already owned one residential property and paid up the relevant loan, should it apply for loan again for the second residential property to improve its living conditions, the bank can treat it as the first residential property for its loan application.
- In cities where the measures of “restrictions on house buying” are lifted or not imposed, for the family who has already owned two or more residential properties and paid up the relevant loans, should it apply for loan again for another residential property, the bank shall decide on the percentage of down payment and interest rate by prudently considering the borrower’s solvency and credit status.

Banks may approve loan applications submitted by non-residents who satisfy the relevant policies and qualifications based on local urbanization development plans.

On March 30, 2015, the PBOC, CBRC and the MOHURD jointly issued the Notice on Issues of Individual Mortgage Loans Policies 《關於個人住房貸款政策有關問題的通知》 to lower the minimum down payment to 40% for a family that owns a residential property and has not paid off its existing mortgage loan applying for a new mortgage loan to purchase another ordinary residential property to improve living conditions and allow banks at their own discretion to decide the down payment ratio and loan interest rate taking into consideration the solvency and credit standing of the borrowers.

Where the family of a worker who pays housing provident fund contributions uses a housing provident fund commission loan to purchase the first residential property to be used as the purchaser’s residence, the minimum down payment ratio is 20%; where the family of a worker who already owns one residential property, of which relevant housing loan has been settled, files a new application for a housing provident fund commission loan for purchasing of another residential property as the purchaser’s residence for the purpose of improving its living conditions, the minimum down payment ratio is 30%.

On March 25, 2016, the General Office of Shenzhen Municipal People's Government of Guangdong Province issued the Opinions on Consummating Housing Security System and Promoting the Development of Real Estate Market Stably and Healthily 《深圳市人民政府辦公廳關於完善住房保障體系促進房地產市場平穩健康發展的意見》，which requires every District People's Government of Shenzhen and all units directly under the Shenzhen Municipal Government to increase multi-channel housing supply, improve the housing security system, implement the differentiated housing credit policy, improve the housing purchase policy, regulate the real estate market order and strengthen the prevention and control of the real estate financial risks.

On March 24, 2016, the General Office of Shanghai Municipal People's Government forwarded the Circular of Several Opinions of Shanghai Housing Urban and Rural Construction Management Committee and Other Three Departments on Further Consummating Housing Security System and Promoting the Development of Real Estate Market Stably and Healthily 《上海市人民政府辦公廳轉發市住房城鄉建設管理委等四部門關於進一步完善本市住房市場體系和保障體系促進房地產市場平穩健康發展若干意見的通知》，which requires relevant units under the Shanghai Municipal Government to establish the real estate market supervision joint meeting, increase land supply for housing, implement the housing purchase restriction policy strictly, implement the differentiated housing credit policy, strengthen the market supervision and law enforcement inspection, promote the low-rent housing and public rental housing, increase the talent apartment housing, consummate the establishment, supply and management of common property security housing, and promote the transformation of old areas and “villages in the city”.

From September 30, 2016 to date, Shanghai, Suzhou, Wuhan, Beijing, Hangzhou and other cities have issued new property market control policies, including restoring the restriction on purchases of residential properties and tightening credit policy. On October 10, 2016, the MOHURD issued the Circular on Further Regulating Operations of Real Estate Developers to Safeguard the Real Estate Market Order (關於規範房地產開發企業經營行為維護房地產市場市場秩序的通知), which requires that improper operations of real estate developers shall be investigated and punished according to law. The improper operations include releasing or spreading false housing information and advertisements, maliciously pushing higher and artificially inflating housing prices by fabricating or spreading information on rising property price and other operations.

On August 11, 2016, Suzhou Municipal People's Government issued the Notice on Further Strengthening the Implementation of Real Estate Market Management in Suzhou City (關於進一步加強蘇州市區房地產市場管理的實施意見的通知), or the Notice 119, which formulates several opinions, among others, to increase the supply of land market, adjust the land supply conditions, improve the real estate pre-sale management, strengthen the price management of commercial housing, consummate the differential housing credit policy. According to the Notice 119, for any family which has owned a residential property with unsettled individual commercial housing loan, the family is required to pay a down payment of no less than 50% of the purchase price in Suzhou city; and for any family which has owned at least two residential properties with unsettled individual commercial housing loan, the family is prohibited from borrowing the housing loan.

On November 14, 2016, Wuhan Municipal People's Government General Office issued the Opinions on Further Promoting the Development of Real Estate Market Stably and Healthily 《關於進一步促進我市房地產市場持續平穩健康發展的意見》，which requires to strengthen the housing transaction restricted measures, increase the supply of the real estate, prevent the land price from raising too fast, improve the real estate pre-sale management, strengthen the supervision of the real estate market and develop the information disclosure and public opinion guidance.

On November 25, 2016, the Shanghai Housing Urban and Rural Construction Management Committee, People's Bank of China Shanghai Branch and China Banking Regulatory Commission Shanghai Regulatory Bureau promulgated the Notice on Promoting the Stable, Healthy and Orderly

Development of Shanghai's Real Estate Market and Further Consummating the Differential Housing Credit Policy 《關於促進本市房地產市場平穩健康有序發展進一步完善差別化住房信貸政策的通知》(the "Circular 1062"), which, among other things, provides that:

- each housing administrative authority shall strengthen the housing transaction supervision, verify the housing status and information of the purchasers and issue the inspection results according to relevant rules and regulations;
- for any family which purchases its first residential property (namely, the family has no residential property in Shanghai nor any record of commercial housing loan or housing provident fund loan) with individual commercial housing loan, the family is required to pay a down payment of no less than 35% of the purchase price;
- if any of the following conditions is met, for any family which purchases an ordinary residential property with individual commercial housing loan, the family is required to pay a down payment of no less than 50% of the purchase price, and for any family which purchases a non-ordinary residential property with individual commercial housing loan, the family is required to pay a down payment of no less than 70% of the purchase price:
 - a) The family has no residential property in Shanghai but has record(s) of commercial housing loan or housing provident fund loan; or
 - b) The family has one residential property in Shanghai.

On November 28, 2016, the Shanghai Housing Provident Fund Management Committee issued the Circular on Adjusting the Policies of Shanghai Municipality on Housing Provident Fund for Individual Loan 《關於調整本市住房公積金個人貸款政策的通知》(the "Circular 18"), which, among other things:

- provides that, for any family which has no residential property in Shanghai nor any record of housing provident fund loan, the residential property bought by such family shall be treated as the first residential property for its loan application and the credit policy remains unchanged.
- provides that, for any family which has no residential property in Shanghai but has one loan record, or has one residential property and intends to purchase the second residential property to improve its living conditions, the residential property bought by such family shall be treated as the second residential property for improving living conditions for its loan application. Under such circumstances:
 - a) the interest rate of housing provident fund for individual loans is adjusted to 110% of the lending interest rate of a first-time residential property purchaser of the same period;
 - b) the maximum loan amount is adjusted to RMB800,000 (or RMB1,000,000 if additional housing fund is applicable) for a family and RMB400,000 (or RMB500,000 if additional housing fund is applicable) for an individual; and
 - c) the down payment shall be no less than 50% of the purchase price for an ordinary residential property and no less than 70% of the purchase price for a non-ordinary residential property.
- prohibits the Shanghai Housing Provident Fund Management Center from providing a loan to any applicant if:
 - a) the family already has two loan records;

- b) the purpose of purchasing a second residential property by the family is not for improving living conditions.

On March 17, 2017, Beijing Municipal Housing and Urban Construction Committee, People's Bank of China Business Administration Department, China Banking Regulatory Commission Beijing Regulatory Authority, Beijing housing provident fund management center issued the Notice on Perfecting Commercial Housing Sales and Differentiated Credit Policy (關於完善商品住房銷售和差別化信貸政策的通知), which suspended the personal housing loans (including housing provident fund loans) with the term more than 25 years and required that:

- for any family which has no residential property in Beijing nor any record of housing provident fund loan and the commercial housing loans, the ordinary self-housing bought by such family shall be treated as the first residential property and its down payment is no less than 35%; and such family is required to pay a down payment of no less than 40% for the non-ordinary self-housing.
- for any family which has one residential property in Beijing and any family which has no residential property in Beijing but has record of housing provident fund loan or the commercial housing loans, the family is required to pay a down payment of no less than 60% for ordinary self-housing and no less than 80% for non-ordinary self-housing.

On March 28, 2017, Hangzhou Housing Security and Real Estate Administration issued the Notice on Further Improving Housing Restrictions on Sale and Sale (關於進一步完善住房限購及銷售監管措施的通知), which required that: the city adult residents who are single (including divorced residences) should only purchase a set of housing in the restricted area (including the new commercial housing and second-hand housing); and the family which immigrated in Tonglu, Jiande, Lin'an, Chun'an from other place should purchase the housing since the date of immigration with full two years in the restricted area (including the new commercial housing and second-hand housing).

Trust Financing

Pursuant to the Measures on Administration of Trust Companies 《信託公司管理辦法》 (the "Trust Measures"), which became effective on March 1, 2007, "trust companies" shall mean the financial institutions which are incorporated in accordance with the Company Law of the People's Republic of China and are engaged mainly in trust business in the PRC. "Trust business" shall mean the business operation that the trust company undertakes as a trustee of a trust and handles the trust matters under a fiduciary capacity for the purpose of operating business and receiving remunerations. The minimum amount of registered capital of a trust company shall be RMB300 million or the equivalent value in a freely convertible currency.

Pursuant to the Notice on Strengthening the Supervision of Trust Companies' Real Estate Business 《關於加強信託公司房地產信託業務監管有關問題的通知》 promulgated by the General Office of CBRC on February 11, 2010, trust companies may not offer loans for land acquisitions or early-stage land development and may only grant loans to eligible property developers who satisfy specific requirements set out in the notice.

On November 12, 2010, the CBRC issued the Notice on Risk Alert for Trust Companies' Real Estate Business 《關於信託公司房地產信託業務風險提示的通知》 to require all trust companies to conduct self-examination immediately on the compliance risk of the real estate trust business. Business compliance and risk exposure shall be analyzed on a case-by-case basis, including whether the real estate development projects to which loans were issued by trust companies have satisfied the conditions such as the availability of all the "Four Permits" (namely, the land use rights certificate, construction land planning permit, construction work planning permit and construction work commencement permit),

whether the real estate developer or its controlling shareholder have obtained Class 2 qualification, and whether capital ratio of the project has reached the national minimum requirement. All banking regulatory bureaus shall strengthen compliance supervision and risk control over real estate business of trust companies within their jurisdiction. If problems are discovered during self-examination and inspection, measures shall be taken immediately to order the trust company for rectification and non-compliance behavior shall be penalized in accordance with the relevant rules and regulations.

Investment in Real Estate Developers and Projects

On February 14, 2017, the Asset Management Association of China issued the Administrative Rules for the Filing of Private Equity and Asset Management Plans by Securities and Futures Institutions No. 4 — Investment in Real Estate Developers and Projects by Private Equity and Asset Management Plans (證券期貨經營機構私募資產管理計劃備案管理規範第4號-私募資產管理計劃投資房地產開發企業、項目) (the “Rule Four”). According to the Rule Four, any private equity and asset management plan that is adopted to make either direct or indirect investment into any ordinary residential property projects located in any of 16 specified cities, including Beijing, Shanghai, Guangzhou, Shenzhen and Xiamen, where the property prices are rising too fast, shall temporarily not be allowed to file for recording purposes. The Rule 4 requires that the asset manager fulfill its obligations in a downward penetrating examination. Also, the Rule 4 provides that a private equity and asset management plan shall not be used to finance any real estate developer, whether in the form of bank entrusted loans, trust plans or transfers of beneficial interests in assets, for the purpose of acquiring land use rights or supplementing working capital, or for use, directly or indirectly, to facilitate any illegal margin loans for down payments.

Leases of Buildings

Under the Urban Real Estate Law 《中華人民共和國城市房地產管理法》 and the Measures for Administration of Leases of Commodity Properties 《商品房屋租賃管理辦法》, promulgated by the MOHURD on December 1, 2010 and became effective on February 1, 2011, parties to a building lease should enter into a written lease contract and register the lease with the relevant real estate administrative authority. Whenever a lease is signed, amended, extended or terminated, the parties are required to register the details with the relevant real estate administrative authority. Parties that fail to do so, even after being ordered by the relevant authorities, will be subject to a fine.

Mortgages of Real Estate

The mortgage of real estate is mainly governed by the Property Law 《中華人民共和國物權法》, Security Law of the PRC 《中華人民共和國擔保法》, the Urban Real Estate Law and the Measures for Administration of Mortgages of Urban Real Estate 《城市房地產抵押管理辦法》. According to these laws and regulations, land use rights, the buildings and other attachments on the ground may be mortgaged. To create a mortgage interest, the parties concerned shall conclude a mortgage contract in writing and register the mortgage. The mortgage interest is created as of the date of registration. Where a building is mortgaged, the land use rights within the area occupied by the building shall be mortgaged along with the building. Where the land use rights are mortgaged, the buildings on the land shall be mortgaged along with such rights. However, the newly-built houses on the land that is already mortgaged shall not be included in the mortgaged property. Where it is necessary to auction the mortgaged real estate, the newly-built houses on the land may be auctioned, according to law, together with the mortgaged property, but the mortgagee shall have no right to enjoy the priority of having his claim satisfied by the proceeds from auction of the newly-built houses. Where a piece of property of which a property ownership certificate has been obtained in accordance with the law is mortgaged, the relevant registration authority shall record the additional types of ownership on the original property ownership certificate, which shall subsequently be kept by the mortgagor. A Certificate of Other Rights of Property shall be issued to the mortgagee. Where pre-sale commodity properties or construction in

process is mortgaged, the registration authorities shall specify the circumstances on the mortgage contract. Where construction of the mortgaged property is completed during the period of mortgage, the parties concerned shall, following acquirement of a property ownership certificate by the mortgagor, undertake a new mortgage registration.

Idle Land

The concern of the MLR on handling of idle land began in 1999. On April 26, 1999, the MLR promulgated the Measures on Handling of Idle Land 《閑置土地處置辦法》 which determine the scope and definition of idle land and set out the corresponding punishment measures, including payment of idle land fee and repossession of idle land without compensation, and in most recent years, the MLR, and the State Council have taken further measures to supervise and handle idle land, such as the Notice on Strengthening the Handling of Idle Land 《關於加大閑置土地處置力度的通知》 promulgated on September 8, 2007, the Notice on Promoting Saving and Intensification of Use of Land 《關於促進節約集約用地的通知》 issued on January 3, 2008 and the Notice on Further Strengthening Land Use and Construction Management Control of Real Estate 《關於進一步加強房地產用地和建設管理調控的通知》 jointly promulgated by the MOHURD and the MLR on September 21, 2010, On June 1, 2012, the MLR revised and promulgated the Measures for the Disposal of Idle Land 《閑置土地處置辦法》 which further clarified the scope and definition of idle land, and the corresponding punishment measures compared to the old version. Pursuant to the new Measures for the Disposal of Idle Land, under the following circumstances, a parcel of land shall be defined as “idle land”:

- any State-owned land for construction use, of which the holder of the land use right fails to start the construction and development thereof within one year after the commencement date of the construction and development work as agreed upon and prescribed in the contract for fee-based use of State-owned land for construction use, or the decision on allocation of State-owned land for construction use;
- any State-owned land for construction use of which the construction and development have been started but the area of land that is under construction and development is less than one third of the total area of land that should have been under construction and development or the invested amount is less than 25% of the total investment, and the construction and development of which has been suspended for more than one year;
- if a parcel of land is deemed as idle land by competent department of land and resources, unless otherwise prescribed by the new Measures for the Disposal of Idle Land, the land shall be disposed of in the following ways:
- where the land has remained idle for more than one year, the competent department of land and resources at the municipal or county level shall, with the approval of the people’s government at the same level, issue the Decision on Collecting Charges for Idle Land to the holder of the right to use the land and collect the charges for idle land at the rate of 20% of the land assignment or allocation fee; and the said charges for idle land shall not be included in the production cost by the holder of the land use right;
- where the land has remained idle for more than two years, the competent department of land and resources at the municipal or county level shall, with the approval of the people’s government having the jurisdiction to approve thereof, issue a Decision on Taking Back the Right to Use the State-owned Land for Construction Use to the holder of the right to use the land and take back the right to use the land without compensation; and if any mortgage is created on the idle land, a copy of the Decision on Taking Back the Right to Use the State-owned Land for Construction Use shall be sent to each mortgagee thereof.

Environment

The laws and regulations governing the environmental protection requirements for real estate development in the PRC mainly include the PRC Environmental Protection Law 《中華人民共和國環境保護法》, the PRC Environmental Impact Assessment Law 《中華人民共和國環境影響評價法》, the PRC Prevention and Control of Noise Pollution Law 《中華人民共和國環境噪聲污染防治法》 and the PRC Administrative Regulations on Environmental Protection for Construction Projects 《建設項目環境保護管理條例》. Pursuant to these laws and regulations, depending on the impact of the project on the environment, an environmental impact report, an environmental impact analysis table or an environmental impact registration form must be submitted by real estate developer before the relevant authorities grant approval for the commencement of the construction of the property development. In addition, upon completion of the property development, the relevant environmental authorities will also inspect the property to ensure compliance with the applicable environmental protection standards and regulations before the property can be delivered to the purchasers.

LAWS AND REGULATIONS RELATING TO HOTEL OPERATIONS

Laws Governing Security and Fire Control

Pursuant to the Provisions on the Administration of Fire Safety of State Organs, Organizations, Enterprises and Institutions 《機關、團體、企業、事業單位消防安全管理規定》 which was promulgated by the Ministry of Public Security of the PRC on November 14, 2001, became effective on May 1, 2002 and revised on May 21, 2009, hotels are classified as key administrative units of fire control safety. In April 1998, the Standing Committee of NPC promulgated the PRC Fire Prevention Law 《中華人民共和國消防法》, which was amended in October 2008. The PRC Fire Prevention Law 《中華人民共和國消防法》 requires that public gathering places, including hotels, shall pass a fire prevention safety inspection by the local public security fire-fighting department prior to the commencement of business.

Consumer Protection

In October 1993, China adopted the Law on the Protection of the Rights and Interests of Consumers 《中華人民共和國消費者權益保護法》 (the “Consumer Protection Law”) which was revised on October 25, 2013. Under the Consumer Protection Law, a business operator providing a commodity or service to a consumer is subject to a number of requirements, including the following:

- ensuring that commodities and services meet with certain safety requirements;
- disclosing serious defects of a commodity or a service and adopting preventive measures against damage occurrence;
- providing consumers with accurate information and refraining from conducting false advertising;
- not setting unreasonable or unfair terms for consumers or alleviating or releasing itself from civil liability for harming the legal rights and interests of consumers by means of standard contracts, circulars, announcements, shop notices or other means; and
- not insulting or slandering consumers or conducting searches on consumers or articles carried by consumers or infringing upon the personal freedom of a consumer.

Business operators may be subject to civil liabilities for failing to fulfill the obligations discussed above. These liabilities include restoring the consumer’s reputation, eliminating the adverse effects suffered by the consumer, and offering an apology and compensation for any loss incurred. The following penalties may also be imposed upon business operators for the breach of these obligations:

issuance of a warning, confiscation of any illegal income, imposition of a fine, an order to cease business operations, revocation of business license or imposition of criminal liabilities under circumstances that are specified in laws and statutory regulations.

REAL ESTATE MANAGEMENT

According to the Regulation on Property Management 《物業管理條例》, enacted by the State Council on June 8, 2003 and enforced on September 1, 2003, as amended on August 26, 2007 and February 6, 2016 and effective on the same day, the state implements a qualification scheme system in monitoring the property management enterprises. Under the Measures for the Administration of Qualifications of Property Management Enterprises 《物業服務企業資質管理辦法》 promulgated by the Ministry of Construction in March 2004, as amended in November 2007 and May 4, 2015, a property service enterprise must apply for assessment of its qualification by the relevant qualification approval authority. An enterprise which passes such a qualification assessment will be issued a qualification certificate. No enterprise may engage in property management without undertaking a qualification assessment conducted by the relevant authority and obtaining a qualification certificate.

NEW RULES OF FOREIGN INVESTMENT IN THE REAL ESTATE MARKET IN THE PRC

On July 11, 2006, the Ministry of Construction, MOFCOM, NDRC, PBOC, SAIC and SAFE jointly promulgated the Regulation on the Access to and Administration of Foreign Investment in the Real Estate Market 《關於規範房地產市場外資准入和管理的意見》 (the “171 Opinion”), which was amended and became effective on August 19, 2015. Under the 171 Opinion, a foreign investor investing in real estate in the PRC must establish an FIREE and if its total investment amount is over US\$10 million, the registered capital of the FIREE has to be at least 50% of the total investment amount. A real estate FIREE is not allowed to obtain loans (domestic or overseas) unless its registered capital has been fully paid off, the land use rights certificate has been obtained or at least 35% of the total project investment has been injected as the initial capital funding of the project. The 171 Opinion also contains restrictions on the purchase of properties located in the PRC by foreign individuals and entities. It provides that branches and representative offices (except for those that are approved to conduct real estate business) of foreign institutions in the PRC and foreign individuals who work or study in the PRC for more than one year may purchase commercial housing to satisfy their personal or institutional needs but not for any other purpose. Foreign institutions with no branches or representative offices in the PRC or foreign individuals who work or study in the PRC for less than one year are prohibited from buying any commercial housing in the PRC. Residents of Hong Kong, Macau and Taiwan and overseas Chinese are not subject to the one-year residency requirement and may purchase commercial housing within a limited GFA in the PRC for their own residential use.

On May 23, 2007, MOFCOM and SAFE jointly promulgated the Notice on Further Reinforcing and Regulating the Approval and Supervision on Foreign Direct Investment in the Real Estate Industry 《關於進一步加強、規範外商直接投資房地產業審批和監管的通知》, which was amended and took effect on October 28, 2015. The notice provides stricter controlling measures as follows:

- foreign investment in the real estate market in the PRC relating to high-end properties is to be strictly controlled;
- prior to obtaining approval for the establishment of an FIREE, either (i) both the land use rights certificates and property ownership certificates must have been obtained, or (ii) contracts for obtaining land use rights or property ownership must have been entered into. If the above requirements have not been satisfied, the approval authority will not approve the application;

- a foreign-invested enterprise needs to obtain approval before expanding its business scope into the real estate sector and an FIREE which has been established for real estate development purposes needs to obtain approvals to engage a new real estate development project;
- acquisition or investment in domestic real estate enterprises by means of round trip investment (including by the same actual controlling person) is to be strictly regulated. Overseas investors shall not circumvent the necessity of securing approvals for foreign investment in real estate by way of changing the actual controlling person of a domestic real estate enterprise. If the foreign exchange authority finds that the FIREE has been established by providing false representation, action will be taken against the enterprise for its evasion of foreign exchange;
- investors of an FIREE are prohibited from engaging in a fixed return agreement or any agreements of a similar nature; and
- the local SAFE administrative authority and designated foreign exchange banks may not perform the foreign exchange purchase and settlement process for any FIREE which fails to satisfy the filing requirement of MOFCOM.

On June 18, 2008, MOFCOM promulgated the Notice on Better Implementation of the Filing of Foreign Investment in the Real Estate Industry 《關於做好外商投資房地產業備案工作的通知》, under which MOFCOM authorizes the provincial departments in charge of commerce to verify record-filing materials of FIREEs. After local commercial departments approving matters relating to foreign real estate investments (including establishment of an enterprise, increase of capital, issuance of new shares, equity transfer, merger and acquisition, and other relevant matters), local departments should submit the materials to the relevant provincial commercial departments for verification. After the verification, the provincial departments will file the record filing form of FIREE with MOFCOM.

On November 22, 2010, the General Office of MOFCOM promulgated the Notice on Reinforcing the Approval and Filing Management of the FIREEs 《關於加強外商投資房地產業審批備案管理的通知》. The notice provides, among other things, that:

- FIREEs are prohibited from making profit gains by purchasing completed and non-completed real estate properties in China and subsequently selling these properties;
- local MOFCOM shall approve the establishment of foreign-invested investment enterprises (外商投資的投資性公司) in China strictly in accordance with the relevant PRC laws and regulations, and shall not approve the establishment of foreign-invested investment enterprises (外商投資的投資性公司) engaging in real estate business; and
- local MOFCOM shall inspect real estate enterprises in China that are involved in round-trip investments and strictly control the establishment of these enterprises.

On June 24, 2014, MOFCOM and SAFE jointly issued the Circular of MOFCOM and SAFE on Improving the Record-filing for Foreign Investment in Real Estate 《商務部外匯局關於改進外商投資房地產業備案工作的通知》, which came into effect on August 1, 2014, to enhance the government control of record-filing in China's real estate industry.

On November 6, 2015, MOFCOM and SAFE jointly issued the Circular of the Ministry of Commerce and the State Administration of Foreign Exchange on Further Improving the Filing of Foreign Investments in Real Estate 《商務部、外匯局關於進一步改進外商投資房地產業備案工作的通

知》，which was effective on the same day, to further simplify the administrative procedures for foreign-invested real estate enterprises and cancel the record-filing publication procedure on the MOFCOM website.

On October 8, 2016, the MOFCOM issued the Interim Measures for Record-filing Administration for the Incorporation and Alteration of Foreign-invested Enterprises 《外商投資企業設立及變更備案管理暫行辦法》 (“Circular 3”) (revised on July 30, 2017) which took effect on the same day. According to the Circular 3, if the incorporation and change of a foreign-invested enterprise does not involve special access administrative measures prescribed by relevant PRC authorities, the examination and approval of such foreign-invested enterprise is changed to the record-filing administration.

FOREIGN EXCHANGE CONTROL

On January 29, 1996, the State Council promulgated the PRC Regulations on the Control of Foreign Exchange 《中華人民共和國外匯管理條例》 which became effective on April 1, 1996 and was amended on January 14, 1997 and August 5, 2008. This regulation classifies all international payments and transfers into current account items and capital account items. Current account items are no longer subject to SAFE approval, but the conversion of Renminbi into other currencies and remittance of the converted foreign currency outside the PRC for the purpose of capital account items, such as direct equity investments, loans and repatriation of investment, require prior approval from SAFE or its local counterparts. Payments for transactions that take place within the PRC must be made in Renminbi. Unless otherwise approved, PRC companies must repatriate foreign currency payments received from abroad.

On June 20, 1996, the PBOC promulgated the Regulations on Administration of Settlement, Sale and Payment of Foreign Exchange 《結匯、售匯及付匯管理規定》 which became effective on July 1, 1996. These regulations superseded the relevant provisional regulations and repealed the remaining restrictions on convertibility of foreign exchange in respect of current account items while retaining the existing restrictions on foreign exchange transactions in respect of capital account items. Foreign-invested enterprises may retain foreign exchange in current accounts with designated foreign exchange banks subject to a cap set by SAFE or its local counterparts.

In July 2014, SAFE issued the Circular 37 and its implementation guidelines, which abolishes and supersedes the Circular 75 and its related implementation rules and guidelines. Pursuant to the Circular 37 and its implementation guidelines, PRC residents (including PRC institutions and individuals) must register with local branches of SAFE in connection with their direct or indirect offshore investment in an overseas SPV directly established or indirectly controlled by PRC residents for the purposes of offshore investment and financing with their legally owned assets or interests in domestic enterprises, or their legally owned offshore assets or interests. Such PRC residents are also required to amend their registrations with SAFE when there is a significant change to the SPV, such as changes of the PRC individual resident's increase or decrease of its capital contribution in the SPV, or any share transfer or exchange, merger, division of the SPV. Failure to comply with the registration procedures set forth in the Circular 37 may result in restrictions being imposed on the foreign exchange activities of the relevant onshore company, including the payment of dividends and other distributions to its offshore parent or affiliate, the capital inflow from the offshore entities and settlement of foreign exchange capital, and may also subject relevant onshore company or PRC residents to penalties under PRC foreign exchange administration regulations.

On August 5, 2008, the State Council further amended the PRC Regulations on the Control of Foreign Exchange 《中華人民共和國外匯管理條例》, under which several provisions have been revised, including:

- removing the compulsory requirement to repatriate foreign currency payments received from abroad by permitting the foreign currency payments to be repatriated back or deposited abroad in accordance with the required conditions and periods;
- removing the compulsory requirement to convert the foreign currency proceeds in the current account into RMB by permitting those proceeds in the current account to be reserved or sold to financial institutions in accordance with the rules;
- allowing domestic institutions and individuals to invest abroad directly or indirectly, subject to the foreign exchange registration and approval or filing as provided by other laws and regulations; and
- adopting the market-determined and managed floating RMB exchange rates system.

Pursuant to the Circular of the State Administration of Foreign Exchange on Reforming the Management Approach regarding the Settlement of Foreign Exchange Capital of Foreign-invested Enterprises 《國家外匯管理局關於改革外商投資企業外匯資本金結匯管理方式的通知》 promulgated by SAFE on March 30, 2015, which became effective on June 1, 2015 and the Circular of the State Administration of Foreign Exchange on Reforming and Regulating the Management Policies Regarding the Settlement under Capital Account 《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》 which was promulgated and became effective on June 9, 2016, the foreign exchange capital of foreign-invested enterprises shall be subject to the discretionary foreign exchange settlement, which refers to that the foreign exchange capital in the capital account of foreign-invested enterprises for which the confirmation of rights and interests of monetary contribution by the local foreign exchange bureau (or the book-entry registration of monetary contribution by the banks) has been handled can be settled at the banks based on the actual operation needs of the enterprises. The proportion of discretionary settlement of foreign exchange capital of foreign-invested enterprises is temporarily determined as 100%. SAFE can adjust the aforementioned proportion in due time based on the situation of international balance of payments. In addition, the circulars facilitate foreign-invested enterprises in carrying out, among others, domestic equity investment with the capital obtained from foreign exchange settlement. The use of capital by foreign-invested enterprises shall follow the principles of authenticity and self-use, be within the business scope of the enterprises, and shall not be for the following purposes: i) payments beyond the scope of business of the enterprises or prohibited by laws and regulations, ii) investments in bonds or other types of investments (principal-guaranteed bank products excluded), iii) loans to non-related enterprises unless explicitly permitted by the scope of business and iv) payments related to construction or purchase of real estate properties not for self-use (real estate enterprises excluded).

REGULATIONS RELATING TO EMPLOYEE STOCK OPTIONS

Pursuant to the Implementation Rules of the Administrative Measures for Individual Foreign Exchange 《個人外匯管理辦法實施細則》 promulgated by SAFE on January 5, 2007 and became effective on February 1, 2007, which was amended on May 29, 2016, and the Notice on Certain Issues of Foreign Exchange Administration regarding PRC Individuals' Participation in Employee Share Incentive Plans and Employee Stock Option Plans of Overseas Listed Companies 《關於境內個人參與境外上市公司股權激勵計劃外匯管理有關問題的通知》 promulgated by SAFE on February 15, 2012 and came into force on the same day, PRC citizens who are granted shares or share option by an overseas listed company under its employee share option or share incentive plan are required, through the PRC

subsidiary of such overseas listed company which the employee is belonging to, to mandate uniformly one qualified PRC agency to register with SAFE and complete certain other procedures relating to the share option or other share incentive plan.

ADMINISTRATIVE RULES ON STABILIZING PRICES OF REAL ESTATE MARKET

To stabilize Housing Prices and promote stable development of real estate market, the Chinese government has promulgated comprehensive regulatory and control policies from various aspects, including land supply, tax policies, setting entry thresholds for foreign investors, commercial facility policies and credit supports.

On January 7, 2010, the General Office of the State Council issued the Notice on Promoting the Stable and Healthy Development of the Real Estate Market 《關於促進房地產市場平穩健康發展的通知》 to further regulate the real estate market. The notice provides for 11 measures addressing the following objectives:

- effectively increasing the supply of social welfare housing and ordinary residential commodity properties;
- directing consumers to make reasonable purchases of residential properties and discouraging investment and speculation in the housing market;
- strengthening credit risk management for real estate projects and market supervision;
- speeding up the construction of social welfare housing projects; and
- setting or clarifying the responsibilities of provincial and local governments.

On April 17, 2010, the State Council also issued the Notice on Strict Control of the Escalation of Property Prices in Certain Cities 《關於堅決遏制部分城市房價過快上漲的通知》, which further increased the minimum down payment in respect of mortgage loans on purchases of a second residential properties by individuals to 50% of the purchase price and provides that the applicable mortgage rate must be at least 1.1 times that of the corresponding benchmark interest rate over the same corresponding period published by the PBOC. The minimum down payment in respect of mortgage loans on purchases of a third or a further residential property by individuals may be substantially increased at the commercial bank's discretion and based on its risk control policies. The notice also specifies that the down payment for first self-used residential properties with a GFA of more than 90 sq.m. must be at least 30% of the purchase price. In addition, in those areas where property prices have escalated and property supply is tight, commercial banks may, depending on the level of risk, suspend granting mortgage loans to buyers purchasing a third or a further residential property or to those non-local residents who fail to provide certificates evidencing their payment for over one year of local tax or social insurance.

Pursuant to the Notice on Further Standardizations of the Administration of Housing Purchase by Offshore Institutions and Individuals 《關於進一步規範境外機構和個人購房管理的通知》 promulgated by the MOHURD and SAFE on November 4, 2010, an offshore individual is only permitted to purchase a house for self-use in the PRC and an offshore institution which has branches or representative offices in the PRC is only permitted to purchase non-residential houses for office use in the cities where they are registered.

On September 29, 2010, the MOF, the MOHURD and the SAT promulgated the Notice on the Adjustment of the Deed Tax and Personal Income Tax Preferential Policies in Real Estate Transactions 《關於調整房地產交易環節契稅個人所得稅優惠政策的通知》, which provides that, effective from October 1, 2010, deed tax rate is reduced to 1% for a first time individual buyer who purchases an ordinary residential property with a GFA less than 90 sq.m. as the family's sole property.

On January 26, 2011, the General Office of the State Council issued the Notice on Further Adjustment and Control of Real Estate Market 《國務院辦公廳關於進一步做好房地產市場調控工作有關問題的通知》, which provides, among other things, that:

- each municipal government shall issue its annual housing price control target in respect of newly constructed residential properties in the first quarter of 2011 after taking into account the local economic development, the increase rate of per capita disposal income and the capability to pay for residential properties;
- the management of social security housing and the increase of the supply of public leasing residential properties are reinforced;
- the supervision and inspection of LAT collection in respect of property development projects where the prices of properties developed are higher than properties in the vicinity are strengthened;
- real estate development enterprises are encouraged to build a certain proportion of public leasing residential properties together with the development of ordinary residential properties, and hold, operate or sell these public leasing residential properties to the PRC Government;
- second residential property purchasers are required to pay a down payment of no less than 60% of the purchase price for these second residential properties and the applicable mortgage rate must be at least 1.1 times that of the corresponding benchmark interest rate;
- any transfer of residential properties by individuals within five years of purchase shall be subject to a business tax calculated based on the entire sale proceeds from such transfer;
- entities and persons participating in the bidding of land shall state the source of capital and provide the relevant evidence;
- land use rights granted over a parcel of land where a construction work commencement permit has not been obtained within two years shall be revoked and a fine will be imposed on the land which has been idle for more than one year;
- no land or any development project on the land shall be transferred in any way whatsoever if the total project development investment is less than 25%;
- each local authority shall increase the supply of land and ensure that at least 70% of the total developed area of residential projects must be used for developing social security housing, residential properties built as part of shanty town redevelopment and small- to medium-sized residential properties;

- each municipality, provincial capital and cities with soaring housing prices shall implement and enforce measures restricting the purchase of residential properties. In principle:
 - (i) families having local household registration and owning one residential property or families not having local household registration but are able to provide evidence of tax payment or social insurance payment within a certain period are allowed to purchase one additional residential property (including newly constructed residential commodity properties and second-hand residential properties); and
 - (ii) real estate development enterprises shall suspend any sale of their properties to families having local household registration and owning two or more residential properties, or families owning one or more residential property but not having local household registration and are not able to provide certain proof of local tax payment or social insurance payment, and
- if:
 - (iii) a local authority fails to issue its annual housing price control target in respect of newly constructed residential properties on a timely basis; or
 - (iv) a local authority fails to comply with the obligation in achieving the target of social security housing; or
 - (v) the housing prices of newly constructed residential properties exceed the relevant annual price control target of these properties, the relevant local authority shall report to the State Council and the responsible persons of such local authority may be held accountable by the Ministry of Supervision, the Ministry of Construction and other departments in accordance with the relevant PRC laws and regulations.

On February 20, 2013, the executive meeting of the State Council chaired by Former Premier Wen Jiabao issued a document emphasizing the strict implementation of tightening measures for the real estate market. The measures include completing a government responsibility system for stabilizing housing prices; restraining purchases of residential housing for investment and speculation purposes; expanding the supply of both ordinary commodity housing and land; accelerating construction of affordable housing projects; and strengthening market supervision and regulation.

On February 26, 2013, General Office of the State Council issued the Notice on Continuing Adjustment and Control of Property Markets 《關於繼續做好房地產市場調控工作的通知》 which requires, among other restrictive measures:

- (i) Improving the government responsibility system for stabilizing housing prices. Municipalities directly under the central government, cities listed on state plans and provincial capitals (excluding Lhasa) must set an annual objective for controlling housing prices and publish annual new commodity housing price control target in the first quarter of the year;
- (ii) Firmly restraining purchases of residential housing for investment and speculation purposes. Municipalities directly under the central government, cities listed on state plans and provincial capitals which have implemented restrictions on the real estate market are required to cover all administrative areas of the cities as restricted areas, and restricted housing shall include new commodity housing and second-hand housing. Non-local residents who possess one or more residential properties and fail to provide one-year or longer tax payment certificates or social insurance payment certificates are to be barred from purchasing any residential properties located in the administrative areas. For cities where housing prices are

increasing at an excessively high rate, local branches of the PBOC may further raise the down-payment rate and mortgage interest rate for the purchase of a second residential property. In addition, a 20% individual income tax on property sale profits will be strictly enforced;

- (iii) Expanding ordinary commodity housing units and increasing the supply of land. The overall housing land supply in 2013 shall not be lower than the average actual land supply in the past five years. Financial institutions, subject to credit requirements, are to prioritize requests for loans for ordinary commodity housing construction projects in which medium and small housing units constitute 70% or more of the total units in such construction projects.

On March 30, 2015, the MOF and the SAT issued the Notice on Adjusting the Business Tax Policy on Transfers of Residential Properties by Individuals 《關於調整個人住房轉讓營業稅政策的通知》 to discourage speculative activities in the secondary real estate market and control soaring housing prices. For example, effective from March 31, 2015:

- transfers of residential properties by individuals who have held them for less than two years are subject to business tax calculated on a gross basis;
- transfers of non-residential properties by individuals who have held them for two years or more are subject to business tax calculated on a net basis; and
- transfers of residential properties by individuals who have held them for two years or more are exempted from business tax.

On October 10, 2016, the MOHURD issued the Circular on Further Regulating Operations of Real Estate Developers to Safeguard the Real Estate Market Order 《關於進一步規範房地產開發企業經營行為維護房地產市場秩序的通知》 (“Circular 223”), which requires that improper operations of real estate developers shall be investigated and punished according to law. The improper operations include releasing or spreading false housing information and advertisements, maliciously pushing higher and artificially inflating housing prices by fabricating or spreading information on rising property price and other operations. For real estate developers which commit any of those operations, competent real estate authorities at all levels shall intensify their law enforcement and handle relevant cases severely according to law. If the improper operations fall within the jurisdiction of other department authorities, the cases shall be handed over to relevant department authorities for further handling. In particular, any cases involving entities or individuals accused of committing a related crime shall be transferred to judicial authorities to pursue criminal liability according to law. The Circular 223 requires competent real estate authorities, considering the seriousness of the case, to take any of the five measures in the Circular 223 against those real estate developers concerned, which include placing the enterprises on the list of real estate developers with serious violations and dishonest acts.

From September 30, 2016 to date, many cities have issued new real estate market control policies, among others, including restoring the restriction on purchases of residential properties and tightening credit policy. For example, on September 30, 2016, General Office of the People’s Government of Beijing Municipality promulgated the Measures on Accelerating the Stable and Smooth Development of Real Estate Market 《關於促進本市房地產市場平穩健康發展的若干措施》 which was formulated by Beijing Urban and Rural Construction Committee and other authorities. On the same day, General Office of the People’s Government of Tianjin Municipality promulgated the Implementation Opinion on Accelerating the Stable and Smooth Development of Real Estate Market 《關於進一步促進我市房地產市場平穩健康發展的實施意見》. On October 3, 2016, Suzhou People’s Government issued the Circular of the Opinion on Further Strengthening the Administration and Control of the Urban Real Estate Market 《關於進一步加強全市房地產市場調控的意見的通知》.

PROPERTY RIGHTS

Pursuant to the Property Law 《中華人民共和國物權法》 promulgated by the NPC on March 16, 2007 and became effective on October 1, 2007, the property rights of the State and collectives, individuals or other right holders shall be under the protection of law, and no entity or individual may infringe such rights.

The varieties and contents of property rights shall be stipulated by law, and the creation, change, transfer or elimination of the property rights of property shall be registered according to law. Except otherwise prescribed by law, the creation, change, transfer or elimination of the property rights of property shall become effective only after it is registered according to law.

REAL ESTATE REGISTRATION

On November 24, 2014, the State Council promulgated the Circular on Interim Regulations on Real Estate Registration 《不動產登記暫行條例》. According to the circular, a uniform registration system over real estate is implemented. Relevant department of land and resources of the State Council shall, in cooperation with other related departments, establish a uniform database for real estate registration and its information management. On January 1, 2016, in order to regulate the real estate registration, refine the uniform registration system, offer convenience for the public in registration and protect the legal rights and benefits of right holders, according to the Interim Regulations on Real Estate Registration, the MLR issued the Implementing Rules of the Interim Regulations on Real Estate Registration 《不動產登記暫行條例實施細則》 which became effective on the same day.

PRC TAXATION

Our Operations in the PRC

As our business operations are in the PRC and we carry out these business operations through our operating subsidiaries organized under PRC law, our PRC operations and our operating subsidiaries in the PRC are subject to PRC tax laws and regulations.

Corporate Income Tax

Under the EIT Law effective on January 1, 2008 and amended on February 24, 2017, domestic enterprises and foreign invested enterprises are subject to the same corporate income tax law and the same corporate income tax rate of 25%. Pre-tax deduction methods and criteria for domestic and foreign invested enterprises have been made uniform and standardized.

Under the EIT Law, enterprises are classified as either “resident enterprises” or “non-resident enterprises.” Pursuant to the EIT Law and the EIT Rules, in addition to enterprises established within the PRC, enterprises established outside China whose “de facto management bodies” are located in China are considered “resident enterprises” and subject to the uniform 25% enterprise income tax rate on their global taxable income. According to the EIT Rules, “de facto management body” refers to a managing body that exercises, in substance, overall management and control over the production and business, personnel, accounting and assets of an enterprise. It is not clear whether we would be deemed as “resident enterprises” or not. In addition, dividends from PRC subsidiaries to their shareholders that are treated as resident enterprises are exempted from withholding tax.

Under the EIT Law and EIT Rules issued by the State Council, a PRC withholding tax at the rate of 10% is applicable to dividends or interest payable to investors that are “non-resident enterprises” (and that do not have an establishment or place of business in the PRC, or that have such establishment or place of business but the relevant income is not effectively connected with such establishment or

place of business) to the extent such dividends or interest have their source within the PRC unless there is an applicable tax treaty between the PRC and the jurisdiction in which an overseas holder resides which reduces or exempts the relevant tax. Any gain realized on the transfer of shares or debt instruments by such investors is subject to 10% PRC income tax if such gain is regarded as income derived from sources within the PRC.

Pursuant to the Arrangement between the PRC and Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income 《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》 signed on August 21, 2006 and entered into force on August 21, 2006, when an enterprise in the PRC distributes dividends to Hong Kong residents who are eligible for receiving such dividends, the Hong Kong residents, if holding more than 25% equity interest in such enterprise, are generally subject to a 5% taxation of the total dividends received.

On February 20, 2009, the SAT issued the Notice on Issues Regarding the Implementation of Dividend Provisions in Tax Treaties 《國家稅務總局關於執行稅收協定股息條款有關問題的通知》，which, among other things, (i) requires the non-resident taxpayer or the withholding agent to provide a host of documentary evidence to prove that the recipient of the dividends meets the relevant requirements for enjoying a lower withholding tax rate under a tax treaty and (ii) empowers the tax authorities with the discretion to adjust the preferential tax rate for which an offshore entity would otherwise be eligible if the main purpose of an offshore arrangement is to obtain a preferential tax treatment.

According to the Announcement of the SAT on Promulgating the Administrative Measures for Tax Convention Treatment for Non-resident Taxpayers 《非居民納稅人享受稅收協定待遇管理辦法》 promulgated by SAT on August 27, 2015, any non-resident taxpayer meeting conditions for enjoying convention treatment (i.e. deduction of or exemption from enterprise income tax or individual income tax obligations) under the Tax Conventions or International Transportation Conventions may be entitled to the convention treatment itself/himself when filing a tax return or making a withholding declaration through a withholding agent, and subject to the subsequent administration by the tax authorities.

Under this notice, tax prepayments in respect of income generated from pre-sale before completion of the construction of the buildings for residential, commercial use or other uses shall be paid upon the calculation of the estimated quarterly or monthly profit according to the preset estimated profit rate, which shall be readjusted according to the actual profit after the completion of the construction of the buildings and settlement of the taxable cost.

On March 6, 2009, the SAT promulgated the Measures for the Treatment of Enterprise Income Tax on Real Estate Development and Operation Businesses 《房地產開發經營業務企業所得稅處理辦法》，which regulates the revenue, cost of sales, fees deduction, accounting of costs and tax treatment of specific matters of enterprises engaging in the real estate business in the PRC in relation to the imposition of corporate income tax.

Deed tax

Under the PRC Provisional Regulations on Deed Tax 《中華人民共和國契稅暫行條例》 promulgated by the State Council on July 7, 1997 and implemented on October 1, 1997, a deed tax is chargeable to transferees of land use rights and/or property ownership within the territory of China. The deed tax rate is between 3% and 5% subject to determination by local governments at the provincial level in light of local conditions.

Business tax

According to the Circular on Comprehensively Promoting the Pilot Program of the Collection of Value-added Tax in Lieu of Business Tax (關於全面推開營業稅改徵增值稅試點的通知) (revised on July 1, 2017) which was promulgated by SAT and MOF, the pilot program of the collection of value-added tax in lieu of business tax shall be promoted nationwide in a comprehensive manner as of May 1, 2016. All taxpayers of business tax engaged in the building industry, the real estate industry, the financial industry and the life service industry shall be included in the scope of the pilot program with regard to payment of value-added tax instead of business tax. Entities and individuals engaged in sales of real property within the territory of the PRC are value-added taxpayers, and shall pay value-added tax rather than business tax according to these measures.

Land Appreciation Tax

Under the Provisional Regulations of the PRC on Land Appreciation Tax 《中華人民共和國土地增值稅暫行條例》 promulgated by the State Council on December 13, 1993, which became effective on January 1, 1994 and was revised on January 8, 2011, and its implementing rules which were promulgated by the MOF on January 27, 1995, the LAT applies to both domestic and foreign investors in real estate in China, irrespective of whether they are corporate entities or individuals. The tax is payable by a taxpayer on the appreciation value derived from the transfer of land use rights, buildings or other facilities on such land, after deducting certain “deductible items” that include the following:

- payment made to acquire land use rights;
- costs and charges incurred in connection with land development;
- construction costs and charges in the case of newly constructed buildings and facilities;
- assessed value in the case of old buildings and facilities;
- taxes paid or payable in connection with the transfer of land use rights, buildings or other facilities on such land; and
- other items allowed by the MOF.

The tax rate is progressive and ranges from 30% to 60% of the appreciation value net of the “deductible items”.

On December 28, 2006, the SAT promulgated the Notice on the Settlement Management of Land Appreciation Tax on Real Estate Enterprises 《關於房地產開發企業土地增值稅清算管理有關問題的通知》, effective on February 1, 2007. According to the notice, the LAT assessment amount shall be derived from the entire value of the real estate development project if the project was approved by the relevant authority as a unit; and for a project developed in stages, the LAT assessment amount shall be derived from the value of each individual stage of the project.

A taxpayer should pay the LAT if one of the following circumstances occurs:

- a construction project has been completed and its commodity houses have been sold;
- an uncompleted real estate development project is transferred; or
- a direct transfer of a land use right.

The tax authority may require the taxpayer to pay the LAT in one of the following circumstances:

- the GFA of the real estate sold is in excess of 85% of the saleable GFA of the entire project or, if the proportion is less than 85%, the residual saleable GFA has been leased out or is held for self-use;
- the pre-sale permit has been held for three years, but not all of the commodity houses of the project have been sold;
- the taxpayer applies for cancellation of tax registration but has yet to carry out the procedures for the LAT settlement; or
- other circumstances provided by tax authorities at the provincial level.

On May 12, 2009, the SAT issued the Regulations of Land Appreciation Tax Settlement Administration 《土地增值稅清算管理規程》, effective on June 1, 2009 with the aim of strengthening the imposition of the LAT by specifically regulating the acceptance, review of LAT settlement and tax imposition procedures.

On May 19, 2010, the SAT promulgated the Notice on Issues Regarding Land Appreciation Tax Settlement 《關於土地增值稅清算有關問題的通知》, which provides further clarifications and guidelines on LAT Settlement, income recognition, deductible expenses and other related issues.

On May 25, 2010, the SAT promulgated the Notice on Strengthening the Levy and Administration of Land Appreciation Tax 《關於加強土地增值稅徵管工作的通知》 to impose further requirements on the collection of LAT. The notice provides that, except for social security housing, the minimum LAT prepayment rate shall be no less than 2% for properties in Eastern China, no less than 1.5% for properties in Central and Northeastern China and no less than 1% for properties in Western China. The LAT prepayment rate shall be determined by the local authorities based on different property types in the locality.

On June 20, 2013, the SAT issued the Notice on Further Improving the Collection and Administration of Value-Added Tax on Land 《關於進一步做好土地增值稅徵管工作的通知》. According to the notice, the SAT will standardize collection and administration of Value-added Tax on Land and further strengthen the administration over the Value-added Tax on Land inquisition in the areas including examination of deductible items, reduction in the assessment and collection items and other aspects.

Urban Land Use Tax

Pursuant to the Provisional Regulations of the PRC on Urban Land Use Tax 《中華人民共和國城鎮土地使用稅暫行條例》 promulgated by the State Council in September 1988, urban land use tax is levied according to the area of the urban land plot and the annual tax rate on urban land was set at between RMB0.2 and RMB10 per sq.m. The Provisional Regulations of the PRC on Urban Land Use Tax were amended by the State Council on December 31, 2006, January 8, 2011, and December 7, 2013. As of January 1, 2007, on the basis of the amended regulations, the urban land use tax is charged at a rate three times higher than the previous rate and foreign-invested enterprises are no longer exempt.

Property Tax

Under the Provisional Regulations of the PRC on Property Tax 《中華人民共和國房產稅暫行條例》 promulgated by the State Council on September 15, 1986 and amended on January 8, 2011, property tax applicable to domestic enterprises is 1.2% if it is calculated on the basis of the residual value of a property and 12% if it is calculated on the basis of the rental income of the property.

Stamp Duty

Under the Provisional Regulations of the PRC on Stamp Duty 《中華人民共和國印花稅暫行條例》 promulgated by the State Council on August 6, 1988 and amended on January 8, 2011 applying to building property transfer instruments, including property ownership transfer instruments, the duty rate is 0.05% of the amount stated therein. For permits and certificates relating to rights, including property ownership certificates and land use rights certificates, stamp duty is levied on an item-by-item basis at a rate of RMB5 per item.

Municipal Maintenance Tax and Education Surcharge

Under the Provisional Regulations of the PRC on Municipal Maintenance Tax 《中華人民共和國城市維護建設稅暫行條例》 promulgated by the State Council in 1985, and revised on January 8, 2011 any taxpayer, whether an individual or otherwise, that is required to pay consumption tax, value-added tax or business tax is also required to pay municipal maintenance tax. The tax rate is 7% for a taxpayer whose domicile is in an urban area, 5% for a taxpayer whose domicile is in a county or a town, and 1% otherwise.

Under the Interim Provisions on Imposition of Education Surcharge 《徵收教育費附加的暫行規定》 promulgated by the State Council in April 1986 and revised on June 7, 1990, August 20, 2005 and January 8, 2011, respectively, any taxpayer, whether an individual or otherwise, that is required to pay value-added tax, business tax or consumption tax is also required to pay an education surcharge, unless such taxpayer is required to pay a rural area education surcharge.

On October 18, 2010, the State Council issued the Notice on Unification of the Application of Municipal Maintenance Tax and Education Surcharge by Domestic and Foreign Enterprises and Individuals 《國務院關於統一內外資企業和個人城市維護建設稅和教育費附加制度的通知》. According to the notice, starting from December 1, 2010, municipal maintenance tax and education surcharge are also applicable to foreign-invested enterprises, foreign enterprises and foreign individuals. Pursuant to the Notice on Relevant Issues of Imposition of Municipal Maintenance and Education Surcharge on Foreign-invested Enterprises 《關於對外資企業徵收城市維護建設稅和教育費附加有關問題的通知》, promulgated by the MOF and the SAT on November 4, 2010, foreign-invested enterprises, foreign enterprises and foreign individuals are to pay municipal maintenance tax at a certain rate on the amount of value-added tax, consumption tax and business tax paid by the taxpayer and to pay education surcharge at a 3% rate on the amount of value-added tax, consumption tax and business tax paid by the taxpayer.

REGULATION OF OVERSEAS LISTINGS

On August 8, 2006, six PRC regulatory agencies, including MOFCOM, the State-owned Assets Supervision and Administration Commission of the State Council, the SAT, SAIC, CSRC, and SAFE, jointly promulgated the Provisions on the Mergers and Acquisitions of Domestic Enterprises by Foreign Investors 《關於外國投資者併購境內企業的規定》, which became effective on September 8, 2006 and as amended on June 22, 2009. This regulation provides that an offshore special purpose vehicle established for listing purposes and controlled directly or indirectly by PRC companies or individuals shall obtain the approval of the CSRC prior to the listing and trading of such special purpose vehicle's bonds on an overseas stock exchange.

INTELLECTUAL PROPERTY LAWS AND REGULATIONS

China has adopted legislations related to intellectual property rights, including trademarks, patents and copyrights. China is a signatory party to the major intellectual property conventions, including the Paris Convention for the Protection of Industrial Property, the Madrid Agreement concerning the International Registration of Marks and Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks, the Patent Cooperation Treaty, the Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure, and the Agreement on Trade-Related Aspects of Intellectual Property Rights (“TRIPs”).

Regulations on Trademarks

The Trademark Law of the PRC 《中華人民共和國商標法》 was promulgated in August 1982 (later amended on February 22, 1993, October 27, 2001 and August 30, 2013) and Implementation Regulations on the Trademark Law of the PRC 《中華人民共和國商標法實施條例》 was promulgated on August 3, 2002 by the State Council, as amended on April 29, 2014. These laws and regulations provide the basic legal framework for the regulations of trademarks in China. In China, registered trademarks include commodity trademarks, service trademarks, collective marks and certificate marks.

The Trademark Office under the SAIC is responsible for the registration and administration of trademarks throughout the country. Trademarks are granted on a term of ten years. Twelve months prior to the expiration of the ten-year term, an applicant can renew the application and reapply for trademark protection.

Under the Trademark Law, any of the following acts may be regarded as an infringement of the exclusive right to use of a registered trademark:

- use of a trademark that is identical with a registered trademark on the same kind of commodities without the authorization of the trademark registrant;
- use of a trademark that is similar to a registered trademark on the same kind of commodities, or use of a trademark that is identical with or similar to a registered trademark on similar kind of commodities, which may cause a likelihood of confusion, without the authorization of the trademark registrant;
- sale of commodities infringing upon the exclusive right to use a registered trademark;
- counterfeiting or making, without authorization, representations of a registered trademark, or sale of such representation of a registered trademark;
- altering the registered trademark of the registrant without authorization and selling commodities bearing such altered trademark;
- providing convenience for, or assisting, other person or entity to infringe the exclusive right to use a registered trademark intentionally;
- otherwise infringing upon another person’s exclusive right to use a registered trademark and cause damages.

Violation of the Trademark Law may result in the imposition of fines, confiscation and destruction of the infringing commodities.

Regulations on Domain Names

The Administrative Measures for Internet Domain Names《互聯網域名管理辦法》was promulgated by the Ministry of Industry and Information Technology on August 24, 2017 and became effective on November 1, 2017. These measures regulate the registration of domain names in Chinese with the Internet country code of “.cn”.

The Measures on Domain Names Dispute Resolution《中國互聯網絡信息中心域名爭議解決辦法》were promulgated by the China Internet Network Information Centre which was implemented since September 1, 2014. These measures require domain name disputes to be submitted to institutions authorized by the China Internet Network Information Centre for resolution.

LABOR PROTECTION

The PRC Labor Contract Law《中華人民共和國勞動合同法》was promulgated on June 29, 2007 and became effective on January 1, 2008, as amended on December 28, 2012, and the PRC Labor Contract Law Implementation Rules《中華人民共和國勞動合同法實施條例》was promulgated on September 18, 2008. These labor laws and rules set out specific provisions in relation to the execution, contents and terms of employment contracts and the rights and obligations of employees and employers. To establish an employment relationship, a written employment contract shall be signed. In the event that no written employment contract was signed at the time that an employment relationship is formed, a written employment contract shall be signed within one month after the date on which the employer first engaged the employee.

Employers in China are required to contribute, on behalf of their employees, to a number of social security funds, including funds for basic pension insurance, unemployment insurance, basic medical insurance, work-related injury insurance, maternity insurance, and housing provident funds. These payments are made to local administrative authorities and an employer who fails to contribute may be ordered to make-up for the missed contributions. The various laws and regulations that govern the employers' obligation to contribute to the social security funds include PRC Social Insurance Law《中華人民共和國社會保險法》, which were promulgated by the Standing Committee of the NPC on October 28, 2010 and became effective July 1, 2011; the Interim Regulations on the Collection and Payment of Social Security Funds《社會保險費徵繳暫行條例》, which were promulgated by the State Council and became effective on January 22, 1999; the Interim Measures concerning the Maternity Insurance《企業職工生育保險試行辦法》, which were promulgated by the Ministry of Labor on December 14, 1994 and became effective on January 1, 1995; the Regulations on Occupational Injury Insurance《工傷保險條例》, which were promulgated by the State Council on April 27, 2003 and became effective on January 1, 2004 and then amended on December 20, 2010; and the Regulations on Management of the Housing Provident Fund《住房公積金管理條例》, which were promulgated and became effective on April 3, 1999 and then amended on March 24, 2002.

MANAGEMENT

DIRECTORS

Our board of directors is responsible and has general powers for the management and conduct of our business. The table below shows certain information in respect of the members of our board:

<u>Directors</u>	<u>Age</u>	<u>Position</u>
LIN Zhong (林中)	49	Chairman and executive director
LIN Wei (林偉)	45	Vice-chairman and executive director
LIN Feng (林峰)	42	Chief executive officer and executive director
CHEN Dongbiao (陳東彪)	50	Executive director
YANG Xin (楊欣)	44	Executive director
ZHOU Yimin (鄒益民)	59	Non-executive director
GU Yunchang (顧雲昌)	73	Independent non-executive director
ZHANG Yongyue (張永岳)	63	Independent non-executive director
TAN Wee Seng (陳偉成)	62	Independent non-executive director

Executive Directors

Mr. LIN Zhong (林中), aged 49, our founder, is our executive director and chairman. Mr. Lin Zhong has about 26 years of experience in the real estate business. He was appointed as director on May 20, 2011 and is the chairman of our Nomination Committee and a member of our Remuneration Committee and also our substantial shareholder and a director of certain subsidiaries. Mr. Lin Zhong is also the chairman and a director of Yongsheng Property Service Co., Ltd. (NEEQ stock code: 871385), the shares of which have been quoted on National Equities Exchange and Quotations (“NEEQ”) since April 14, 2017. Mr. Lin Zhong was appointed as the vice chairman of Shanghai Population Welfare Foundation (上海市人口福利基金會副會長), the vice chairman of National Real Estate Chamber of Commerce and Honorary Chairman of its Shanghai Sub-Chamber (全國房地產商會聯盟副主席及其上海商會名譽會長) in 2013, the deputy chief council member of the Eighth Term of Council of Shanghai Real Estate Association (上海市房地產行業協會第八屆理事會副會長), the rotating chairman of Shanghai Entrepreneur Association (新滬商聯合會輪值主席) in 2014, an honorary chairman of Fujian Chamber of Commerce in Shanghai (上海市福建商會名譽會長) and the chairman of Xiamen Chamber of Commerce in Shanghai (上海市廈門商會會長) in 2016. Mr. Lin Zhong graduated from Xiamen University (廈門大學) with a bachelor’s degree in economics. He further pursued and obtained an executive master of business administration degree from Cheung Kong Graduate School of Business (長江商學院). Mr. Lin Zhong is a brother of Mr. Lin Wei and Mr. Lin Feng.

Mr. LIN Wei (林偉), aged 45, is our executive director and vice-chairman. He was appointed as director on May 20, 2011. He is also our substantial shareholder and a director of certain subsidiaries. Mr. Lin Wei has about 21 years of experience in the real estate business. Mr. Lin Wei is a brother of Mr. Lin Zhong and Mr. Lin Feng.

Mr. LIN Feng (林峰), aged 42, is our executive director and chief executive officer. Mr. Lin Feng has about 17 years of experience in the real estate business. He was appointed as director on May 20, 2011. He is also a substantial shareholder of the Company and a director of certain subsidiaries of the Group. Mr. Lin Feng is also a director of Yongsheng Property Service Co., Ltd. (NEEQ stock code: 871385), the shares of which have been quoted on NEEQ since April 14, 2017. Mr. Lin Feng is currently the vice chairman of China Real Estate Chamber of Commerce (全國工商聯房地產商會副會長), the council member of All-China Youth Federation (中華全國青年聯合會委員), the executive council member of Shanghai Youth Federation (上海市青年聯合會常務委員), the executive council member of Shanghai Federation of Industry and Commerce (Commerce Chamber) (上海市工商聯合會(商會)執行委員會委員), the council member of Shanghai Changning District Association of Industry and Commerce (Commerce Chamber) (上海市長寧區工商業聯合會(商會)常務委員), the executive council member of Shanghai Putuo District Youth Federation (上海市普陀區青年聯合會常務委員), the

representative of the Shanghai Putuo District People's Congress (上海市普陀區人大代表), the rotating chairman of the executive council of China Urban Realty Association (中國城市房地產開發商業策略聯盟總裁聯席會輪席主席) and the director of CIFI Charity Foundation (旭輝慈善基金常務董事). Mr. Lin Feng graduated from Xiamen University (廈門大學) with a bachelor's degree in economics and further obtained a master of business administration degree from the University of Dundee. Mr. Lin Feng is a brother of Mr. Lin Zhong and Mr. Lin Wei.

Mr. CHEN Dongbiao (陳東彪), aged 50, is our executive director and executive president. He is responsible for management of brand, customer relationship, operations, construction and procurement and cost. Mr. Chen joined us in August 2013 and is currently a director of certain subsidiaries of the Group. Prior to joining us, Mr. Chen worked for China Vanke Co., Ltd. as the director of engineering, and general manager and chairman of Shanghai Vanke Real Estate Co., Ltd. Mr. Chen was a representative of Shanghai Pudong District People's Congress (上海浦東新區人大代表) from 1997 to 2002 and the rotating chairman of Shanghai Real Estate Trade Association (上海市房地產行業協會輪席會長) from 2011 to 2012. Mr. Chen graduated from Shanghai City Construction Institute (上海城市建設學院) with a bachelor's degree in engineering, and further obtained a master of business administration degree from China Europe International Business School (中歐國際工商學院).

Mr. YANG Xin (楊欣), aged 44, is our executive director and president assistant and general manager of finance center. Mr. Yang joined us in July 2010 and is currently a director of certain subsidiaries of the Group. He has experience in banking and finance. Prior to joining us, he worked in various management positions at Agricultural Bank of China Limited. Mr. Yang had been a director of Yongsheng Property Services Co., Ltd. (NEEQ Stock Code: 871385), the shares of which are quoted on NEEQ, and resigned on December 11, 2017. Mr. Yang graduated from Shanghai Jiao Tong University with a bachelor's degree in international finance and a master of business administration degree. He further obtained a master degree in accounting from Shanghai National Accounting Institute. Mr. Yang also holds the Senior International Finance Manager qualification issued by International Financial Management Association.

Non-executive Director

Mr. ZHOU, Yimin (鄒益民), aged 59, is the chairman and chief executive officer of Ping An Real Estate Company Limited. He joined Ping An Insurance (Group) Company of China, Ltd., the parent company of Ping An Investor, in early 2010 after spending more than 12 years in Sun Hung Kai Properties Limited, one of the largest global real estate developers headquartered in Hong Kong. During his time at Sun Hung Kai Properties Limited, Mr. Zhou was the director and general manager of Sun Hung Kai Real Estate Development (China) Limited, overseeing its real estate business in the China market and the significant growth in its land bank and investment portfolio. Prior to his term at Sun Hung Kai Properties Limited, Mr. Zhou was the vice chairman of Chu Kong Shipping Enterprises (Group) Co., Ltd. (formerly known as 'Chu Kong Shipping Development Co., Ltd'), which was successfully listed on the Stock Exchange in 1997. He is currently a non-executive director, a member of the audit committee and a member of the nomination committee of Landsea Green Properties Co., Ltd. (SEHK stock code: 106). Mr. Zhou graduated from Fudan University with a doctorate degree.

Independent Non-executive Directors

Mr. GU Yunchang (顧雲昌), aged 73, was appointed as our independent non-executive director on October 9, 2012. Mr. Gu is a member of our Audit Committee and Nomination Committee. Mr. Gu was the vice chairman of the China Real Estate Research Association from 2006 to May 2013 and had also been the vice chairman and secretary-general of the China Real Estate Association from 1998 to 2006.

Mr. Gu formerly served at different positions in the Ministry of Construction of the PRC, including the deputy director at Policy Research Centre of Ministry of Construction from 1988 to 1998; the person-in-charge of the City and Township Residence Research Center of Ministry of Construction from 1986 to 1988; and the deputy division head and division head at Urban Residence Bureau of Ministry of Construction from 1979 to 1986.

Mr. Gu specializes in theory and policy research, market research and analysis concerning the China real estate industry. In the 1980s, he participated in the policy research and formulation of China's city and village residential construction techniques, carrying on a State key project "2000 China," and won the First Class National Science Technology Advance Award in China twice. After joining the China Real Estate Association in 1998, he has been involved in promoting the development of the China real estate industry as well as undertaking the research and analysis of the national real estate market. He is also the main organizer and writer of the China Real Estate Market Report, an annual analysis report issued by the China Real Estate Association. Mr. Gu was an independent non-executive director of Shimao Property Holdings Limited (SEHK stock code: 813) from April 2006 to May 2011, was an independent non-executive director of E-House (China) Holdings Limited (NYSE stock code: EJ) from August 2008 to March 2014 and was an independent non-executive director of Sino-Ocean Group Holding Limited (SEHK stock code: 3377) from June 2007 to March 2016. Mr. Gu is currently an independent non-executive director and a member of the audit committee and nomination committee of Jiayuan International Group Limited (SEHK stock code: 2768), COFCO Property (Group) Co., Ltd. (SZSE stock code: 000031), Zhejiang Yasha Decoration Co., Ltd. (SZSE stock code: 002375) and Sunshine 100 China Holdings Ltd (SEHK Stock Code: 2608). Mr. Gu obtained a bachelor's degree in urban planning from Tongji University.

Mr. ZHANG Yongyue (張永岳), aged 63, was appointed as our independent non-executive director on October 9, 2012 and is the chairman of our Remuneration Committee and a member of our Audit Committee and Nomination Committee. Mr. Zhang obtained a bachelor's degree in economics from East China Normal University (華東師範大學) where he taught since his graduation until retirement in 2017 and he had become a professor of the Business School at the same university since 1998. He is currently a tenured professor at East China Normal University, and the Dean of Shanghai E-house China R&D Institute, concurrently as the vice president of the China Institute of Real Estate Appraisers and Agents, the supervisor of Shanghai Real Estate Economy Society, as well as council member of China Real Estate Association. Mr. Zhang was an independent director of Shanghai Wanye Enterprises Co. Ltd. (SSE Stock Code: 600641) from May 2010 to August 2015 and is currently an independent director of Shanghai Industrial Development Co., Ltd. (SSE stock code: 600748).

Mr. TAN Wee Seng (陳偉成), aged 62, was appointed as our independent non-executive director on October 9, 2012 and is the chairman of our Audit Committee and a member of our Remuneration Committee. Mr. Tan is a professional in value and business management consultancy. Mr. Tan has over 33 years of financial management, corporate finance, merger and acquisition, business management and strategy development experience and has also held various senior management positions in a number of multinational and Chinese corporations. He is currently an independent non-executive director of Xtep International Holdings Limited (SEHK stock code: 1368), an independent non-executive director and chairman of audit committee of Sa Sa International Holdings Limited (SEHK stock code: 178), an independent non-executive director and chairman of remuneration committee of Biostime International Holdings Limited (SEHK stock code: 1112) and an independent non-executive director, chairman of audit committee and a member of strategy and investment committee of Sinopharm Group Co. Ltd. (SEHK stock code: 1099), the shares of all of which are listed on the Main Board of the Stock Exchange. Mr. Tan is also the board member and chairman of finance and operation committee of Beijing City International School, an academic institution in Beijing. Mr. Tan is also currently an independent director and chairman of audit committee of ReneSola Ltd. (NYSE stock code: SOL), the shares of which are listed on the New York Stock Exchange. Mr. Tan had been an independent director

of 7 Days Group Holdings Limited whose shares were listed on the New York Stock Exchange, between November 2009 and July 2013 until the group was privatized and was the chairman of the special committee for privatization from October 2012 to July 2013. From 1999 to 2002, he served as a senior vice president of Reuters for the China, Mongolia and North Korea regions, and the chief representative of Reuters in China. Prior to that, he had served as the managing director of AFE Computer Services Limited, a Reuters subsidiary in Hong Kong which was a company mainly engaged in domestic equity and financial information services, and as director of Infocast Pty Limited, a Reuters subsidiary in Australia and as the regional finance manager of Reuters Easy Asia. From 2003 to 2008, he served as an executive director, chief financial officer and company secretary of Li Ning Company Limited (SEHK stock code: 2331).

Mr. Tan is a professional accountant and fellow member of the Chartered Institute of Management Accountants, United Kingdom and a fellow member of the Hong Kong Institute of Directors.

SENIOR MANAGEMENT

Mr. YAU Sze Ka (Albert) (游思嘉), aged 45, is our chief financial officer. Mr. Yau has over 22 years of experience in real estates, capital markets and corporate management. He has successfully executed numerous capital markets transactions including initial public offerings, equity and bond issues, syndicated loans, project financings, mergers and acquisitions and corporate restructuring. Before joining us, he had held senior positions at Lai Sun Group of Hong Kong and a number of international investment banks. Mr. Yau graduated from the University of California at Berkeley with a bachelor of science degree. He is also a Chartered Financial Analyst.

Ms. FAN Yiting (范逸汀), aged 45, is our vice president (design). Ms. Fan joined us in October 2015. Prior to joining us, Ms. Fan worked for China Overseas Grand Oceans Group Limited as assistant president and vice chief architect from 2011 to 2015. She held the positions of director, design director (Eastern China), design director (Northern China), general manager of planning and design management center and deputy manager of Shenzhen branch for China Overseas Property Group Co., Ltd. from 2000 to 2011. Ms. Fan worked for Beijing Architectural Design Institute of China Construction as an architect from 1993 to 1997. Ms. Fan graduated from South China University of Technology with a master's degree in architecture and obtained a bachelor's degree in architecture from Chang'an University (長安大學) (formerly known as The Northwest Institute of Construction Engineering). She is also a certified architect with professional qualification.

Mr. PAN Taoyuan (潘道原), aged 49, is our president assistant and director of investment and business development. Mr. Pan joined us in February 2008 and was previously our general manager of sales and marketing management center. Before joining us, Mr. Pan worked in Shanghai P & R Real Estate Consultant Co., Ltd (上海普潤房地產顧問有限公司) as the deputy general manager from October 2004 to January 2007. Mr. Pan graduated from the National Taichung Institute of Technology in June 1989 majoring in Japanese language.

Mr. GE Ming (葛明), aged 38, is our president assistant and director of human resources. He has various experience in human resources management. Mr. Ge joined us in April 2012. Prior to joining us, Mr. Ge worked at Oriental Cambridge Education Group as the director of human resources and a member of the executive committee. Prior to that, he worked at Shanghai Tuosheng Associates and Longfor Properties. Mr. Ge graduated from the Fudan University (復旦大學) with a bachelor's degree in economics, majoring in international finance.

Mr. LEUNG Yuk Ming (Lawrence) (梁旭明), aged 43, is our director of investor relations. He has extensive experience in investor relationships, investment banking, Listing Rules compliance and accounting. Mr. Leung joined us in June 2013. Prior to joining us, Mr. Leung worked for Powerlong Real Estate Holdings Limited, Macquarie Capital (Hong Kong) Limited, DBS Asia Capital Limited, the

Listing Division of the Stock Exchange of Hong Kong and Ernst & Young. Mr. Leung received his bachelor's degree in commerce from the University of Calgary and bachelor's degree in law from the University of London. He is a holder of the Chartered Financial Analyst, a member of Hong Kong Society of Financial Analysts and member of the Hong Kong Institute of Certified Public Accountants.

Mr. LIU Feng (劉峰), aged 41, is our director of cost management. Mr. Liu joined us in August 2011. Prior to joining us, Mr. Liu worked for China Resources Land (Shanghai) Co., Ltd. from 2003 to 2011 and held the position of contact manager, Shanghai and Zhejiang area contract responsible officer. Prior to that, he worked for Shanghai Vanke Real Estate Co., Ltd. as head of procurement in engineering management department. Mr. Liu graduated from the Zhejiang University (浙江大學) majoring in civil engineering, with a master's degree in engineering.

Mr. WU Chenguang (吳晨光), aged 48, is our director of engineering and procurement. Mr. Wu joined us in February 2014. Prior to joining us, Mr. Wu worked for China Vanke Co., Ltd. from September 2002 to February 2014 and held the positions of manager of the Procurement Center of China Vanke Co., Ltd. and engineering director and assistant general manager of Shanghai Vanke Property Management Co., Ltd. Mr. Wu obtained a bachelor's degree in engineering management from Southeast University of China (東南大學), majoring in civil engineering.

Mr. DING Zhaohui (丁朝輝), aged 45, is our director of legal and internal audit. Mr. Ding joined us in September 2014. Prior to joining us, Mr. Ding worked for China Vanke Co., Ltd. from October 2000 to September 2014 and held the positions of deputy general manager and general manager of legal department of China Vanke Co., Ltd. Mr. Ding graduated from East China Normal University with a bachelor's degree in history and later obtained a master of laws degree from Renmin University of China (人民大學).

COMPANY SECRETARY

Mr. LO Tai On (羅泰安), aged 62, was appointed as our company secretary in October 2012. Mr. Lo is a member of the Hong Kong Institute of Certified Public Accountants. He has over 28 years of experience in the field of company secretarial services and is now a director of Fair Wind Secretarial Services Ltd., a secretarial company rendering secretarial services. Mr. Lo is also the company secretary of AAC Technologies Holdings Inc. (SEHK stock code: 2018), Pak Fah Yeow International Limited (SEHK stock code: 239), and Good Friend International Holdings Inc. (SEHK stock code: 2398), all of which are listed on the Hong Kong Stock Exchange.

BOARD COMMITTEES

Audit Committee

We established an audit committee in October 2012 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph C.3 of the Corporate Governance Code as set out in Appendix 14 of the Listing Rules. The primary duties of the audit committee are to provide our board with an independent review of the effectiveness of our financial reporting process, risk management and internal control systems, to oversee the audit process and to perform other duties and responsibilities as assigned by our board. The audit committee consists of three independent non-executive directors, Mr. Tan Wee Seng (as chairman of the audit committee), Mr. Gu Yunchang and Mr. Zhang Yongyue.

Remuneration Committee

We established a remuneration committee in October 2012 with written terms of reference in compliance with paragraph B.1 of the Corporate Governance Code as set out in Appendix 14 of the Listing Rules. The primary duties of the remuneration committee include (but without limitation): (a)

making recommendations to the Board on our policy and structure for all remuneration of our directors and senior management and on the establishment of a formal and transparent procedure for developing policies on such remuneration; (b) making recommendations on the terms of the specific remuneration package of our directors and senior management; and (c) reviewing and approving performance-based remuneration with reference to corporate goals and objectives resolved by our directors from time to time. The remuneration committee consists of three members, being Mr. Zhang Yongyue (as chairman of the remuneration committee), our independent non-executive director, Mr. Lin Zhong, our executive director and chairman, and Mr. Tan Wee Seng, our independent non-executive director.

Nomination Committee

We established a nomination committee in October 2012 with written terms of reference in compliance with paragraph A.5 of the Corporate Governance Code as set out in Appendix 14 of the Listing Rules. The primary duties of the nomination committee are to review the structure, size and composition of the board, and select and make recommendations to our board on the appointment of directors, re-appointment of directors, succession planning for directors and assesses the independence of independent non-executive directors. The nomination committee consists of three members, being Mr. Lin Zhong (as chairman of the nomination committee), our executive director and chairman, Mr. Gu Yunchang and Mr. Zhang Yongyue, our independent non-executive directors.

COMPENSATION OF DIRECTORS

Each Mr. LIN Zhong, Mr. LIN Wei and Mr. LIN Feng, being the executive directors has entered into a service contract with us commencing from November 23, 2012, the date of our initial public offering, for a period of three years respectively and shall continue thereafter until being terminated by either party by serving on the other party a prior written notice of not less than six months (in case of Mr. LIN Zhong, Mr. LIN Wei and Mr. LIN Feng, being executive directors) or three months (in case of independent non-executive directors). The aggregate amount of remuneration (including basic salaries and allowances and retirement benefit contribution) we paid to our directors in 2016 amounted to RMB11.5 million (US\$1.7 million). Each of Mr. CHEN Dongbiao and Mr. YANG Xin, being executive directors, has entered into a service contract with us commencing from December 18, 2017, the date of their appointment, for a period of three years respectively and shall continue thereafter until being terminated by either party by serving on the other party a prior written notice of not less than three months (in case of Mr. CHEN Dongbiao and Mr. YANG Xin, being executive directors, and Mr. ZHOU Xinmin, being non-executive director).

Share Option Schemes

We adopted a share option scheme (the “2012 Share Option Scheme”) in October 2012 to motivate our directors, senior management and employees to optimize their future contributions to us and reward them for their past contribution. Pursuant to such share option scheme, in February 2013, we granted a total of 152,400,000 share options of which 150,000,000 share options were granted to the employees of the Group who are not directors of the Company and 2,400,000 share options were granted to three independent non-executive directors of the Company. In October 2013, we granted a total of 150,000,000 share options of which 144,900,000 share options were granted to the employees of the Group who are not directors of the Company, 3,000,000 share options were granted to Mr. Lin Feng, our executive director and chief executive officer and 2,100,000 share options were granted to three independent non-executive directors of the Company. In July 2015, we granted a total of 100,000,000 share options of which 95,400,000 share options were granted to the employees of the Group who are not directors of the Company and 1,800,000 share options were granted to three independent non-executive directors of the Company and 2,800,000 share options were granted to Mr. Lin Feng, our executive director and chief executive officer of the Company. In January 2016, we granted a total of 100,000,000 share options, all of which was granted to employees. In April 2016, we adopted a new

share option scheme (the “2016 Share Option Scheme”). Pursuant to the 2016 Share Option Scheme, the maximum number of shares which may be issued upon exercise of all options to be granted under such scheme and any other of our share option schemes shall not, in aggregate exceed 666,640,390 shares, representing 10% of the total number of shares in issue as of the date of adoption of the 2016 Share Option Scheme, unless we obtain an approval from our the shareholders to refresh the limit. In October 2017, we granted a total of 220,000,000 share options of which 217,900,000 share options were granted to the employees of the Group who are not directors of the Company, 1,100,000 share options were granted to Mr. Lin Feng, our executive director and chief executive officer and 1,000,000 share options were granted to three independent non-executive directors of the Company pursuant to the 2016 Share Option Scheme. As of the date of the appointment of Mr. CHEN Dongbiao, 14,030,000 share options had been granted to him pursuant to the 2012 Share Option Scheme and 7,500,000 share options had been granted to him pursuant to the 2016 Share Option Scheme. As of the date of the appointment of Mr. YANG Xin, 2,000,000 share options had been granted to him pursuant to the 2012 Share Option Scheme and 6,000,000 share options had been granted to him pursuant to the 2016 Share Option Scheme.

Share Award Scheme

We adopted a share award scheme (the “Share Award Scheme”) in December 2017 to recognize the contributions by our directors, senior management and employees and to provide them with incentives in order to retain them for the continual operation and development of the Group. Our Company has not granted any shares under the Share Award Scheme since its adoption.

Directors’ and Chief Executives’ Interests

As of June 30, 2017, the interests or short positions of our directors and our chief executives in our shares, underlying shares and debentures and our associated corporations, within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”), which will have to be notified to us and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they have taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein, or which will be required to be notified to us and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules, were as follows:

<u>Name of Director</u>	<u>Class of Securities</u>	<u>Capacity/Nature of interest</u>	<u>Number of shares/ underlying shares</u>	<u>Approximate percentage of the issued share capital of our Company</u>
Lin Zhong	Ordinary Shares	Founder of a discretionary trust ⁽¹⁾	1,175,675,671	17.24%
	Ordinary Shares	Co-founder of a discretionary trust ⁽²⁾	2,259,037,975	33.13%
	Ordinary Shares	Beneficial owner ⁽³⁾	6,456,000	0.09%
Lin Wei	Ordinary Shares	Interest of controlled corporation ⁽⁴⁾	651,952,559	9.56%
	Ordinary Shares	Co-founder of a discretionary trust ⁽²⁾	2,259,037,975	33.13%
Lin Feng	Ordinary Shares	Founder of a discretionary trust ⁽⁵⁾	205,670,580	3.02%
	Ordinary Shares	Co-founder of a discretionary trust ⁽²⁾	2,259,037,975	33.13%
	Ordinary Shares	Beneficial owner ⁽⁶⁾	5,800,000	0.09%

<u>Name of Director</u>	<u>Class of Securities</u>	<u>Capacity/Nature of interest</u>	<u>Number of shares/ underlying shares</u>	<u>Approximate percentage of the issued share capital of our Company</u>
Gu Yunchang . . .	Ordinary Shares	Beneficial owner ⁽⁶⁾	2,100,000	0.03%
Zhang Yongyue . .	Ordinary Shares	Beneficial owner ⁽⁶⁾	2,100,000	0.03%
Tan Wee Seng . . .	Ordinary Shares	Beneficial owner ⁽⁷⁾	600,000	0.01%
	Ordinary Shares	Beneficial owner ⁽⁶⁾	675,000	0.01%

Notes:

- (1) These shares are held by Ding Chang Limited (“Ding Chang”). The entire issued share capital of Ding Chang is wholly owned by Eternally Success International Limited (“Eternally Success”), the entire issued share capital of which is in turn held by Standard Chartered Trust (Singapore) Limited (“Standard Chartered Trust”) as the trustee of the Sun Success Trust via SCTS Capital Pte. Ltd. (“SCTS Capital”). The Sun Success Trust is a discretionary trust set up by Mr. Lin Zhong as settlor and Standard Chartered Trust as trustee on May 11, 2012. The beneficiary objects of the Sun Success Trust include certain family members of Mr. Lin Zhong. Mr. Lin Zhong as founder of the Sun Success Trust is taken to be interested in the 1,175,675,671 shares held by Ding Chang pursuant to Part XV of the SFO.
- (2) These shares are held by Rosy Fortune Investments Limited (“Rosy Fortune”). The entire issued share capital of Rosy Fortune is wholly owned by Gentle Beauty Assets Limited (“Gentle Beauty”), the entire issued share capital of which is in turn held by Standard Chartered Trust as the trustee of the Lin’s Family Trust via SCTS Capital. The Lin’s Family Trust is a discretionary trust set up jointly by Mr. Lin Zhong, Mr. Lin Wei and Mr. Lin Feng as settlors and Standard Chartered Trust as trustee on May 11, 2012. The beneficiary objects of the Lin’s Family Trust include certain family members of Mr. Lin Zhong and Mr. Lin Feng. Each of Mr. Lin Zhong, Mr. Lin Wei and Mr. Lin Feng as a co-founder of the Lin’s Family Trust is taken to be interested in the 2,259,037,975 shares held by Rosy Fortune pursuant to Part XV of the SFO.
- (3) These shares are directly held by Mr. Lin Zhong.
- (4) These shares are held by Eminent Talent Limited (“Eminent Talent”). The entire issued share capital of Eminent Talent is wholly owned by Mr. Lin Wei.
- (5) These shares are held by Rain-Mountain Limited (“Rain-Mountain”). The entire issued share capital of Rain-Mountain is wholly owned by Beauty Fountain Holdings Limited (“Beauty Fountain”), the entire issued share capital of which is in turn held by Standard Chartered Trust as the trustee of the Sun-Mountain Trust via SCTS Capital. The Sun-Mountain Trust is a discretionary trust set up by Mr. Lin Feng as settlor and Standard Chartered Trust as trustee on May 11, 2012. The beneficiary objects of the Sun-Mountain Trust include certain family members of Mr. Lin Feng. Mr. Lin Feng as founder of the Sun-Mountain Trust is taken to be interested in the 205,670,580 shares held by Rain-Mountain pursuant to Part XV of the SFO.
- (6) The relevant directors were granted options to subscribe for such number of shares under the share option scheme (“Share Option Scheme”) adopted by the Company on October 9, 2012.
- (7) These shares are directly held by Mr. Tan Wee Seng.

PRINCIPAL SHAREHOLDERS

As of June 30, 2017, the following persons or institutions have beneficial interests or short positions in any of our shares or underlying shares which would fall to be disclosed to us under the provisions of Divisions 2 and 3 of Part XV of the SFO, Cap 571 of the Laws of Hong Kong, or who are directly and/or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any of our other members:

<u>Name of interested party⁽⁶⁾</u>	<u>Capacity/Nature of interest</u>	<u>Total number of Shares⁽¹⁾</u>	<u>Approximate percentage of the issued share capital of our Company</u>
Gentle Beauty	Interest of controlled corporation ⁽²⁾	2,259,037,975	33.13%
Rosy Fortune	Beneficial owner ⁽²⁾	2,259,037,975	33.13%
Eternally Success	Interest of controlled corporation ⁽³⁾	1,175,675,671	17.24%
Ding Chang	Beneficial owner ⁽³⁾	1,175,675,671	17.24%
Eminent Talent	Beneficial owner ⁽⁴⁾	651,952,559	9.56%
Standard Chartered Trust	Trustee ^{(2), (3), (5)}	3,640,384,226	53.38%
SCTS Capital	Interest of controlled corporation ^{(2), (3), (5)}	3,640,384,226	53.38%

Notes:

- (1) Figures represent shareholders' long position in such securities or underlying securities.
- (2) The entire issued share capital of Rosy Fortune is wholly owned by Gentle Beauty, the entire issued share capital of which is in turn held by Standard Chartered Trust as the trustee of the Lin's Family Trust via SCTS Capital. The Lin's Family Trust is a discretionary trust set up jointly by Mr. Lin Zhong, Mr. Lin Wei and Mr. Lin Feng as settlors and Standard Chartered Trust as trustee on May 11, 2012. The beneficiary objects of the Lin's Family Trust include certain family members of Mr. Lin Zhong and Mr. Lin Feng.
- (3) The entire issued share capital of Ding Chang is wholly owned by Eternally Success, the entire issued share capital of which is in turn held by Standard Chartered Trust as the trustee of the Sun Success Trust via SCTS Capital. The Sun Success Trust is a discretionary trust set up by Mr. Lin Zhong as settlor and Standard Chartered Trust as trustee on May 11, 2012. The beneficiary objects of the Sun Success Trust include certain family members of Mr. Lin Zhong.
- (4) The entire issued share capital of Eminent Talent is wholly owned by Mr. Lin Wei.
- (5) These include 2,259,037,975 shares held by Rosy Fortune, 1,175,675,671 shares held by Ding Chang and 205,670,580 shares held by Rain-Mountain. The entire issued share capital of Rain-Mountain is wholly owned by Beauty Fountain, the entire issued share capital of which is in turn held by Standard Chartered Trust as the trustee of the Sun-Mountain Trust via SCTS Capital. The Sun-Mountain Trust is a discretionary trust set up by Mr. Lin Feng as settlor and Standard Chartered Trust as trustee on May 11, 2012. The beneficiary objects of the Sun-Mountain Trust include certain family members of Mr. Lin Feng.
- (6) On July 27, 2017, we entered into a subscription agreement with Ping An Investment Manager and Ping An Investor, pursuant to which we have conditionally agreed to issue and allot 545,000,000 new shares of the Company to Ping An Investment Manager at a price of HK\$3.50 per share. On July 28, 2017, we entered into an agreement to conditionally issue and allot 135,000,000 shares to Ding Chang Limited at a price of HK\$3.82 per share, and Citigroup Global Markets Limited agreed to act as the placing agent for Ding Chang and procure placees to purchase the 135,000,000 shares. The Ping An Subscription was completed on August 10, 2017. The net proceeds from the Ping An Subscription were approximately HK\$1,907.5 million. The placing and subscription of the shares to Ding Chang was completed on August 9, 2017. The net proceeds from the placing and subscription were approximately HK\$500.0 million. As of August 10, 2017, Ping An Investor held approximately 9.93% of the issued share capital of the Company, and Ding Chang held approximately 15.66% of the issued share capital of the Company.

Save as disclosed above, as of June 30, 2017, no other person had interest or short position in our shares and underlying shares which were required, pursuant to Section 336 of the SFO, to be recorded into the register referred to therein.

RELATED PARTY TRANSACTIONS

The following discussion describes certain material related party transactions in 2014, 2015 and 2016 and six months ended June 30, 2016 and 2017 between us and our related parties.

The following table summarizes our related party transactions for the years/periods indicated.

Related parties	Relationship	Transactions	For the year ended				For the six months ended			
			December 31,				June 30,			
			2014	2015	2016		2016	2017		
			RMB'000	RMB'000	RMB'000	US\$'000	RMB'000	RMB'000	US\$'000	
Mr. Lin Feng	Our controlling shareholder and director	Consideration received from pre-sales of properties	800	6,600	2,815	415	2,815	—	—	
Mr. Lin Wei	Our controlling shareholder and director	Consideration received from pre-sales of properties	—	—	1,000	148	1,000	1,000	148	
Mr. Lin Xiang Lin . . .	Close family member of Lin Zhong, Mr. Lin Wei and Mr. Lin Feng	Consideration received from pre-sales of properties	—	5,801	—	—	—	—	—	
Shanghai Huaichi Industrial Development Co., Ltd (上海懷馳實業發展有限公司)	A related company controlled by close family member of Mr. Lin Zhong	Consideration received from pre-sales of properties	—	12,230	—	—	—	—	—	
Shanghai Jianpu Investment Management Co., Ltd. (上海建浦投資管理有限公司) . . .	A related company controlled by Mr. Lin Zhong, Mr. Lin Wei and Mr. Lin Feng	Consideration received from pre-sales of properties	200	3,022	—	—	—	—	—	
		Rental income	1,400	2,400	2,333	344	1,190	1,143	169	
Shanghai Xujing Property Co. Ltd. (上海旭涇置業有限公司)	A wholly-owned subsidiary of Coastwise Limited, our joint venture	Project management fee	—	287,134	—	—	—	—	—	
Shanghai Yongsheng Property Management Co., Ltd (上海永升物業管理有限公司) . . .	Associate	Project Management expenses	—	—	16,743	2,470	—	82,493	12,168	

In addition, as of December 31, 2014, 2015 and 2016, we had the following significant balances with our related parties:

	As of December 31,				For the six months ended June 30,		
	2014	2015	2016		2016	2017	
	RMB'000	RMB'000	RMB'000	US\$'000	RMB'000	RMB'000	US\$'000
Amounts due from joint ventures and associates .	1,041,654	2,593,242	4,620,932	681,624	4,620,932	6,497,292	958,402
Amounts due to joint ventures and associates .	4,926,725	6,985,062	14,419,441	2,126,981	14,419,441	10,098,113	1,489,551

We have not had any significant related party transactions since June 30, 2017.

SALES OF PROPERTIES TO OUR DIRECTOR

We sold certain properties we developed to Mr. Lin Feng, our controlling shareholder and director, pursuant to a property purchase scheme which is offered to eligible employees in our Group, who may purchase such properties at a discount. The scheme provides that the discounted purchase price cannot be lower than the cost. In 2014, 2015 and 2016 and six months ended June 30, 2017, the amount of sales of property to Mr. Lin Feng amounted to RMB22.0 million, nil and RMB39.2 million (US\$5.8 million) and nil, respectively.

AMOUNTS DUE FROM RELATED COMPANIES AND OUR DIRECTORS

As of December 31, 2014, 2015 and 2016 and six months ended June 30, 2017, we had amounts due from related companies of RMB1,058.7 million, RMB2,610.2 million and RMB4,620.9 million (US\$681.6 million) and RMB6,497.3 million (US\$958.4 million), respectively. We, as lessor, entered into a lease agreement with Jiaxing Xucai Department Store Co., Ltd. (嘉興旭彩百貨有限公司) (“Jiaxing Xucai”) for a term of 15 years with respect to an investment property in June 2011. We received RMB17.0 million, RMB17.0 million and nil and nil as rental deposits on December 31, 2014, 2015 and 2016 and six months ended June 30, 2017, respectively. Jiaxing Xucai is wholly owned by Shanghai Jianpu Investment Management Co., Ltd. (上海建浦投資管理有限公司), which is controlled by Mr. Lin Zhong, Mr. Lin Wei and Mr. Lin Feng. Under the lease agreement, Jiaxing Xucai pays us monthly rental fees and management fees for the property management services we provide. Except for the foregoing, other amounts due from related companies and our directors were non-trade in nature, unsecured, interest-free and repayable on demand.

AMOUNTS DUE TO RELATED COMPANIES AND OUR DIRECTORS

As of December 31, 2014, 2015 and 2016 and six months ended June 30, 2017, we had amounts due to related companies of RMB4,926.7 million, RMB6,895.1 million and RMB14,419.4 million (US\$2,127.0 million) and RMB10,098.1 million (US\$1,489.6 million), respectively. We had amounts due to non-controlling interests of approximately RMB1,887.5 million (US\$278.4 million) as of June 30, 2017, which are unsecured, interest-free and repayable on demand.

KEY MANAGEMENT PERSONNEL REMUNERATION

The following table summarizes our directors' remuneration for the years/periods indicated.

Remuneration type	For the year ended December 31,			
	2014	2015	2016	
	RMB'000	RMB'000	RMB'000	US\$'000
Directors' fees	633	676	737	109
Other emoluments for non-executive directors and independent non-executive directors	907	471	510	75
Other emoluments for executive directors				
Basic salaries and allowances	6,526	7,481	7,769	1,146
Equity-settled share based payment	712	341	579	85
Bonus	908	1,124	1,611	238
Retirement benefit contributions	277	303	320	47
	9,963	10,396	11,526	1,700

DESCRIPTION OF OTHER MATERIAL INDEBTEDNESS AND OBLIGATIONS

To fund our existing property projects and to finance our working capital requirements, we have entered into financing agreements with various financial institutions. As of June 30, 2017, our total bank and other borrowings under IFRS (not including senior notes and onshore bonds) amounted to RMB25,158.9 million (US\$3,711.1 million). We also had outstanding the 2015 Notes, the 2017 Notes, the First Tranche of 2015 Onshore Bonds, the Second Tranche of 2015 Onshore Bonds, the First Tranche of 2016 Onshore Bonds and the Second Tranche of 2016 Onshore Bonds with carrying amounts of RMB14,397.9 million (US\$2,123.8 million) and amounts due to non-controlling interests of RMB1,887.5 million (US\$278.4 million) as of June 30, 2017. Subsequent to June 30, 2017, we issued the August 2017 Perpetual Securities and the December 2017 Perpetual Securities, the 2018 Notes and entered into September 2017 Club Loan Facilities and various other loan agreements. Set forth below is a summary of the material terms and conditions of these loans and other indebtedness.

PRC BANK LOAN AGREEMENTS

Certain of our PRC subsidiaries have entered into loan agreements with local branches of various PRC banks and financial institutions. These loans include project loans to finance the construction of our projects and loans to finance our working capital requirements. They have terms ranging from approximately one to ten years. As of June 30, 2017, the aggregate outstanding amount under these loans totaled approximately RMB9,848.8 million (US\$1,452.8 million), of which RMB1,366.4 million (US\$201.6 million) was due within one year and RMB8,482.4 million (US\$1,251.2 million) was due after one year. Our PRC loans are typically secured by land use rights and properties as well as guaranteed by certain of our other PRC subsidiaries.

Interest

The principal amounts outstanding under the PRC loans generally bear interest at floating rates calculated with reference to the PBOC benchmark interest rate. Floating interest rates are generally subject to annual or quarterly review by the lending banks. Interest payments are payable either monthly or quarterly and must be made on each payment date as provided in the particular loan agreement. As of June 30, 2017, the effective interest rate of our bank loans ranged from 4.4% to 9.0%.

Covenants

Under these PRC loans, many of our subsidiary borrowers have agreed, among other things, not to take the following actions without obtaining the relevant lender's prior consent:

- paying dividends unless conditions specified in the agreements are satisfied;
- creating encumbrances on any part of their property or assets or dealing with their assets in a way that may adversely affect their ability to repay their loans;
- granting guarantees to any third parties that may adversely affect their ability to repay their loans;
- making any major changes to their corporate structures, such as entering into joint ventures, mergers, acquisitions and reorganizations;
- altering the nature or scope of their business operations in any material respect;
- transferring part or all of their liabilities under the loans to a third party;
- prepaying the loans;

- selling or disposing of assets; and
- incurring other indebtedness that may adversely affect their ability to repay their loans.

Events of Default

The PRC loan agreements contain certain customary events of default, including failure to pay the amount payable on the due date, unauthorized use of loan proceeds, failure to obtain the lender's approval for an act that requires the latter's approval, and material breach of the terms of the loan agreement. The banks are entitled to terminate their respective agreements and/or demand immediate repayment of the loans and any accrued interest upon the occurrence of an event of default.

Guarantee and Security

Certain of our PRC subsidiaries have entered into guarantee agreements with the PRC banks and financial institutions in connection with some of the PRC loans pursuant to which these subsidiaries have guaranteed all liabilities of the subsidiary borrowers under these loans. Further, as of December 31, 2016, all of our PRC loans were secured by land use rights and properties held by the subsidiary borrowers and/or our other PRC subsidiaries.

2015 NOTES

On June 5, 2015, we entered into an indenture (as amended or supplemented from time to time, the "2015 Indenture"). Pursuant to the 2015 Indenture, we issued an aggregate principal amount of US\$400,000,000 of the 2015 Notes on June 5, 2015. The 2015 Notes are unsecured. As of the date of this offering circular, a total of US\$400,000,000 principal amount of the 2015 Notes is outstanding.

Guarantee

The obligations pursuant to the 2015 Notes are guaranteed by our existing subsidiaries (the "2015 Subsidiary Guarantors") other than (i) those organized under the laws of the PRC and (ii) certain other subsidiaries specified in the 2015 Indenture. Each of the 2015 Subsidiary Guarantors, jointly and severally, guarantees the due and punctual payment of the principal of, any premium (if any) and interest on, and all other amounts payable under, the 2015 Notes.

Interest

The 2015 Notes bear an interest rate of 7.75% *per annum*, payable semi-annually in arrears.

Covenants

Subject to certain conditions and exceptions, the 2015 Indenture and each of the relevant subsidiary guarantees contain certain covenants, restricting us and each of the relevant restricted subsidiaries from, among other things:

- incurring or guaranteeing additional indebtedness and issuing disqualified or preferred stock;
- declaring dividends on its capital stock or purchasing or redeeming capital stock;
- making investments or other specified restricted payments;
- issuing or selling capital stock of the related restricted subsidiaries;
- guaranteeing indebtedness of the related restricted subsidiaries;

- selling assets;
- creating liens;
- entering into sale and leaseback transactions;
- entering into agreements that restrict the related restricted subsidiaries' ability to pay dividends;
- transfer assets or make intercompany loans;
- entering into transactions with shareholders or affiliates; and
- effecting a consolidation or merger.

Events of Default

The 2015 Indenture contains certain customary events of default, including default in the payment of principal of (or any premium on) the 2015 Notes when such payments become due, default in payment of interest which continues for 30 days and other events of default. If an event of default occurs and is continuing, the trustee under the 2015 Indenture or the holders of at least 25% of the outstanding 2015 Notes may declare the principal of the 2015 Notes plus a premium and any accrued and unpaid interest to be immediately due and payable.

Change of Control

Upon the occurrence of certain events of change of control and a rating decline, we are required to make an offer to repurchase all outstanding 2015 Notes at a purchase price equal to 101% of their principal amount plus any accrued and unpaid interest.

Maturity and Redemption

The maturity date of the 2015 Notes is June 5, 2020.

At any time and from time to time on or after June 5, 2018, we may redeem the 2015 Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth in the table below if redeemed during each period indicated below, plus any accrued and unpaid interest to the redemption date, if redeemed during the twelve month period beginning on June 5 of each year set forth below:

<u>Period</u>	<u>Redemption Price</u>
2018	103.8750%
2019	101.9375%

At any time and from time to time prior to June 5, 2018, we may redeem the 2015 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2015 Notes, plus a premium and any accrued and unpaid interest to the redemption date.

At any time and from time to time prior to June 5, 2018, we may redeem up to 35% of the aggregate principal amount of the 2015 Notes at a redemption price equal to 107.75% of the principal amount of the 2015 Notes, plus any accrued and unpaid interest with the proceeds from sales of certain kinds of the Company's capital stock, subject to certain conditions.

Additionally, if we or a subsidiary guarantor under the 2015 Indenture would become obligated to pay certain additional amounts as a result of certain changes in specified tax law, we may redeem the 2015 Notes at a redemption price equal to 100% of the principal amount of the 2015 Notes, plus any accrued and unpaid interest, subject to certain exceptions.

2017 NOTES

On January 23, 2017, we entered into an indenture (as amended or supplemented from time to time, the “2017 Indenture”). Pursuant to the 2017 Indenture, we issued an aggregate principal amount of US\$285,000,000 of the 2017 Notes on January 23, 2017. The 2017 Notes were unsecured. As of the date of this offering circular, a total of US\$285,000,000 principal amount of the 2017 Notes is outstanding.

Guarantee

The obligations pursuant to the 2017 Notes are guaranteed by our existing subsidiaries (the “2017 Subsidiary Guarantors”) other than (i) those organized under the laws of the PRC and (ii) certain other subsidiaries specified in the 2017 Indenture. Each of the 2017 Subsidiary Guarantors, jointly and severally, guarantees the due and punctual payment of the principal of, any premium (if any) and interest on, and all other amounts payable under, the 2017 Notes.

Interest

The 2017 Notes bear an interest rate of 5.5% *per annum*, payable semi-annually in arrears.

Covenants

Subject to certain conditions and exceptions, the 2017 Indenture and each of the relevant subsidiary guarantees contain certain covenants, restricting us and each of the relevant restricted subsidiaries from, among other things:

- incurring or guaranteeing additional indebtedness and issuing disqualified or preferred stock;
- declaring dividends on its capital stock or purchasing or redeeming capital stock;
- making investments or other specified restricted payments;
- issuing or selling capital stock of the related restricted subsidiaries;
- guaranteeing indebtedness of the related restricted subsidiaries;
- selling assets;
- creating liens;
- entering into sale and leaseback transactions;
- entering into agreements that restrict the related restricted subsidiaries’ ability to pay dividends;
- transfer assets or make intercompany loans;
- entering into transactions with shareholders or affiliates; and
- effecting a consolidation or merger.

Events of Default

The 2017 Indenture contains certain customary events of default, including default in the payment of principal of (or any premium on) the 2017 Notes when such payments become due, default in the payment of interest which continues for 30 consecutive days and other events of default. If an event of default occurs and is continuing, the trustee under the 2017 Indenture or the holders of at least 25% of the outstanding 2017 Notes may declare the principal of the 2017 Notes plus a premium and any accrued and unpaid interest to be immediately due and payable.

Change of Control

Upon the occurrence of certain events of change of control and a rating decline, we are required to make an offer to repurchase all outstanding 2017 Notes at a purchase price equal to 101% of their principal amount plus any accrued and unpaid interest.

Maturity and Redemption

The maturity date of the 2017 Notes is January 23, 2022.

At any time and from time to time on or after January 23, 2020, we may redeem the 2017 Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth in the table below if redeemed during each period indicated below, plus any accrued and unpaid interest to the redemption date, if redeemed during the twelve month period beginning on January 23 of each year set forth below:

<u>Period</u>	<u>Redemption Price</u>
2020	102.75%
2021	101.375%

At any time and from time to time prior to January 23, 2020, we may redeem the 2017 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2017 Notes plus a premium and any accrued and unpaid interest (if any) to the redemption date.

At any time and from time to time prior to January 23, 2020, we may redeem up to 35% of the aggregate principal amount of the 2017 Notes at a redemption price equal to 105.5% of the principal amount of the 2017 Notes redeemed, plus accrued and unpaid interest (if any) to the redemption date with proceeds from sales of certain kinds of our capital stock, subject to certain conditions.

Additionally, if we or a subsidiary guarantor under the 2017 Indenture would become obligated to pay certain additional amounts as a result of certain changes in specified tax law, we may redeem the 2017 Notes at a redemption price equal to 100% of the principal amount of the 2017 Notes plus any accrued and unpaid interest, subject to certain conditions.

OFFSHORE BILATERAL FACILITY AGREEMENTS

We have entered into bilateral facility agreements with various offshore banks and financial institutions. As of the date of this offering circular, the aggregate outstanding amount under these loans totaled approximately US\$664.4 million. Our bilateral offshore facilities have terms ranging up to three years. Our bilateral offshore bank loans are typically secured by our certain subsidiaries which are incorporated outside of the PRC or by standby letters of credit or require our onshore subsidiaries to maintain a deposit balance equivalent to the outstanding amount of the loan.

Interest

The principal amounts outstanding under the bilateral offshore bank loans generally bear interest at floating rates typically calculated with reference to the Hong Kong Interbank Offered Rate, HASE RMB Prime Rate or London Interbank Offered Rate.

Covenants

Under these facility agreements, we have agreed, among others, to certain customary covenants and restrictions, including financial covenants relating to our consolidated tangible net worth and consolidated net borrowings and interest coverage ratios. We have also agreed not to declare or pay any dividend payment or income distribution in excess of a certain percentage of our consolidated net profit after tax in any financial year.

Events of Default

The bilateral offshore facilities contain certain customary events of default, including insolvency and breaches of the terms of the agreements. If an event of default occurs, the lenders are entitled to terminate all or any part of the total commitment and/or declare all or part of any amounts outstanding immediately due and payable.

2015 CLUB LOAN FACILITIES

On January 20, 2015, we entered into a facility agreement in connection with multi-currency term loan facilities, including a US\$100,000,000 facility and a HK\$156,000,000 facility, with a syndicate of original lenders and with Standard Chartered Bank (Hong Kong) Limited acting as coordinator, mandated lead arranger, bookrunner, facility agent and security agent. On January 20, 2015, Bank of Shanghai signed Additional Lender Accession Letter (as defined under 2015 Club Loan Facilities) for a total of US\$10.0 million).

The proceeds of the 2015 Club Loan Facilities are to refinance our existing indebtedness or for general corporate purposes. We have drawn down the 2015 Club Loan Facilities in full. As of the date of this offering circular, US\$55.0 million and HK\$78.0 million are outstanding under the 2015 Club Loan Facilities.

Interest

Under the facility agreement, the interest rate applicable for an interest period is LIBOR, in the case of a U.S. dollar loan, or HIBOR, in the case of a Hong Kong dollar loan, in each case, plus a margin of 4.75% *per annum*. If we fail to pay the sum due on its payment date, interest shall accrue on the unpaid sum from the due date up to the date of actual payment, and interest on an overdue amount (provided that such overdue amount is not a principal amount of the loan) is payable at a rate determined by the facility agent to be 2% *per annum* above the rate which would have been payable.

Maturity and Prepayment

The loan facilities are repayable in three installments and in the amounts as follows: (i) on the date falling 24 months after the date of the facility agreement, 25% of the loan facilities outstanding as of the last day of the availability period (the "Balance"); (ii) on the date falling 30 months after the date of the facility agreement, 25% of the Balance; and (iii) on the date falling 36 months after the date of the facility agreement, 50% of the Balance. We have the right to prepay the facilities by giving not less than 14 days' prior written notice (or such shorter period as the majority lenders may agree), subject to certain conditions.

Guarantee and Indemnity

Our obligations under the facility agreement are guaranteed by our certain subsidiaries which are incorporated outside of the PRC.

Covenants

Pursuant to the facility agreement, we agreed to the following financial covenants:

- our consolidated tangible net worth shall not at any time be less than RMB8,000,000,000;
- the ratio of consolidated net borrowings to consolidated tangible net worth will not, for any “Relevant Period,” defined as any 12-month period ended on the last day of our financial year (December 31) or the first six months of our financial year (June 30), exceed 85%;
- the ratio of our consolidated onshore borrowings to consolidated tangible total assets will not, for any Relevant Period, exceed 40%;
- the ratio of our consolidated EBITDA to consolidated interest expense will not, for any Relevant Period, be less than 3.0:1.0; and
- the ratio of the aggregate amount of all of our JV guarantees to consolidate tangible net worth will not, for any Relevant Period, exceed 0.25:1.0.

We have further agreed, among other things, that we will not (i) declare or pay any dividends or make any other distribution in the form of cash to our shareholders in excess of 35% of our consolidated net profit after tax in any financial year; or (ii) create or allow to exist any mortgage, charge, pledge, lien or other security interest or enter into any other arrangement or transaction primarily as a method of raising financial indebtedness or of financing the acquisition of an asset, unless such security interest falls under certain exceptions, or is at creation extended rateably and equally to the lenders under the facility agreement, or is consented to by the lenders in writing.

Events of Default

The facility agreement contains certain customary events of default, including insolvency and breaches of the terms of the facility agreement. The facility agent, as directed by the majority lenders, is entitled to terminate all or any part of the total commitment and/or declare that all or part of any amounts outstanding immediately due and payable and/or payable on demand by the facility agent acting on the instructions of the majority lenders.

2016 CLUB LOAN FACILITIES

On March 11, 2016, we entered into a facility agreement with a greenshoe option in connection with multi-currency term loan facilities, including a US\$340.0 million facility and a HK\$624.0 million facility, with a syndicate of original lenders and with Standard Chartered Bank (Hong Kong) Limited acting as mandated lead arranger, facility agent and security agent. On March 15, 2016 and March 18, 2016, various additional lenders signed Additional Lender Accession Letters (as defined under the 2016 Club Loan Facilities) for a total of US\$155.0 million and HK\$195.0 million. The proceeds of the 2016 Club Loan Facilities were used primarily to redeem our 12.25% senior notes due 2018 issued in 2013. We have drawn down the 2016 Club Loan Facilities in full.

As of the date of this offering circular, US\$495.0 million and HK\$819.0 million are outstanding under the 2016 Club Loan Facilities.

Interest

Under the facility agreement for the 2016 Club Loan Facilities, the interest rate applicable for an interest period is LIBOR, in the case of a U.S. dollar loan, or HIBOR, in the case of a Hong Kong dollar loan, in each case, plus a margin of 4.00% *per annum*. If we fail to pay the sum due on its payment date, interest shall accrue on the unpaid sum from the due date up to the date of actual payment, and interest on an overdue amount (provided that such overdue amount is not a principal amount of the loan) is payable at a rate determined by the facility agent to be 2% *per annum* above the rate which would have been payable.

Maturity and Prepayment

The 2016 Club Loan Facilities are repayable in three installments and in the amounts as follows: (i) on the date falling 24 months after the first utilization date, 25% of the loan facilities outstanding as of the last day of the availability period (the “Balance”); (ii) on the date falling 30 months after the first utilization date, 25% of the Balance; and (iii) on the date falling 36 months after the first utilization date, 50% of the Balance. We have the right to prepay the facilities by giving not less than 14 days’ prior written notice (or such shorter period as the majority lenders may agree), subject to certain conditions.

Guarantee and Indemnity

Our obligations under the facility agreement are guaranteed by our certain subsidiaries which are incorporated outside of the PRC.

Covenants

Pursuant to the facility agreement, we agreed to the following financial covenants:

- our consolidated tangible net worth shall not at any time be less than RMB11,000,000,000;
- the ratio of consolidated net borrowings to consolidated tangible net worth will not, for any “Relevant Period,” defined as any 12-month period ended on the last day of our financial year (December 31) or the first six months of our financial year (June 30), exceed 85%;
- the ratio of our consolidated onshore borrowings to consolidated total assets will not, for any Relevant Period, exceed 40%; and
- the ratio of our consolidated EBITDA to consolidated interest expense will not, for any Relevant Period, be less than 3.0:1.0.

We have further agreed, among other things, that we will not (i) declare or pay any dividends or make any other distribution in the form of cash to our shareholders in excess of 35% of our consolidated net profit after tax in any financial year; or (ii) create or allow to exist any mortgage, charge, pledge, lien or other security interest or enter into any other arrangement or transaction primarily as a method of raising financial indebtedness or of financing the acquisition of an asset, unless such security interest falls under certain exceptions, or is at creation extended rateably and equally to the lenders under the facility agreement, or is consented to by the lenders in writing.

Events of Default

The facility agreement contains certain customary events of default, including insolvency and breaches of the terms of the facility agreement. The facility agent, as directed by the majority lenders, is entitled to terminate all or any part of the total commitment and/or declare that all or part of any amounts outstanding immediately due and payable and/or payable on demand by the facility agent acting on the instructions of the majority lenders.

2017 CLUB LOAN FACILITIES

On December 30, 2016, we entered into a facility agreement with a greenshoe option in connection with multi-currency term loan facilities (the “2017 Club Loan Facilities”) with a group of financial institution lenders. The 2017 Club Loan Facilities include RMB term loan facilities (“RMB Tranche”) with an aggregate amount of RMB1,980 million with final maturity of 36 months after the first utilization date of the RMB Tranche and HK dollar/US dollar term loan facilities (“HKD/USD Tranche”) with an aggregate amount of HK\$1,916.3 million with final maturity of 48 months after the first utilization date of the HKD/USD Tranche. On January 25, 2017, we received relevant lenders’ letter of consent, under which the onshore sub-tranche of the RMB Tranche under the 2017 Club Loan Facilities of RMB1,180.0 million was cancelled. On February 8, 2017 and March 22, 2017, various additional lenders signed Additional Lender Accession Letters (as defined under the 2017 Club Loan Facilities) for a total of HK\$1,004.0 million. As of the date of this offering circular, a total amount of HK\$2,920.3 million and RMB800.0 million are outstanding under the 2017 Club Loan Facilities. The proceeds of the 2017 Club Loan Facilities are to be used primarily to refinance existing indebtedness and for general corporate funding purposes.

Interest

Under the facility agreement for the 2017 Club Loan Facilities, the interest rate applicable for the HKD/USD Tranche is LIBOR, in the case of a U.S. dollar loan, or HIBOR, in the case of a Hong Kong dollar loan, in each case, plus a margin of 3.70% per annum. Under the facility agreement for the 2017 Club Loan Facilities, the interest rate applicable for the RMB tranche is the official lending rate per annum as promulgated and announced by the PBOC for term loans with a tenor of one to five years on either January 1 or July 1 which occurs immediately prior to the last day of the interest period. If we fail to pay the sum due on its payment date, interest shall accrue on the unpaid sum from the due date up to the date of actual payment, and the interest on an overdue amount (provided that such overdue amount is not a principal amount of the loan) is payable at a rate determined by the facility agent to be 2% *per annum* higher than the rate which would have been payable.

Maturity and Prepayment

The 2017 Club Loan Facilities are repayable in five installments and in the amounts as follows: (i) 10% of the loan facilities outstanding as of the last day of the availability period (the “Balance”) is due 24 months after the first utilization date; (ii) another 10% of the Balance is due 30 months after the first utilization date; (iii) 15% of the Balance is due 36 months after the first utilization date; (iv) 15% of the Balance is due 42 months after the first utilization date and (v) 50% of the Balance is due 48 months after the first utilization date.

Guarantee and Indemnity

Our obligations under the facility agreement are guaranteed by our certain subsidiaries which are incorporated outside the PRC.

Covenants

Pursuant to the facility agreement, we agreed to the following financial covenants:

- our consolidated tangible net worth as of the end of our financial period (the “Relevant Period,” defined as any 12-month period ended on the last day of our financial year (i.e. December 31) or the first six months of our financial year (i.e. June 30), is not less than RMB11,000.0 million;
- the ratio of our consolidated net borrowings to the consolidated tangible net worth does not, for any Relevant Period, exceed 85%;
- the ratio of our consolidated onshore borrowings to the consolidated total assets does not, for any Relevant Period, exceed 40%; and
- the ratio of our consolidated EBITDA to consolidated interest expense will not, for any Relevant Period, be less than 3.0.

We have further agreed, among other things, that we will not (i) declare or pay any dividends or make any other distribution in the form of cash to our shareholders in excess of 35% of our consolidated net profit after tax in any financial year; or (ii) create or allow to exist any mortgage, charge, pledge, lien or other security interest or enter into any other arrangement or transaction primarily as a method of raising financial indebtedness or of financing the acquisition of an asset, unless such security interest falls under certain exceptions, or is at creation extended rateably and equally to the lenders under the facility agreement, or is consented to by the lenders in writing.

Events of Default

The facility agreement contains certain customary events of default, including insolvency and breaches of the terms of the facility agreement. The facility agent, as directed by the majority lenders, is entitled to terminate all or any part of the total commitment and/or declare that all or part of any amounts outstanding immediately due and payable and/or payable on demand by the facility agent acting on the instructions of the majority lenders.

SEPTEMBER 2017 CLUB LOAN FACILITIES

On September 4, 2017, we entered into a facility agreement in connection with a US\$135,000,000 facility with a syndicate of original lenders and with Standard Chartered Bank (Hong Kong) Limited acting as coordinator, mandated lead arranger, bookrunner, facility agent and security agent. In December 2017 and January 2018, certain banks signed Additional Lender Accession Letters (as defined under the September 2017 Club Loan Facilities) for a total of US\$154.7 million.

The proceeds of the September 2017 Club Loan Facilities are to refinance our existing indebtedness or for general corporate purposes. We have drawn down the September 2017 Club Loan Facilities in full. As of the date of this offering circular, a total amount of US\$135.0 million is outstanding under the September 2017 Club Loan Facilities.

Interest

Under the facility agreement, the interest rate applicable for an interest period is LIBOR plus a margin of 3.3% per annum. If we fail to pay the sum due on its payment date, interest shall accrue on the unpaid sum from the due date up to the date of actual payment, and interest on an overdue amount (provided that such overdue amount is not a principal amount of the loan) is payable at a rate determined by the facility agent to be 2% per annum above the rate which would have been payable.

Maturity and Prepayment

The loan facility is repayable in three installments and in the amounts as follows: (i) on the date falling 24 months after the date of the facility agreement, 20% of the loan facility outstanding as of the last day of the availability period (the “Balance”); (ii) on the date falling 30 months after the date of the facility agreement, 20% of the Balance; and (iii) on the date falling 36 months after the date of the facility agreement, 60% of the Balance. We have the right to prepay the facility by giving not less than 14 days’ prior written notice (or such shorter period as the majority lenders may agree), subject to certain conditions.

Guarantee and Indemnity

Our obligations under the facility agreement are guaranteed by our certain subsidiaries which are incorporated outside of the PRC.

Covenants

Pursuant to the facility agreement, we agreed to the following financial covenants:

- our consolidated tangible net worth shall not at any time be less than RMB13,000,000,000;
- the ratio of consolidated net borrowings to consolidated tangible net worth will not, for any “Relevant Period,” defined as any 12-month period ended on the last day of our financial year (December 31) or the first six months of our financial year (June 30), exceed 95%;
- the ratio of our consolidated onshore borrowings to consolidated tangible total assets will not, for any Relevant Period, exceed 40%; and
- the ratio of our consolidated EBITDA to consolidated interest expense will not, for any Relevant Period, be less than 2.75:1.0.

We have further agreed, among other things, that we will not (i) declare or pay any dividends or make any other distribution in the form of cash to our shareholders in excess of 35% of our consolidated net profit after tax in any financial year; or (ii) create or allow to exist any mortgage, charge, pledge, lien or other security interest or enter into any other arrangement or transaction primarily as a method of raising financial indebtedness or of financing the acquisition of an asset, unless such security interest falls under certain exceptions, or is at creation extended rateably and equally to the lenders under the facility agreement, or is consented to by the lenders in writing.

Events of Default

The facility agreement contains certain customary events of default, including insolvency and breaches of the terms of the facility agreement. The facility agent, as directed by the majority lenders, is entitled to terminate all or any part of the total commitment and/or declare that all or part of any amounts outstanding immediately due and payable and/or payable on demand by the facility agent acting on the instructions of the majority lenders.

2017 PERPETUAL SECURITIES

On August 24, 2017, we issued an aggregate principal amount of US\$300,000,000 perpetual capital securities (the “August 2017 Perpetual Securities”). As of the date of this offering circular, we had a total of US\$300,000,000 aggregate principal amount of the August 2017 Perpetual Securities outstanding.

Distribution

The August 2017 Perpetual Securities confer a right to securities holders a right to receive distributions semi-annually in arrear, on February 24 and August 24 in each year, at the following distribution rates:

- (i) an initial distribution rate of 5.375% per annum from and including the issue date to and excluding the first reset date of August 24, 2022, and
- (ii) in respect of the periods, (a) from and including the first reset date to and excluding the immediately following reset date and (b) from and including each reset date falling after the first reset date to and excluding the immediately following reset date, the U.S. treasury rate with respect to the relevant reset date plus the initial spread plus the step-up margin per annum.

We have the option to redeem the securities upon the occurrence of a change of control triggering event. If we do not elect to redeem, the applicable distribution rate will increase by 5% per annum beginning from the next distribution payment date.

Subject to certain conditions, we may elect to defer a distribution which is otherwise scheduled to be paid on a distribution payment date to the next distribution payment date.

Maturity and Redemption

There is no fixed maturity date for the August 2017 Perpetual Securities. We may redeem the Perpetual Capital Securities, in whole, but not in part on the first reset date or any business day after the first reset date.

The August 2017 Perpetual Securities may be redeemed at our option in whole, but not in part, at any time, at their principal amount together with all outstanding arrears of distribution and additional distribution amount (if any) and any distribution accrued to the date fixed for redemption, upon the occurrence of certain changes in, or amendment to, the laws or regulations of the Cayman Islands or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations requiring the payment of additional tax amounts and such obligation cannot be avoided by us taking reasonable measures available to it.

We may at our option, at any time, redeem in whole, but not in part, the August 2017 Perpetual Securities at their principal amount together with any distribution accrued to the date fixed for redemption (including any arrears of distribution and any additional distribution amount), provided that prior to the date of such notice at least 80% in principal amount of the August 2017 Perpetual Securities originally issued has already been redeemed or purchased and cancelled.

We may also at our option, at any time, subject to certain conditions, to redeem, in whole but not in part, the August 2017 Perpetual Securities at (i) 101% of their principal amount together with any distribution accrued to the date fixed for redemption (including any arrears of distribution and additional distribution amount) if such redemption occurs prior to the first reset date or (ii) their principal amount together with any distribution accrued to the date fixed for redemption (including any arrears of distribution and additional distribution amount) if such redemption occurs on or after the first reset date, if (a) an equity disqualification event or (b) a change of control triggering event, has occurred and is continuing.

DECEMBER 2017 PERPETUAL SECURITIES

On December 19, 2017, we issued an aggregate principal amount of US\$300,000,000 perpetual capital securities (the “**December 2017 Perpetual Securities**”). As of the date of this offering circular, we had a total of US\$300,000,000 aggregate principal amount of the December 2017 Perpetual Securities outstanding.

Distribution

The December 2017 Perpetual Securities confer a right to securities holders a right to receive distributions semi-annually in arrear, on February 28 and August 28 in each year, at the following distribution rates:

- (i) an initial distribution rate of 5.375% per annum from and including the issue date to and excluding the first reset date of August 28, 2021, and
- (ii) in respect of the periods, (a) from and including the first reset date to and excluding the immediately following reset date and (b) from and including each reset date falling after the first reset date to and excluding the immediately following reset date, the U.S. treasury rate with respect to the relevant reset date plus the initial spread plus the step-up margin per annum.

We have the option to redeem the securities upon the occurrence of a change of control triggering event. If we do not elect to redeem, the applicable distribution rate will increase by 5% per annum beginning from the next distribution payment date.

Subject to certain conditions, we may elect to defer a distribution which is otherwise scheduled to be paid on a distribution payment date to the next distribution payment date.

Maturity and Redemption

There is no fixed maturity date for the December 2017 Perpetual Securities. We may redeem the Perpetual Capital Securities, in whole, but not in part on the first reset date or any business day after the first reset date.

The December 2017 Perpetual Securities may be redeemed at our option in whole, but not in part, at any time, at their principal amount together with all outstanding arrears of distribution and additional distribution amount (if any) and any distribution accrued to the date fixed for redemption, upon the occurrence of certain changes in, or amendment to, the laws or regulations of the Cayman Islands or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations requiring the payment of additional tax amounts and such obligation cannot be avoided by us taking reasonable measures available to it.

We may at our option, at any time, redeem in whole, but not in part, the December 2017 Perpetual Securities at their principal amount together with any distribution accrued to the date fixed for redemption (including any arrears of distribution and any additional distribution amount), provided that prior to the date of such notice at least 80% in principal amount of the December 2017 Perpetual Securities originally issued has already been redeemed or purchased and cancelled.

We may also at our option, at any time, subject to certain conditions, to redeem, in whole but not in part, the December 2017 Perpetual Securities at (i) 101% of their principal amount together with any distribution accrued to the date fixed for redemption (including any arrears of distribution and additional distribution amount) if such redemption occurs prior to the first reset date or (ii) their principal amount

together with any distribution accrued to the date fixed for redemption (including any arrears of distribution and additional distribution amount) if such redemption occurs on or after the first reset date, if (a) an equity disqualification event or (b) a change of control triggering event, has occurred and is continuing.

2018 NOTES

On January 23, 2018, we entered into an indenture (as amended or supplemented from time to time, the “**2018 Indenture**”). Pursuant to the 2018 Indenture, we issued an aggregate principal amount of US\$300,000,000 of the 2018 Notes on January 23, 2018. The 2018 Notes were unsecured. As of the date of this offering circular, of US\$300,000, principal amount of the 2018 Notes is outstanding.

Guarantee

The obligations pursuant to the 2017 Notes are guaranteed by our existing subsidiaries (the “**2018 Subsidiary Guarantors**”) other than (i) those organized under the laws of the PRC and (ii) certain other subsidiaries specified in the 2018 Indenture. Each of the 2018 Subsidiary Guarantors, jointly and severally, guarantees the due and punctual payment of the principal of, any premium (if any) and interest on, and all other amounts payable under, the 2018 Notes.

Interest

The 2018 Notes bear an interest rate of 5.5% *per annum*, payable semi-annually in arrears.

Covenants

Subject to certain conditions and exceptions, the 2018 Indenture and each of the relevant subsidiary guarantees contain certain covenants, restricting us and each of the relevant restricted subsidiaries from, among other things:

- incurring or guaranteeing additional indebtedness and issuing disqualified or preferred stock;
- declaring dividends on its capital stock or purchasing or redeeming capital stock;
- making investments or other specified restricted payments;
- issuing or selling capital stock of the related restricted subsidiaries;
- guaranteeing indebtedness of the related restricted subsidiaries;
- selling assets;
- creating liens;
- entering into sale and leaseback transactions;
- entering into agreements that restrict the related restricted subsidiaries’ ability to pay dividends;
- transfer assets or make intercompany loans;
- entering into transactions with shareholders or affiliates; and
- effecting a consolidation or merger.

Events of Default

The 2018 Indenture contains certain customary events of default, including default in the payment of principal of (or any premium on) the 2018 Notes when such payments become due, default in the payment of interest which continues for 30 consecutive days and other events of default. If an event of default occurs and is continuing, the trustee under the 2018 Indenture or the holders of at least 25% of the outstanding 2018 Notes may declare the principal of the 2018 Notes plus a premium and any accrued and unpaid interest to be immediately due and payable.

Change of Control

Upon the occurrence of certain events of change of control and a rating decline, we are required to make an offer to repurchase all outstanding 2018 Notes at a purchase price equal to 101% of their principal amount plus any accrued and unpaid interest.

Maturity and Redemption

The maturity date of the 2018 Notes is January 23, 2023.

At any time and from time to time on or after January 23, 2021, we may redeem the 2018 Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth in the table below if redeemed during each period indicated below, plus any accrued and unpaid interest to the redemption date, if redeemed during the twelve month period beginning on January 23 of each year set forth below:

<u>Period</u>	<u>Redemption Price</u>
2021	102.75%
2022	101.375%

At any time and from time to time prior to January 23, 2021, we may redeem the 2018 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2018 Notes plus a premium and any accrued and unpaid interest (if any) to the redemption date.

At any time and from time to time prior to January 23, 2021, we may redeem up to 35% of the aggregate principal amount of the 2018 Notes at a redemption price equal to 105.5% of the principal amount of the 2018 Notes redeemed, plus accrued and unpaid interest (if any) to the redemption date with proceeds from sales of certain kinds of our capital stock, subject to certain conditions.

Additionally, if we or a subsidiary guarantor under the 2018 Indenture would become obligated to pay certain additional amounts as a result of certain changes in specified tax law, we may redeem the 2018 Notes at a redemption price equal to 100% of the principal amount of the 2018 Notes plus any accrued and unpaid interest, subject to certain conditions.

ONSHORE BONDS

First Tranche of 2015 Onshore Bonds

In 2015, we issued two tranches of public domestic corporate bonds in the PRC. On October 15, 2015, we issued First Tranche of 2015 Onshore Bonds in the aggregate principal amount of RMB3.495 billion with a coupon rate of 4.95% *per annum* with a maturity of five years, with a right to adjust the coupon rate and a right of redemption exercisable by holders at the end of the first three-year period. As of the date of this offering circular, the entire principal amount of the First Tranche of 2015 Onshore Bonds is outstanding.

Second Tranche of 2015 Onshore Bonds

On November 12, 2015, we issued the Second Tranche of 2015 Onshore Bonds in the aggregate principal amount of RMB500 million with a coupon rate of 5.96% *per annum* with a maturity of five years. As of the date of this offering circular, the entire principal amount of the Second Tranche of 2015 Onshore Bonds is outstanding.

First Tranche of 2016 Onshore Bonds

In January 2016, we issued one tranche of non-public domestic corporate bonds in the PRC. On January 22, 2016, we issued First Tranche of 2016 Onshore Bonds in the aggregate amount of RMB2.0 billion with an interest rate of 4.99% *per annum* and tenure of two years. As the end of the first year after the issuance, we have the right to adjust the coupon rate and investors have the option to require the issuer, our wholly-owned subsidiary incorporated in the PRC, to repurchase the bonds. The proceeds from the issuance of the First Tranche of 2016 Onshore Bonds were used primarily to refinance our onshore loans and for general working capital. The First Tranche of 2016 Onshore Bonds are listed on the Shanghai Stock Exchange. As of the date of this offering circular, RMB1.5 billion of the First Tranche of 2016 Onshore Bonds is outstanding.

Second Tranche of 2016 Onshore Bonds

In September 2016, we issued the second tranche of our non-public domestic corporate bonds in the PRC. On September 26, 2016, we issued the Second Tranche of 2016 Onshore Bonds in the aggregate amount of RMB4.0 billion comprising: (i) a principal amount of RMB3.5 billion at a coupon rate of 4.30% *per annum* and a tenure of five years. At the end of the third year after the issuance, we have the right to adjust the coupon rate and investors have the option to require the issuer, our wholly-owned subsidiary incorporated in the PRC, to repurchase the bonds, and (ii) a principal amount of RMB500.0 million at a coupon rate of 5.50% *per annum* and a tenure of five years. The proceeds from the issuance of the Second Tranche of 2016 Onshore Bonds will be used for repayment of debts and replenishment of our general working capital. The Second Tranche of 2016 Onshore Bonds are listed on the Shanghai Stock Exchange. As of the date of this offering circular, the entire principal amount of the Second Tranche of 2016 Onshore Bonds is outstanding.

Covenants

Under the terms of these Onshore Bonds, we have agreed, among others, to undertake certain measures if we are or expect to be unable to repay the principal of the bonds or any interests, including:

- no distribution of profits to shareholders;
- suspension of major external investments, mergers and acquisitions and other capital expenditure projects;
- reduction or suspension of wages and bonuses of directors and senior management; and
- prohibition of resignation or transfer of primary responsible person.

Events of Default

The Onshore Bonds contain certain events of default, including but not limited to, i) breach of the bond issue offering circular, fiduciary management agreement, information disclosure obligations and laws and regulations and ii) failure to repay the payable interest and principal on due date. Upon the

occurrence of an event of default, bond holders are entitled to declare the interest and principal immediately due and payable in writing through the meeting of bond holders upon the satisfaction of certain conditions specified in the bond issue offering circular.

LOAN GUARANTEES

We have provided guarantees to our joint ventures and associates for their onshore and/or offshore bank loans. As of June 30, 2017, our aggregate amount of such guarantees provided in respect of the bank loans made by the joint ventures and associates amounted to RMB2,509.1 million (US\$370.1 million).

TERMS AND CONDITIONS OF THE BONDS

The following, subject to amendment and save for the paragraphs in italics, are the Terms and Conditions of the Bonds, substantially as they will appear on the reverse of each of the definitive certificates evidencing the Bonds.

The issue of the HK\$2,790,000,000 in aggregate principal amount of zero coupon guaranteed convertible bonds due 2019 (the “**Bonds**”, which term shall include, unless the context requires otherwise, any further bonds issued in accordance with Condition 15 and consolidated and forming a single series therewith) of CIFI Holdings (Group) Co. Ltd. (the “**Company**”) and the right of conversion into Shares (as defined in Condition 6(A)(v)) was authorised by a resolution of the board of directors of the Company passed on January 25, 2018. The Bonds are jointly and severally guaranteed by the initial Subsidiary Guarantors (as defined below). The giving of the Guarantee of the Bonds (as defined below) was authorised by a resolution of the board of directors and a resolution of the shareholders of each of the Subsidiary Guarantors on January 25, 2018. The Bonds are constituted by a trust deed (as amended or supplemented from time to time, the “**Trust Deed**”) dated on February 14, 2018 (the “**Issue Date**”) made between the Company, the initial Subsidiary Guarantors and Citicorp International Limited as trustee for the holders (as defined below) of the Bonds (the “**Trustee**”, which expression shall include all persons for the time acting as trustee or trustees under the Trust Deed). These terms and conditions (the “**Conditions**”) include summaries of which and are subject to the detailed provisions of the Trust Deed. The Bondholders (as defined below) are entitled to the benefit of, and are bound by, and are deemed to have notice of, all of the provisions of the Trust Deed, and are deemed to have notice of those provisions applicable to them of the paying, conversion and transfer agency agreement dated on the Issue Date (the “**Agency Agreement**”) relating to the Bonds made between the Company, the initial Subsidiary Guarantors, the Trustee, Citigroup, N.A., London Branch as principal paying and conversion agent (the “**Principal Agent**”) and transfer agent and Citigroup Global Markets Deutschland AG as registrar (the “**Registrar**”) and transfer agent and the other paying, conversion and transfer agents appointed under it (each a “**Paying Agent**”, “**Conversion Agent**”, “**Transfer Agent**” and together with the Registrar and the Principal Agent, the “**Agents**”) relating to the Bonds. References to the “**Principal Agent**”, “**Registrar**” and “**Agents**” below are references to the principal agent, registrar and agents for the time being for the Bonds.

Copies of the Trust Deed and the Agency Agreement are available for inspection by Bondholders during usual business hours, upon prior written request and proof of holding, at the principal office for the time being of the Trustee (presently at 39/F, Champion Tower, 3 Garden Road, Central, Hong Kong) and at the specified offices for the time being of each of the Agents. The Bondholders are entitled to the benefit of and are bound by all provisions of the Trust Deed, and are deemed to have notice of all the provisions of the Agency Agreement applicable to them.

1. STATUS AND GUARANTEE

(A) Status

The Bonds constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Company and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Company under the Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law and subject to Condition 4, at all times rank at least equally with all of the Company’s other present and future unsecured and unsubordinated obligations, including the Existing Guaranteed Indebtedness (as defined below).

(B) Subsidiary Guarantors

- (i) *Guarantee of the Bonds:* Each initial Subsidiary Guarantor has unconditionally and irrevocably guaranteed, on a joint and several basis, the due payment of all sums expressed to be payable by the Company under the Bonds, the Trust Deed and the Agency Agreement. Each Subsidiary Guarantor's obligations in that respect (the "**Guarantee of the Bonds**") are contained in the Trust Deed. The obligations of the Company under the Bonds, the Trust Deed and the Agency Agreement shall be guaranteed by the Subsidiary Guarantors on a *pari passu* basis with the obligations of the Company under the Existing Guaranteed Indebtedness.
- (ii) *Status of the Guarantee of the Bonds:* The Guarantee of the Bonds constitutes direct, unconditional, unsubordinated and unsecured obligations of each Subsidiary Guarantor and shall, save for such exceptions as may be provided by mandatory provisions of applicable law and subject to Condition 4, at all times rank at least equally with all of each Subsidiary Guarantor's other present and future unsecured and unsubordinated obligations.
- (iii) *Initial Subsidiary Guarantors:* The initial Subsidiary Guarantors are listed in Annex A.
- (iv) *Future Subsidiary Guarantors:* The Company will cause (a) each of its future Subsidiaries or any other entity which guarantees the payment of amounts payable under the Existing Guaranteed Indebtedness and (b) any Restricted Subsidiary which from time to time guarantees the payment of amounts payable under any Relevant Indebtedness with terms and conditions substantially similar to the Existing Guaranteed Indebtedness ("**Future Guaranteed Indebtedness**") of the Company or a Subsidiary Guarantor to execute and deliver to the Trustee a supplemental trust deed to the Trust Deed (a "**Supplemental Trust Deed**") pursuant to which each such Subsidiary will guarantee the payment of any amount payable under the Bonds or the Trust Deed on a *pari passu* basis with the obligations of the Company under the Existing Guaranteed Indebtedness or, as the case may be, the Future Guaranteed Indebtedness. Each Subsidiary of the Company that guarantees the Bonds after the Issue Date, upon execution of the applicable Supplemental Trust Deed, will be a "Subsidiary Guarantor".
- (v) *Release of Subsidiary Guarantors:* A Subsidiary Guarantor shall be simultaneously released from its obligations under the Guarantee of the Bonds upon and only to the extent of the release of the Subsidiary Guarantor from both (a) its guarantee obligation under the Existing Guaranteed Indebtedness (to the extent outstanding) and (b) its guarantee obligation under any Future Guaranteed Indebtedness (to the extent outstanding). The Trust Deed provides that no release of a Subsidiary Guarantor from the Guarantee of the Bonds shall be effective against the Trustee or the Bondholders until the Company has delivered to the Trustee an officer's certificate stating that all requirements relating to such release and discharge have been complied with and that such release and discharge is authorized and permitted under the Trust Deed. The Trustee shall be entitled to rely on and shall be protected and shall incur no liability to any Bondholder for or in respect of any action taken, omitted or suffered in reliance upon such officer's certificate.
- (vi) *Interpretation:* In these Conditions, "**Subsidiary Guarantor**" means any initial Subsidiary Guarantor named herein and any other Subsidiary which guarantees the payment of the Bonds pursuant to the Trust Deed; *provided that* Subsidiary Guarantor will not include any person whose Guarantee of the Bonds has been released in accordance with the Trust Deed.

(vii) *Documents available*: A copy of each of (1) the indenture dated June 5, 2015 among the Company, the subsidiary guarantors named therein and Citicorp International Limited, as trustee, (2) the indenture dated January 23, 2017 among the Company, the subsidiary guarantors named therein and Citicorp International Limited, as trustee, (3) the indenture dated January 23, 2018 among the Company, the subsidiary guarantors named therein and Citicorp International Limited, as trustee and (4) any indenture or other agreement or documentation constituting or evidencing any other Future Guaranteed Indebtedness will be available free of charge from the Trustee upon the written request of any Bondholder (subject to compliance with the confidentiality provisions thereof). “**Existing Guaranteed Indebtedness**” means any amounts payable under (1) to (3) above and any securities issued pursuant thereto.

2. FORM, DENOMINATION AND TITLE

(A) Form and Denomination

The Bonds are in registered form in the denomination of HK\$2,000,000 each and integral multiples of HK\$1,000,000 in excess thereof (the “**Authorised Denomination**”). A bond certificate (each a “**Certificate**”) will be issued to each Bondholder in respect of its registered holding of Bonds. Each Certificate will be numbered serially with an identifying number which will be recorded on the relevant Certificate and in the register of Bondholders (the “**Register**”) which the Company will procure to be kept by the Registrar.

Upon issue, the Bonds will be represented by the Global Bond Certificate deposited with a common depositary for, and representing Bonds registered in the name of a nominee of, Euroclear and Clearstream. The Conditions are modified by certain provisions contained in the Global Bond Certificate. See “The Global Bond Certificate”.

(B) Title

Title to the Bonds passes only by transfer and registration in the Register as described in Condition 3. The holder of any Bond will (except as otherwise required by law or ordered by a court of competent jurisdiction) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the holder. In these Conditions “**Bondholder**” and (in relation to a Bond) “**holder**” means the person in whose name a Bond is registered (or in the case of a joint holding, the first named thereof).

3. TRANSFERS OF BONDS; ISSUE OF CERTIFICATES

(A) Register

The Company will cause the Register to be kept at the specified office of the Registrar outside Hong Kong and the United Kingdom in accordance with the terms of the Agency Agreement on which shall be entered the names and addresses of the holders of the Bonds and the particulars of the Bonds held by them and of all transfers of the Bonds. Each Bondholder shall be entitled to receive only one Certificate in respect of its entire holding of Bonds.

(B) Transfer

Subject to Conditions 3(E) and 3(F) and the terms of the Agency Agreement, a Bond may be transferred by delivery of the Certificate issued in respect of that Bond, with the form of transfer on the back of such Certificate duly completed and signed by the holder or his attorney duly authorised in writing, to the specified office of either the Registrar or any of the Transfer Agents, together with such evidence as the Registrar or (as the case may be) such Transfer Agent may require to prove the title of the transferor and the authority of the individuals who have executed the form of the transfer; *provided, however, that* a Bond may not be transferred unless the principal amount of the Bond transferred and (where not all of the Bonds held by the holder are being transferred) the principal amount of the balance of the Bonds not so transferred, is an Authorised Denomination. Where not all Bonds represented by the surrendered Certificate are the subject of the transfer, a new Certificate in respect of the balance of the Bonds will be issued to the transferor. No transfer of a Bond will be valid unless and until entered on the Register.

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

(C) Delivery of New Certificates

Each new Certificate to be issued upon a transfer or (if applicable) conversion of Bonds will, within five business days (as defined below) of receipt by the Registrar or, as the case may be, any Transfer Agent of the original Certificate and the form of transfer duly completed and signed, be made available for collection at the specified office of the Registrar or such other relevant Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder entitled to the Bonds (but free of charge to the holder and at the Company's expense) to the address specified in the form of transfer. The Registrar will, within five business days of receipt by the Registrar or any Transfer Agent of the documents above, register the transfer in question.

Except in the limited circumstances described herein (see "The Global Bond Certificate"), owners of interests in the Bonds will not be entitled to receive physical delivery of Certificates. The Bonds are not issuable in bearer form.

Where only part of a principal amount of the Bonds (being that of one or more Bonds) in respect of which a Certificate is issued is to be transferred, converted or redeemed, a new Certificate in respect of the Bonds not so transferred, converted or redeemed will, within five business days of delivery of the original Certificate to the Registrar or other relevant Agent, be made available for collection at the specified office of the Registrar or such other relevant Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder of the Bonds not so transferred, converted or redeemed (but free of charge to the holder and at the Company's expense) to the address of such holder appearing on the Register.

For the purposes of this Condition 3, Condition 5 and Condition 6, "**business day**" shall mean a day other than a Saturday or Sunday on which banks are open for business in Hong Kong and in the city in which the specified office of the Registrar (if a Certificate is deposited with it in connection with a transfer or conversion) or the Agent with whom a Certificate is deposited in connection with a transfer or conversion, is located.

(D) Formalities Free of Charge

Registration of a transfer of Bonds and issuance of new Certificates will be effected without charge by or on behalf of the Company, the Registrar or any of the Transfer Agents, but (i) upon payment (or the giving of such indemnity as the Company or such Transfer Agent may require) in respect of any tax or other governmental charges which may be imposed in relation to such transfer and (ii) subject to Conditions 3(E) and 3(F).

(E) Closed Periods

No Bondholder may require the transfer of a Bond to be registered (i) during the period of seven days ending on (and including) the dates for payment of any principal pursuant to the Conditions; (ii) after a Conversion Notice (as defined in Condition 6(B)) has been delivered by such Bondholder with respect to a Bond; (iii) after a Relevant Event Redemption Notice (as defined in Condition 8(D)) has been deposited by such Bondholder in respect of such Bond pursuant to Condition 8(D); and (iv) during the period of seven days ending on (and including) any date of redemption pursuant to Conditions 8(B) and 8(C). Each such period is a “**Closed Period**”.

(F) Regulations

All transfers of Bonds and entries on the Register will be made subject to the detailed regulations concerning transfer of Bonds scheduled to the Agency Agreement. The regulations may be changed by the Company, with the prior written approval of the Trustee and the Registrar. A copy of the current regulations will be made available for inspection by the Registrar to any Bondholder upon prior written request and proof of holding.

4. COVENANTS — NEGATIVE PLEDGE

So long as any Bond remains outstanding (as defined in the Trust Deed), the Company shall not, and the Company shall procure that none of its Subsidiaries will, create or permit to subsist any Security Interest upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure any Relevant Indebtedness or guarantee of Relevant Indebtedness without (a) at the same time or prior thereto securing the Bonds equally and rateably therewith to the satisfaction of the Trustee or (b) providing such other security for the Bonds as may be approved by an Extraordinary Resolution (as defined in the Trust Deed) of Bondholders.

In these Conditions:

“**guarantee**” means, in relation to any Indebtedness of any Person, any obligation of another Person to pay such Indebtedness including (without limitation):

- (a) any obligation to purchase such Indebtedness;
- (b) any obligation to lend money, to purchase or subscribe shares or other securities or to purchase assets or services in order to provide funds for the payment of such Indebtedness;
- (c) any indemnity against the consequences of a default in the payment of such Indebtedness; and
- (d) any other agreement to be responsible for such Indebtedness;

“**Indebtedness**” means any indebtedness of any Person for money borrowed or raised including (without limitation) any indebtedness for or in respect of:

- (a) amounts raised by acceptance under any acceptance credit facility;
- (b) amounts raised under any note purchase facility;
- (c) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with applicable law and generally accepted accounting principles, be treated as finance or capital leases;
- (d) the amount of any liability in respect of any purchase price for assets or services the payment of which is deferred for a period in excess of 60 days; and
- (e) amounts raised under any other transaction (including, without limitation, any forward sale or purchase agreement) having the commercial effect of a borrowing;

“**Relevant Indebtedness**” means any Indebtedness incurred outside of the People’s Republic of China which is in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is, or is capable of being, listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market), and for the avoidance of doubt, the definition of “**Relevant Indebtedness**” shall not include any loans raised by the Company or any of its Subsidiaries under a bilateral or syndicated loan agreement;

“**Restricted Subsidiary**” means, at any time, a Subsidiary of the Company which is from time to time designated as a “Restricted Subsidiary” under either (i) any Existing Guaranteed Indebtedness or (ii) Future Guaranteed Indebtedness. A certificate signed by an authorised signatory of the Company stating that, in its opinion, a Subsidiary is or is not, or was or was not, a Restricted Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties;

“**Security Interest**” means any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction; and

“**Subsidiary**” means, in relation to any Person (the “**first Person**”) at any particular time, any other Person (the “**second Person**”):

- (a) whose affairs and policies the first Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise; or
- (b) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person.

In this Condition 4, “**Person**” means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality.

5. INTEREST

The Bonds do not bear interest.

However, if the Company fails to pay any sum in respect of the Bonds when the same becomes due and payable under these Conditions, interest shall accrue on the overdue sum at the rate of three per cent. per annum (both before and after judgment) from the due date until the earlier of (a) the day on which all sums due in respect of such Bond up to that date are received by or on behalf of the relevant Bondholder and (b) three business days after the Trustee or the Principal Paying Agent has notified Bondholders of receipt of all sums due in respect of all the Bonds up to that third business day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions). Such default interest shall accrue on the basis of a 360-day year of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

6. CONVERSION

(A) Conversion Right

- (i) *Conversion Period:* Subject as hereinafter provided, the Bondholders have the right to convert their Bonds into Shares (as defined in Condition 6(A)(v)) at any time during the Conversion Period referred to below.

The right of a Bondholder to convert any Bond into Shares is called the “**Conversion Right**”.

Subject to and upon compliance with, the provisions of this Condition, the Conversion Right attaching to any Bond may be exercised, at the option of the holder thereof, at any time on or after March 27, 2018 up to the close of business (at the place where the Certificate evidencing such Bond is deposited for conversion) on the tenth day prior to the Maturity Date (as defined in Condition 8(A)) (both days inclusive), except as provided in Condition 6(A)(iv), in no event thereafter) or, if such Bond shall have been called for redemption by the Company before the Maturity Date, then up to the close of business (at the place aforesaid) on a date no later than 15 days (both days inclusive and in the place aforesaid) prior to the date fixed for redemption thereof or if notice requiring redemption has been given by the holder of such Bond pursuant to Condition 8(D) then up to the close of business (at the place aforesaid) on the day prior to the giving of such notice (the “**Conversion Period**”).

Notwithstanding the foregoing, if the Conversion Date in respect of a Bond would otherwise fall during a period in which the register of shareholders of the Company is closed generally or for the purpose of establishing entitlement to any distribution or other rights attaching to the Shares (a “**Book Closure Period**”), such Conversion Date shall be postponed to the first Stock Exchange Business Day (as defined in Condition 6(B)(i)) following the expiry of such Book Closure Period.

If the Conversion Date in respect of the exercise of any Conversion Right is postponed as a result of the foregoing provision to a date that falls after the expiry of the Conversion Period or after the relevant redemption date, such Conversion Date shall be deemed to be the final day of such Conversion Period or the relevant redemption date, as the case may be.

The number of Shares issuable upon conversion of any Bond shall be determined by dividing the principal amount of the Bond converted by the Conversion Price in effect on the Conversion Date (both as hereinafter defined). A Conversion Right may only be exercised in respect of one or more Bonds. If more than one Bond held by the same holder is converted at any time by the same holder, the number of Shares to be issued upon such conversion will be calculated on the basis of the aggregate principal amount of the Bonds to be converted by such holder.

- (ii) *Fractions of Shares:* Fractions of Shares will not be issued on conversion and no cash adjustments will be made in respect thereof. However, if a Conversion Right in respect of more than one Bond is exercised at any one time such that Shares to be issued on conversion are to be registered in the same name, the number of such Shares to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount of such Bonds being so converted and rounded down to the nearest whole number of Shares. Notwithstanding the foregoing, in the event of a consolidation or re-classification of Shares by operation of law or otherwise occurring after January 25, 2018 which reduces the number of Shares outstanding, the Company will upon conversion of Bonds pay in cash (in Hong Kong dollars by means of a Hong Kong dollar cheque drawn on a bank in Hong Kong) a sum equal to 101.5 per cent of such portion of the principal amount of the Bond or Bonds evidenced by the Certificate deposited in connection with the exercise of Conversion Rights, aggregated as provided in Condition 6(A)(i), as corresponds to any fraction of a Share not issued as a result of such consolidation or re-classification aforesaid if such sum exceeds HK\$100.00. Any such sum shall be paid not later than five Stock Exchange Business Days (as defined in Condition 6(B)(i)) after the relevant Conversion Date.
- (iii) *Conversion Price and Conversion Ratio:* The price at which Shares will be issued upon conversion (the “**Conversion Price**”) will initially be HK\$9.30 per Share, but will be subject to adjustment in the manner provided in Condition 6(C). For the purposes of these Conditions, “**Conversion Ratio**” means the principal amount of each Bond divided by the applicable Conversion Price.
- (iv) *Revival and/or Survival after Default:* Notwithstanding the provisions of Condition 6(A)(i), if (a) the Company shall default in making payment in full in respect of any Bond which shall have been called or put for redemption on the date fixed for redemption thereof, (b) any Bond has become due and payable prior to the Maturity Date by reason of the occurrence of any of the events under Condition 10, or (c) any Bond is not redeemed on the Maturity Date in accordance with Condition 8(A) or the applicable date for redemption in accordance with Condition 8(D), the Conversion Rights attaching to such Bond will revive and/or will continue to be exercisable up to, and including, the close of business (at the place where the Certificate evidencing such Bond is deposited for conversion) on the date upon which the full amount of the moneys payable in respect of such Bond has been duly received by the Principal Agent or the Trustee and notice of such receipt has been duly given to the Bondholders and, notwithstanding the provisions of Condition 6(A)(i), any Bond in respect of which the Certificate and Conversion Notice are deposited for conversion prior to such date shall be converted on the relevant Conversion Date (as defined below) notwithstanding that the full amount of the moneys payable in respect of such Bond shall have been received by the Principal Agent or the Trustee before such Conversion Date or that the Conversion Period may have expired before such Conversion Date.

- (v) *Meaning of "Shares"*: As used in these Conditions, the expression "**Shares**" means ordinary shares of par value HK\$0.1 each of the Company or shares of any class or classes resulting from any subdivision, consolidation or re-classification of those shares, which as between themselves have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or dissolution of the Company.

(B) Conversion Procedure

- (i) *Conversion Notice*: Upon the exercise of any Conversion Right attaching to any Bond, the holder thereof must complete, execute and deposit at his own expense during the usual office hours (being 9:00 a.m. to 3:00 p.m., Monday to Friday on which commercial banks are open for business) in the city at the specified office of any Conversion Agent a notice of conversion (a "**Conversion Notice**") in the form (for the time being current) obtainable from the specified office of each Agent, together with the relevant Certificate and confirmation that any amounts required to be paid by the Bondholder under Condition 6(B)(ii) have been so paid or, if notice requiring redemption has been given by the holder of such Bond pursuant to Condition 8(D), then up to the close of business (at the place aforesaid) on the day prior to the giving of such notice. Conversion Rights shall be exercised subject in each case to any applicable fiscal or other laws or regulations applicable in the jurisdiction in which the specified office of the Conversion Agent to whom the relevant Conversion Notice is delivered is located.

The conversion date in respect of a Bond (the "**Conversion Date**") must fall at a time when a Conversion Right attaching to that Bond is expressed in these Conditions to be exercisable (subject to the provisions of Condition 6(A)(iv)) and will be deemed to be the Stock Exchange Business Day (as defined below) immediately following the date of the surrender of the Certificate in respect of such Bond and delivery of such Conversion Notice to the relevant Conversion Agent and, if applicable, any payment to be made or indemnity given under these Conditions in connection with the exercise of such Conversion Right. A Conversion Notice deposited outside the hours specified above or on a day which is not a business day at the place of the specified office of the relevant Conversion Agent shall for all purposes be deemed to have been deposited with that Conversion Agent during the hours specified above on the next business day following such day. Any Bondholder who deposits a Conversion Notice during a Closed Period will not be permitted to convert the Bonds into Shares (as specified in the Conversion Notice) until the next business day after the end of the Closed Period, which (if all other conditions to the exchange have been fulfilled) will be the Conversion Date for such Bonds *provided that* such date did not fall outside the Conversion Period. A Conversion Notice once delivered shall be irrevocable and may not be withdrawn unless the Company consents in writing to such withdrawal or the Company fails to deliver Shares in accordance with these Conditions. "**Stock Exchange Business Day**" means any day (other than a Saturday or Sunday) on which The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") or the Alternative Stock Exchange (as defined in Condition 6(C) below), as the case may be, is open for the business of dealing in securities.

- (ii) *Stamp Duty etc.:* A Bondholder delivering a Certificate in respect of a Bond for conversion must pay directly to the relevant authorities (1) any taxes and capital, stamp, issue, documentary and registration duties arising on conversion (other than any taxes or capital or stamp duties payable in the Cayman Islands and Hong Kong and, if relevant, in the place of the Alternative Stock Exchange, by the Company in respect of the allotment and issue of Shares and listing of the Shares on the Hong Kong Stock Exchange or the Alternative Stock Exchange on conversion) and (2) all, if any, taxes arising by reference to any disposal or deemed disposal of a Bond in connection with such conversion (together, the “**Taxes**”). The Company will pay all other expenses arising on the issue of Shares on conversion of Bonds. The Bondholder (and, if different, the person to whom the Shares are to be issued) must declare in the relevant Conversion Notice that any Taxes payable to the relevant tax authorities pursuant to this Condition 6(B)(ii) have been paid. Neither the Trustee nor any Agent is under any obligation to determine whether a Bondholder is liable to pay or has paid any taxes including capital, stamp, issue, registration or similar taxes and duties or the amounts payable (if any) in connection with this Condition 6(B)(ii).
- (iii) *Registration:* As soon as practicable, and in any event not later than five Stock Exchange Business Days after the Conversion Date, the Company will, in the case of Bonds converted on exercise of the Conversion Right and in respect of which a duly completed Conversion Notice has been delivered and the relevant Certificate and amounts payable by the relevant Bondholder as required by sub-paragraphs (i) and (ii) have been paid, (1) register the person or persons designated for the purpose in the Conversion Notice as holder(s) of the relevant number of Shares in the Company’s share register and (2) (x) if the Bondholder has also requested in the Conversion Notice and to the extent permitted under applicable law and the rules and procedures of the Central Clearing and Settlement System of Hong Kong (the “**CCASS**”) effective from time to time, take all necessary action to procure that Shares are delivered through the CCASS for so long as the Shares are listed on the Hong Kong Stock Exchange; or (y) make such certificate or certificates available for collection at the office of the Company’s share registrar in Hong Kong (currently Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong) notified to Bondholders in accordance with Condition 16 or, if so requested in the relevant Conversion Notice, will cause its share registrar to mail (at the risk, and, if sent at the request of such person otherwise than by ordinary mail, at the expense, of the person to whom such certificate or certificates are sent) such certificate or certificates to the person and at the place specified in the Conversion Notice, together (in either case) with any other securities, property or cash required to be delivered upon conversion and such assignments and other documents (if any) as may be required by law to effect the transfer thereof, in which case a single share certificate will be issued in respect of all Shares issued on conversion of Bonds subject to the same Conversion Notice and which are to be registered in the same name.

If the Conversion Date in relation to any Bond shall be on or after the record date for any issue, distribution, grant, offer or other event that gives rise to the adjustment of the Conversion Price pursuant to Condition 6(C) but before the relevant adjustment becomes effective under the relevant Condition, upon the relevant adjustment becoming effective, the Company shall procure the issue to the converting Bondholder (or in accordance with the instructions contained in the Conversion Notice (subject to applicable exchange control or other laws or other regulations)), such additional number of Shares as is, together with Shares to be issued on conversion of the Bonds, equal to the number of Shares which would have been required to be issued on conversion of such Bond if the relevant adjustment to the Conversion Price had been made and become effective on or immediately after the relevant record date.

The person or persons specified for that purpose in the Conversion Notice will become the holder of record of the number of Shares issuable upon conversion with effect from the date he is or they are registered as such in the Company's register of members (the "**Registration Date**"). The Shares issued upon conversion of the Bonds will be fully-paid and in all respects rank *pari passu* with the Shares in issue on the relevant Registration Date. Save as set out in these Conditions, a holder of Shares issued on conversion of the Bonds shall not be entitled to any rights the record date for which precedes the relevant Registration Date.

If the record date for the payment of any dividend or other distribution in respect of the Shares is on or after the Conversion Date in respect of any Bond, but before the Registration Date (disregarding any retroactive adjustment of the Conversion Price referred to in this sub-paragraph (iii) prior to the time such retroactive adjustment shall have become effective), the Company will calculate and pay to the converting Bondholder or his designee an amount in Hong Kong dollars (the "**Equivalent Amount**") equal to the Fair Market Value (as defined below) of such dividend or other distribution to which he would have been entitled had he on that record date been such a shareholder of record and will make the payment at the same time as it makes payment of the dividend or other distribution, or as soon as practicable thereafter, but, in any event, not later than seven days thereafter. The Equivalent Amount shall be paid by means of a Hong Kong dollar cheque drawn on a bank in Hong Kong and sent to the address specified in the relevant Conversion Notice.

- (iv) *Cash Settlement*: Notwithstanding the Conversion Right of each Bondholder in respect of each Bond, at any time where the delivery of Shares deliverable upon conversion of the Bonds is required to satisfy the Conversion Right in respect of a Conversion Notice (including any Additional Shares required to be delivered as described in Condition 6(B)(iii) above), the Company shall have the option, in its sole discretion, to pay to the relevant Bondholder an amount of cash in Hong Kong dollars equal to the Cash Settlement Amount (as defined below) in order to satisfy such Conversion Right in full or in part (and, if in part, in which case the other part shall be satisfied by the delivery of Shares) (the "**Cash Settlement Option**"). In order to exercise the Cash Settlement Option, the Company shall provide notice of the exercise of the Cash Settlement Option (the "**Cash Settlement Notice**") to the relevant Bondholder, the Trustee and the Conversion Agent as soon as practicable but no later than the fifth HKSE Business Day following the date of delivery of the Conversion Notice (the date of such notice being the "**Cash Settlement Notice Date**"). The Cash Settlement Notice must specify the number of Shares in respect of which the Company will make a cash payment in the manner described in this Condition. The Company shall pay the Cash Settlement Amount in Hong Kong dollars no later than two Trading Days after completion of the

20 consecutive Trading Day period used to determine the Cash Settlement Amount. The Cash Settlement Amount shall be paid by a Hong Kong dollar cheque drawn on, or by transfer to a Hong Kong dollar account maintained by the payee in accordance with instructions given by the relevant Bondholder in the Conversion Notice. If the Company exercises its Cash Settlement Option in respect of Bonds held by more than one Bondholder which are to be converted on the same Conversion Date, the Company shall make the same proportion of cash and Shares available to such converting Bondholders.

“**Cash Settlement Amount**” means the product of (i) the number of Shares otherwise deliverable upon exercise of the Conversion Right in respect of the Bond(s) to which the Conversion Notice applies, and in respect of which the Company has elected the Cash Settlement Option and (ii) the arithmetic average of the Volume Weighted Average Price (as defined below) of the Shares for each day during the 20 consecutive Trading Days immediately after the Cash Settlement Notice Date. The Company shall provide notice of the calculation of the Cash Settlement Amount to the Bondholders, the Trustee and the Conversion Agent no later than 21 consecutive Trading Days following the Cash Settlement Notice Date.

“**Volume Weighted Average Price**” means, in relation to the Shares for any Trading Day, the order book volume-weighted average price of the Shares for such Trading Day appearing on or derived from Bloomberg (under the function “VAP”) (Ticker: 884.HK) or, if such function is not available, from such other source as shall be determined to be appropriate by an Independent Investment Bank, *provided that* for any Trading Day where such price is not available or cannot otherwise be determined as provided above, the Volume Weighted Average Price of a Share in respect of such Trading Day shall be the Volume Weighted Average Price, determined as provided above, on the immediately preceding Trading Day on which the same can be so determined.

(C) Adjustments to Conversion Price

Upon the occurrence of any of the following events described below, the Conversion Price will be adjusted as follows:

- (i) *Consolidation, Subdivision or Reclassification*: If and whenever there shall be an alteration to the nominal value of the Shares as a result of consolidation, subdivision or reclassification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such alteration by the following fraction:

$$\frac{A}{B}$$

where:

A is the nominal amount of one Share immediately after such alteration; and

B is the nominal amount of one Share immediately before such alteration.

Such adjustment shall become effective on the date the alteration takes effect.

(ii) *Capitalisation of Profits or Reserves:*

- (A) If and whenever the Company shall issue any Shares credited as fully paid to the holders of the Shares (the “**Shareholders**”) by way of capitalisation of profits or reserves including Shares paid up out of distributable profits or reserves and/or share premium account issued, save where Shares are issued in lieu of the whole or any part of a specifically declared cash dividend (the “**Relevant Cash Dividend**”), being a dividend which the Shareholders concerned would or could otherwise have received (a “**Scrip Dividend**”) and which would not have constituted a Distribution (as defined in this Condition 6(C)), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$\frac{A}{B}$$

where:

- A is the aggregate nominal amount of the issued Shares immediately before such issue; and
- B is the aggregate nominal amount of the issued Shares immediately after such issue.

Such adjustment shall become effective on the date of issue of such Shares or if the number of such Shares is fixed on announcement and a record date is fixed therefor, immediately after such record date.

- (B) In the case of an issue of Shares by way of a Scrip Dividend where the Current Market Price of such Shares on the last Trading Day preceding the date of announcement of the terms of such issue exceeds 105 per cent. of the Relevant Cash Dividend or the relevant part thereof and which would not have constituted a Distribution, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the issue of such Shares by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the aggregate nominal amount of the issued Shares immediately before such issue;
- B is the aggregate nominal amount of Shares issued by way of such Scrip Dividend multiplied by a fraction of which (i) the numerator is the amount of the whole, or the relevant part, of the Relevant Cash Dividend and (ii) the denominator is the Current Market Price of the Shares issued by way of Scrip Dividend in respect of each existing Share in lieu of the whole, or the relevant part, of the Relevant Cash Dividend; and
- C is the aggregate nominal amount of Shares issued by way of such Scrip Dividend;

Such adjustment shall become effective on the date of issue of such Shares or if a record date is fixed therefor, immediately after such record date.

(iii) *Distributions:*

- (A) Subject to Condition 6(C)(iii)(B), if and whenever the Company shall pay or make any Distribution to the Shareholders other than in cash only (except to the extent that the Conversion Price falls to be adjusted under Condition 6(C)(ii) above), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such Distribution by the following fraction:

$$\frac{A - B}{A}$$

where:

- A is the Current Market Price of one Share on the last Trading Day preceding the date on which the Distribution is publicly announced; and
- B is the Fair Market Value on the date of such announcement of the portion of the Distribution attributable to one Share.

Such adjustment shall become effective on the date that such Distribution is actually made or, if later, the first date upon which the Fair Market Value of the Distribution is capable of being determined as provided in these Conditions.

- (B) If and whenever the Company shall pay or make any Distribution in cash only to the Shareholders, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such Distribution by the following fraction:

$$\frac{A - B}{A}$$

where:

- A is the Current Market Price of one Share on the date on which the Distribution is publicly announced; and
- B is the amount of cash so distributed attributable to one Share.

Such adjustment shall become effective on the date on which such Distribution in cash is actually made or if a record date is fixed therefore, immediately after such record date.

For the avoidance of doubt, when the Distribution is by means of distribution of cash dividend as referred to in the definition of “Distribution”, only such portion of cash dividend or distribution which exceeds the threshold as referred to therein shall be regarded as a Distribution (the “**Excess Portion**”) and only the Excess Portion should be taken into account in determining the amount of cash or Fair Market Value (as the case may be) attributable to one Share under this Condition 6(C)(iii).

- (iv) *Rights Issues of Shares or Options over Shares:* If and whenever the Company shall issue Shares to all or substantially all Shareholders as a class by way of rights issue, or issue or grant to all or substantially all Shareholders as a class, by way of rights issue, of options, warrants or other rights to subscribe for or purchase any Shares, in each case at less than 95 per cent. of the Current Market Price per Share on the last Trading Day preceding the date of the announcement of the terms of the issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue or grant by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Shares in issue immediately before such announcement;
- B is the number of Shares which the aggregate amount (if any) payable for the Shares issued by way of rights issue or for the options or warrants or other rights issued or granted by way of rights issue and for the total number of Shares comprised therein would subscribe, purchase or otherwise acquire at such Current Market Price per Share; and
- C is the aggregate number of Shares issued or, as the case may be, comprised in the issue or grant.

Such adjustment shall become effective on the date of issue of such Shares or issue or grant of such options, warrants or other rights (as the case may be) or where a record date is set, the first date on which the Shares are traded ex-rights, ex-options or ex-warrants as the case may be.

- (v) *Rights Issues of Other Securities:* If and whenever the Company shall issue any securities (other than Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire any Shares) to all or substantially all Shareholders as a class, by way of rights issue, or the grant to all or substantially all Shareholders as a class by way of rights issue, options, warrants or other rights to subscribe for, purchase or otherwise acquire any securities (other than Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue or grant by the following fraction:

$$\frac{A - B}{A}$$

where:

- A is the Current Market Price of one Share on the last Trading Day preceding the date on which such issue or grant is publicly announced; and
- B is the Fair Market Value on the date of such announcement of the portion of the rights attributable to one Share.

Such adjustment shall become effective on the date of issue of the securities or the issue or grant of such rights, options or warrants (as the case may be) or where a record date is set, the first date on which the Shares are traded ex-rights, ex-options or ex-warrants as the case may be.

- (vi) *Issues at less than Current Market Price:* If and whenever the Company shall issue (otherwise than as mentioned in Condition 6(C)(iv) above) any Shares (other than Shares issued on the exercise of Conversion Rights or on the exercise of any other rights of conversion into, or exchange or subscription for, Shares) or issue or grant (otherwise than as mentioned in Condition 6(C)(iv) above) options, warrants or other rights to subscribe for, purchase or otherwise acquire any Shares, in each case at a price per Share which is less than 95 per cent. of the Current Market Price per Share on the date of announcement of the terms of such issue, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$\frac{A + B}{C}$$

where:

- A is the number of Shares in issue immediately before the issue of such additional Shares or the issue or grant of such options, warrants or other rights to subscribe for, purchase or otherwise acquire any Shares;
- B is the number of Shares which the aggregate consideration receivable for the issue of such additional Shares would purchase at such Current Market Price per Share; and
- C is the number of Shares in issue immediately after the issue of such additional Shares.

References to additional Shares in the above formula shall, in the case of an issue or grant by the Company of options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares, mean such Shares to be issued assuming that such options, warrants or other rights are exercised in full at the initial exercise price (if applicable) on the date of issue or grant of such options, warrants or other rights.

Such adjustment shall become effective on the date of issue of such additional Shares or, as the case may be, the issue or grant of such options, warrants or other rights.

- (vii) *Other Issues at less than Current Market Price:* Save in the case of an issue of securities arising from a conversion or exchange of other securities in accordance with the terms applicable to such securities themselves falling within this Condition 6(C)(vii) if and whenever the Company or any of its Subsidiaries (otherwise than as mentioned in Condition 6(C)(iv), 6(C)(v) or 6(C)(vi) or (at the direction or request of or pursuant to any arrangements with the Company or any of its Subsidiaries), any other company, person or entity shall issue wholly for cash any securities (other than the Bonds, excluding for this purpose any further bonds issued pursuant to Condition 15) which by their terms of issue carry rights of conversion into, or exchange or subscription for, Shares to be issued by the Company upon conversion, exchange or subscription at a consideration per Share which is less than 95 per cent. of the Current Market Price per Share on the date of announcement of the terms of issue of such securities.

In such an event, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Shares in issue immediately before such issue;
- B is the number of Shares which the aggregate consideration (if any) receivable by the Company for the Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to such securities would purchase at such Current Market Price per Share; and
- C is the maximum number of Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the initial conversion, exchange or subscription price or rate.

Such adjustment shall become effective on the date of issue of such securities.

(viii) *Modification of Rights of Conversion etc.:* If and whenever there shall be any modification of the rights of conversion, exchange or subscription attaching to any such securities as are mentioned in Condition 6(C)(vii) (other than in accordance with the terms of such securities) so that the consideration per Share (for the number of Shares available on conversion, exchange or subscription following the modification) is less than 95 per cent. of the Current Market Price per Share on the date of announcement of the proposals for such modification.

In such an event, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such modification by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Shares in issue immediately before such modification;
- B is the number of Shares which the aggregate consideration (if any) receivable by the Company for the Shares to be issued, or otherwise made available, on conversion or exchange or on exercise of the right of subscription attached to the securities, so modified, would purchase at such Current Market Price per Share or, if lower, the existing conversion, exchange or subscription price of such securities; and
- C is the maximum number of Shares to be issued, or otherwise made available, on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the modified conversion, exchange or subscription price or rate but giving credit in such manner as two Independent Investment Banks consider appropriate (if at all) for any previous adjustment under this Condition 6(C)(viii) or Condition 6(C)(vii).

Such adjustment shall become effective on the date of modification of the rights of conversion, exchange or subscription attaching to such securities.

- (ix) *Other Offers to Shareholders:* If and whenever the Company or any of its Subsidiaries issues, sells or distributes any securities in connection with which an offer pursuant to which the Shareholders generally are entitled to participate in arrangements whereby such securities may be acquired by them (except where the Conversion Price falls to be adjusted under Condition 6(C)(iv), Condition 6(C)(v), Condition 6(C)(vi) or Condition 6(C)(vii), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue, sale or distribution by the following fraction:

$$\frac{A - B}{A}$$

where:

A is the Current Market Price of one Share on the last Trading Day preceding the date on which such issue, sale or distribution is publicly announced; and

B is the Fair Market Value on the date of such announcement of the portion of the rights attributable to one Share.

Such adjustment shall become effective on the date of issue, sale or delivery of the securities.

- (x) *Adjustment upon Change of Control:* If a Change of Control (as defined herein) shall occur, the Company shall give notice of that fact to the Bondholders (the “**Change of Control Notice**”) in accordance with Condition 16 within 14 days after it becomes aware of such Change of Control. Following the giving of a Change of Control Notice, upon any exercise of Conversion Rights such that the relevant Conversion Date falls within 30 days following a Change of Control, or, if later, 30 days following the date on which the Change of Control Notice is given to Bondholders (such period, the “**Change of Control Conversion Period**”), the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = \frac{OCP}{1 + (CP \times c/t)}$$

where:

“**NCP**” means the new Conversion Price

“**OCP**” means the Conversion Price in effect on the relevant Conversion Date

“**CP**” means 30.0 per cent. expressed as a fraction

“**c**” means the number of days from and including the date the Change of Control occurs to but excluding the Maturity Date

“**t**” means the number of days from and including the Issue Date to but excluding the Maturity Date,

If the last day of a Change of Control Conversion Period shall fall during a Closed Period, the Change of Control Conversion Period shall be extended such that its last day will be the fifteenth day following the last day of the Closed Period.

- (xi) *Determination by the Company:* If the Company determines that an adjustment should be made to the Conversion Price as a result of one or more events or circumstances (whether or not referred to in paragraphs (i) to (ix) above) (even if the relevant event or circumstance is specifically excluded in these Conditions from the operation of paragraphs (i) to (ix) above), or that an adjustment should not be made (even if the relevant event or circumstance is specifically provided for in paragraphs (i) to (ix) above), or that the effective date for the relevant adjustment should be a date other than that mentioned in paragraphs (i) to (ix) above, the Company may, at its own expense, request an Independent Investment Bank, acting as expert, to determine as soon as practicable (1) what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereto and is appropriate to give the result which the Independent Investment Bank considers in good faith to reflect the intentions of the provisions of this Condition 6(C); and (2) the date on which such adjustment should take effect; and upon such determination such adjustment (if any) shall be made and shall take effect in accordance with such determination; *provided that* where the events or circumstances giving rise to any adjustment pursuant to this Condition 6(C) have already resulted or will result in an adjustment to the Conversion Price or where the circumstances giving rise to any adjustment arise by virtue of events or circumstances which have already given rise or will give rise to an adjustment to the Conversion Price, such modification (if any) shall be made to the operation of the provisions of this Condition 6(C) as may be advised by the Independent Investment Bank to be in its opinion appropriate to give the intended result, *provided that* an adjustment shall only be made pursuant to this Condition 6(C) if it would result in a reduction to the Conversion Price.

For the purposes of these Conditions:

“**Alternative Stock Exchange**” means at any time, in the case of the Shares, if they are not at that time listed and traded on the Hong Kong Stock Exchange, the principal stock exchange or securities market on which the Shares are then listed or quoted or dealt in;

“**Closing Price**” for the Shares for any Trading Day shall be the price published in the Daily Quotation Sheet;

“**Current Market Price**” means, in respect of a Share at a particular time on a particular date, the average of the Closing Price quoted by the Hong Kong Stock Exchange or, as the case may be, by the Alternative Stock Exchange for one Share (being a Share carrying full entitlement to dividend) for each of the 20 consecutive Trading Days ending on the Trading Day immediately preceding such date; *provided that* if at any time during the said 20 Trading Day period the Shares shall have been quoted ex-dividend and during some other part of that period the Shares shall have been quoted cum-dividend then:

- (i) if the Shares to be issued in such circumstances do not rank for the dividend in question, the quotations on the dates on which the Shares shall have been quoted cum-dividend shall for the purpose of this definition be deemed to be the Closing Price thereof reduced by an amount equal to the amount of that dividend per Share; or

- (ii) if the Shares to be issued in such circumstances rank for the dividend in question, the quotations on the dates on which the Shares shall have been quoted ex-dividend shall for the purpose of this definition be deemed to be the Closing Price thereof increased by such similar amount;

and *provided, further, that* if the Shares on each of the said 20 Trading Days have been quoted cum-dividend in respect of a dividend which has been declared or announced but the Shares to be issued do not rank for that dividend, the quotations on each of such dates shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of that dividend per Share;

“**Daily Quotation Sheet**” means the daily quotation sheet published by the Hong Kong Stock Exchange or, as the case may be, the equivalent quotation sheet of an Alternative Stock Exchange;

“**Distribution**” means any dividend or distribution, whether of cash or assets in specie or other property by the Company for any financial period, and whenever paid or made and however described or declared after the Issue Date, (and for these purposes a distribution of assets in specie includes without limitation an issue of shares or other securities credited as fully or partly paid (other than Shares credited as fully paid to the extent that an adjustment to the Conversion Price is made in respect thereof under Condition 6(C)(ii)(A)) by way of capitalisation of reserves and including any Scrip Dividend to the extent of the Relevant Cash Dividend) unless it comprises a purchase or redemption of Shares by or on behalf of the Company (or a purchase of Shares by or on behalf of a Subsidiary of the Company), where the weighted average price (before expenses) on any one day in respect of such purchase does not exceed 105 per cent. of the Current Market Price of the Shares as published in the Daily Quotation Sheet, as the case may be, either (1) on that date, or (2) where an announcement has been made of the intention to purchase Shares at some future date at a specified price, on the Trading Day immediately preceding the date of such announcement and, if in the case of either (1) or (2), the relevant day is not a Trading Day, the immediately preceding Trading Day;

“**Fair Market Value**” means, with respect to any asset, security, option, warrant or other right on any date, the fair market value of that asset, security, option, warrant or other right as determined by an Independent Investment Bank; *provided that* (i) the fair market value of a cash dividend paid or to be paid per Share shall be the amount of such cash dividend per Share determined as at the date of announcement of such dividend; and (ii) where options, warrants or other rights are publicly traded in a market of adequate liquidity (as determined by such Independent Investment Bank) the fair market value of such options, warrants or other rights shall equal the arithmetic mean of the daily closing prices of such options, warrants or other rights during the period of five Trading Days on the relevant market commencing on the first such Trading Day such options, warrants or other rights are publicly traded;

“**Independent Investment Bank**” means an independent investment bank of international repute, acting as an expert, selected and appointed by the Company and notified in writing to the Trustee; and

“**Trading Day**” means a day when the Hong Kong Stock Exchange or, as the case may be an Alternative Stock Exchange is open for dealing business, *provided that* if no Closing Price is reported for one or more consecutive dealing days such day or days will be disregarded in any relevant calculation and shall be deemed not to have been dealing days when ascertaining any period of dealing days.

On any adjustment, the relevant Conversion Price, if not an integral multiple of one Hong Kong cent, shall be rounded down to the nearest Hong Kong cent. No adjustment shall be made to the Conversion Price where such adjustment (rounded down if applicable) would be less than one per cent. of the Conversion Price then in effect. Any adjustment not required to be made, and any amount by which the Conversion Price has not been rounded down, shall be carried forward and taken into account in any subsequent adjustment. Notice of any adjustment shall be given to Bondholders in accordance with Condition 16 as soon as practicable after the determination thereof.

The Conversion Price may not be reduced so that, on conversion of Bonds, Shares would be required to be issued at a discount to their par value or Shares would be required to be issued in any other circumstances not permitted by applicable laws then in force in Hong Kong and the Cayman Islands.

Where more than one event which gives or may give rise to an adjustment to the Conversion Price occurs within such a short period of time that in the opinion of an Independent Investment Bank, the foregoing provisions would need to be operated subject to some modification in order to give the intended result, such modification shall be made to the operation of the foregoing provisions as may be advised by such Independent Investment Bank to be in its opinion appropriate in order to give such intended result.

Notwithstanding any provision in Condition 6(C), when Shares or other securities (including rights or options) are issued, offered or granted to employees (including directors) of the Company or any Subsidiary of the Company pursuant to any Employee Share Scheme (as defined in the Trust Deed) (and which Employee Share Scheme is in compliance with the Listing Rules of the Hong Kong Stock Exchange or, if applicable, the listing rules of an Alternative Stock Exchange), no adjustment will be made to the Conversion Price. No adjustment will be made to the Conversion Price involving an increase in the Conversion Price, except in the case of a consolidation or re-classification of the Shares as referred to in Condition 6(C)(i) above or where there has been a proven manifest error in the calculation of the Conversion Price.

Neither the Trustee nor the Agents shall be under any duty to monitor whether any event or circumstance has happened or exists which may require an adjustment to be made to the Conversion Price or to make any calculation (or verification thereof) in connection with the Conversion Price and will not be responsible to Bondholders for any loss arising from any failure by them to do so. All adjustments to the Conversion Price under Condition 6(C) shall be determined by the Company, and neither the Trustee nor the Agents shall be responsible for verifying such determinations.

(D) Undertakings

The Company has undertaken in the Trust Deed, *inter alia*, that so long as any Bond remains outstanding, save with the approval of an Extraordinary Resolution of the Bondholders or with the approval of the Trustee, where, in the opinion of the Trustee, it is not materially prejudicial to the interests of Bondholders to give such approval:

- (i) it will use its reasonable endeavours (a) to maintain a listing for all the issued Shares on the Hong Kong Stock Exchange, and (b) to obtain and maintain a listing for all the Shares issued on the exercise of the Conversion Rights attaching to the Bonds on the Hong Kong Stock Exchange, *provided that* if the Company is unable to obtain or maintain such listing or if the maintenance of such listing is unduly onerous, it will use its reasonable endeavours to obtain and maintain a listing for all the issued Shares on such Alternative Stock Exchange as the Company may from time to time select and notify to the Trustee and the Bondholders in accordance with Condition 16 of the listing or delisting of the Shares (as a class) by any of such stock exchanges;
- (ii) it will use its reasonable endeavours to maintain a listing and quotation for the Bonds on the Singapore Exchange Securities Trading Limited (the “SGX”) *provided that* if the Company is unable to obtain or maintain such listing having used its reasonable endeavours or if the maintenance of such listing and quotation is unduly burdensome or impractical, it will use its best endeavours to obtain and maintain admission to listing, trading and/or quotation for the Bonds on an Alternative Stock Exchange as the Company may from time to time decide and notify to the Trustee and the Bondholders in accordance with Condition 16 of the listing or delisting Bonds by any of such stock exchanges;
- (iii) it will pay the expenses of the issue of, and all expenses of obtaining listing for the Shares issued on the exercise of the Conversion Rights attaching to the Bonds and for the Bonds (other than Taxes payable by the relevant Bondholder, as defined in Condition 6(B)(ii)); and
- (iv) it will provide to the Trustee, upon request, a list of Restricted Subsidiaries and Principal Subsidiaries (as defined below).

In the Trust Deed, the Company has also undertaken with the Trustee that so long as any Bond remains outstanding:

- (aa) it will reserve, free from any other pre-emptive or other similar rights, out of its authorised but unissued ordinary share capital the full number of Shares liable to be issued on conversion of the Bonds from time to time remaining outstanding and shall ensure that all Shares delivered on conversion of the Bonds will be duly and validly issued as fully-paid;
- (bb) it will not make any reduction of its ordinary share capital or any uncalled liability in respect thereof or of any share premium account or capital redemption reserve fund except, in each case, where the redemption or reduction is permitted by applicable law and results in (or would, but for the provisions of these Conditions relating to rounding or the carry forward of adjustments, result in) an adjustment to the Conversion Price in accordance with Condition 6 or is otherwise taken into account for the purposes of determining whether such an adjustment should be made;

- (cc) it will comply with any law, rule, regulation, judgment, order, authorisation or decree of any government, governmental or regulatory body or court, domestic or foreign having jurisdiction over the Company or any Subsidiary or any of their respective assets and properties; and
- (dd) it will not make any offer, issue, grant or distribute or take any action which would result in an adjustment of the Conversion Price if, after giving effect thereto, the Conversion Price would be reduced to such an extent that the Shares to be issued on the conversion of any Bond would be issued below the par value of the Shares of the Company,

provided, always, that the Company shall not be prohibited from purchasing its Shares to the full extent permitted by law.

The Company has also given certain other undertakings in the Trust Deed for the protection of the Conversion Rights.

(E) Notice of Change in Conversion Price

The Company shall give notice to the Bondholders, the Trustee and the Principal Agent in accordance with Condition 16 of any change in the Conversion Price. Any such notice relating to a change in the Conversion Price shall set forth the event giving rise to the adjustment, the Conversion Price prior to such adjustment, the adjusted Conversion Price and the effective date of such adjustment.

7. PAYMENTS

(A) Payment

Payment of principal (or any redemption amount in relation to such principal) and default interest (if any) and any Cash Settlement Amount will be in Hong Kong dollars and will be made by transfer to the registered account of the Bondholder. Such payment will only be made after surrender of the relevant Certificate at the specified office of any of the Agents.

Notwithstanding the foregoing, so long as the Global Bond Certificate is held on behalf of Euroclear, Clearstream or any other clearing system, each payment in respect of the Global Bond Certificate will be made to the person shown as the holder in the Register at the close of business of the relevant clearing system on the Clearing System Business Day before the due date for such payments, where “Clearing System Business Day” means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.

(B) Registered Accounts

For the purposes of this Condition, a Bondholder’s registered account means the Hong Kong dollar account maintained by or on behalf of it with a bank in Hong Kong, details of which appear on the Register at the close of business on the second business day (as defined below) before the due date for payment, and a Bondholder’s registered address means its address appearing on the Register at that time.

(C) Fiscal Laws

All payments in respect of the Bonds are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 9 and (ii) any withholding or deduction required pursuant to an agreement described in

Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 9) any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Bondholders in respect of such payments.

(D) Payment Initiation

Where payment is to be made by transfer to a registered account, payment instructions (for value on the due date or, if that is not a business day (as defined below), for value on the first following day which is a business day) will be initiated on the due date for payment (or, if it is not a business day, the immediately following business day) or, in the case of a payment of principal (or any redemption amount in relation to such principal), if later, on the business day on which the relevant Certificate is surrendered at the specified office of an Agent.

(E) Delay In Payment

Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due if the due date is not a business day or, if the Bondholder is late in surrendering its Certificate (if required to do so).

(F) Business Day

In this Condition, “**business day**” means a day other than a Saturday or Sunday on which commercial banks are open for business in Hong Kong and the city in which the specified office of the Principal Agent is located, in the case of the surrender of a Certificate, in the place where the Certificate is surrendered. If an amount which is due on the Bonds is not paid in full, the Registrar will annotate the Register with a record of the amount (if any) in fact paid.

8. REDEMPTION, PURCHASE AND CANCELLATION

(A) Maturity

Unless previously redeemed, converted or purchased and cancelled as provided herein, the Company will redeem each Bond at 101.50 per cent. of its principal amount on February 12, 2019 (the “**Maturity Date**”). The Company may not redeem the Bonds at its option prior to that date except as provided in Condition 8(B) or 8(C) below (but without prejudice to Condition 10).

(B) Redemption for Taxation Reasons

- (i) The Bonds may be redeemed at the option of the Company in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days’ notice (a “**Tax Redemption Notice**”) to the Bondholders in accordance with Condition 16 (which notice shall be irrevocable) at the Early Redemption Amount if (1) the Company has or will become obliged to pay Additional Tax Amounts as provided or referred to in Condition 9 as a result of any change in, or amendment to, the laws or regulations or rulings (including a holding by a court of competent jurisdiction) of any Relevant Tax Jurisdiction (as defined in Condition 9), or any change in the general application or official interpretation of or the standing of an official position with respect to, such laws, regulations or rulings, which change or amendment becomes effective, or official position is announced, on or after January 25, 2018, and (2) such obligation cannot be avoided by the Company taking reasonable measures available to it, *provided that* no

Tax Redemption Notice shall be given earlier than 90 days prior to the earliest date on which the Company would be obliged to pay such Additional Tax Amounts were a payment in respect of the Bonds then due.

Prior to the publication of any Tax Redemption Notice pursuant to this paragraph, the Company shall deliver to the Trustee (x) a certificate signed by an authorised signatory of the Company stating that the obligation referred to above cannot be avoided by the Company taking reasonable measures available to it and (y) an opinion of independent legal or tax advisors of recognised standing to the effect that such change or amendment has occurred (irrespective of whether such amendment or change is then effective). The Trustee shall be entitled to accept and rely upon such certificate and opinion (without further investigation or enquiry) and it shall be conclusive and binding on the Bondholders. Upon the expiry of the Tax Redemption Notice, the Company will be bound to redeem the Bonds on the date fixed for redemption.

- (ii) If the Company gives a Tax Redemption Notice pursuant to Condition 8(B)(i), each Bondholder will have the right to elect that its Bond(s) shall not be redeemed and that the provisions of Condition 9 shall not apply in respect of any payment to be made in respect of such Bond(s) whereupon no Additional Tax Amounts shall be payable in respect thereof pursuant to Condition 9 and payment of all amounts shall be made subject to the deduction or withholding of any tax required to be deducted or withheld. To exercise a right pursuant to this Condition 8(B)(ii), the holder of the relevant Bond must complete, sign and deposit at the specified office of any Paying Agent a duly completed and signed notice of exercise, in the form for the time being current, obtainable from the specified office of any Paying Agent (the “**Tax Option Exercise Notice**”) together with the Certificate evidencing the Bonds on or before the day falling 10 days prior to the date fixed by the Company for the redemption of the Bonds pursuant to this Condition 8(B). A Tax Option Exercise Notice, once delivered, shall be irrevocable and may not be withdrawn without the Company’s consent.

(C) Redemption at the Option of the Company

On giving not less than 30 nor more than 60 days’ notice to the Bondholders and the Trustee in accordance with Condition 16 (which notice will be irrevocable), the Company may at any time prior to the Maturity Date redeem in whole, but not in part, the Bonds for the time being outstanding at the Early Redemption Amount *provided that* prior to the date of such notice at least 90 per cent. in principal amount of the Bonds originally issued (including any further bonds issued pursuant to Condition 15 and consolidated and forming a single series with the Bonds) has already been converted, redeemed or purchased and cancelled.

(D) Redemption for Relevant Event

Following the occurrence of a Relevant Event (as defined below), the holder of each Bond will have the right at such holder’s option, to require the Company to redeem all or some only (subject to the principal amount of such holder’s Bonds redeemed and the principal amount of the balance of such holder’s Bonds not redeemed being an Authorised Denomination) of such holder’s Bonds on the Relevant Event Redemption Date at the Early Redemption Amount. To exercise such right, the holder of the relevant Bond must deposit at the specified office of any Paying Agent a duly completed and signed notice of redemption, in the form for the time being current, obtainable from the specified office of any Paying Agent, specifying the number of Bonds to be redeemed and the Relevant Event that has occurred (“**Relevant Event Redemption Notice**”), together with the Certificate evidencing the Bonds to be redeemed by not later than (1) 30 days following a Relevant Event, or, if later, (2) 30 days following the date upon which notice thereof is given to

Bondholders by the Company in accordance with Condition 16. The “**Relevant Event Redemption Date**” shall be the fourteenth day after the expiry of such period of 30 days as referred to in (1) and (2) above.

A Relevant Event Redemption Notice, once delivered, shall be irrevocable and may not be withdrawn without the Company’s consent and the Company shall redeem the Bonds the subject of the Relevant Event Redemption Notice as aforesaid on the Relevant Event Redemption Date. The Company shall give notice to Bondholders in accordance with Condition 16 by not later than 14 days following the first day on which it becomes aware of the occurrence of a Relevant Event, which notice shall specify the procedure for exercise by holders of their rights to require redemption of the Bonds pursuant to this Condition 8(D) and shall give brief details of the Relevant Event.

None of the Trustee or the Agents shall be required to monitor or take any steps to ascertain whether a Relevant Event or any event which could lead to a Relevant Event has occurred or may occur and shall be entitled to assume that no such event has occurred until they have received written notice to the contrary from the Company. The Trustee and the Agents shall not be required to take any steps to ascertain whether the condition for the exercise of the rights in accordance with Condition 8(D) has occurred. None of the Trustee or the Agents shall be responsible for determining or verifying whether a Bond is to be accepted for redemption under this Condition 8(D) and will not be responsible to Bondholders for any loss arising from any failure by it to do so. None of the Trustee or the Agents shall be under any duty to determine, calculate or verify the redemption amount payable under this Condition 8(D) and will not be responsible to Bondholders for any loss arising from any failure by it to do so.

A “**Relevant Event**” occurs:

- (i) when the Shares cease to be listed or admitted to trading or suspended for trading for a period equal to or exceeding 21 consecutive Trading Days on the Hong Kong Stock Exchange or, if applicable, the Alternative Stock Exchange;
- (ii) when less than 25 per cent. of the Company’s issued Common Stock is held by the public (as defined in the Listing Rules of the Hong Kong Stock Exchange); or
- (iii) when there is a Change of Control.

(E) Purchase

The Company or any of its Subsidiaries may at any time and from time to time purchase Bonds at any price in the open market or otherwise.

(F) Cancellation

All Bonds which are redeemed or converted, or purchased by the Company or any of its Subsidiaries, will forthwith be cancelled. Certificates in respect of all Bonds cancelled will be forwarded to or to the order of the Registrar and such Bonds may not be reissued or resold.

(G) Redemption Notices

All notices to Bondholders given by or on behalf of the Company pursuant to this Condition 8 will specify (1) the Conversion Price as at the date of the relevant notice, (2) the Conversion Period, (3) the Closing Price of the Shares as at the latest practicable date prior to the publication

of the notice, (4) the date for redemption, (5) the manner in which redemption will be effected and (6) the aggregate principal amount of the Bonds outstanding as at the latest practicable date prior to the publication of the notice.

If more than one notice of redemption is given (being a notice given by either the Company or a Bondholder pursuant to this Condition), the first in time shall prevail. Neither the Trustee nor the Agents shall be responsible for calculating or verifying any calculations of any amounts payable hereunder.

In the case of a partial redemption of Bonds represented by the Global Bond Certificate, the Bonds to be redeemed will be selected on a pro rata basis in such place as the Trustee may approve and in such manner as the Trustee shall deem to be appropriate, in accordance with the rules of the clearing systems, not more than 60 and not less than 30 days prior to the date fixed for redemption.

(H) Definitions

For the purposes of this Condition 8:

“**Affiliate**” means, with respect to any Person, any other Person (i) directly or indirectly controlling, controlled by, or under direct or indirect common control with, such Person; (ii) who is a director or officer of such Person or any Subsidiary of such Person or of any Person referred to in clause (i) of this definition; or (iii) who is a spouse or any person cohabiting as a spouse, child or step-child, parent or step-parent, brother, sister, step-brother or step-sister, parent-in-law, grandchild, grandparent, uncle, aunt, nephew and niece of a Person described in clause (i) or (ii). For purposes of this definition, “control” (including, with correlative meanings, the terms “controlling,” “controlled by” and “under common control with”), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise;

“**Capital Stock**” means, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) in equity of such Person, whether outstanding on the Issue Date or issued thereafter, including, without limitation, all Common Stock and Preferred Stock but excluding debt securities convertible into such equity;

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

- (i) the merger, amalgamation or consolidation of the Company with or into another Person (other than one or more Permitted Holders) or the merger or amalgamation of another Person (other than one or more Permitted Holders) with or into the Company, or the sale of all or substantially all the assets of the Company to another Person occurs;
- (ii) the Permitted Holders are the beneficial owners of less than 40.0% of the total voting power of the Voting Stock of the Company;
- (iii) any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the United States Securities Exchange Act of 1934, as amended) is or becomes the “beneficial owner” (as such term is used in Rule 13d-3 of the United States Securities Exchange Act of 1934, as amended), directly or indirectly, of total voting power of the Voting Stock of the Company greater than such total voting power held beneficially by the Permitted Holders;

- (iv) individuals who on the Issue Date constituted the board of directors of the Company, together with any new directors whose election by the board of directors was approved by a vote of at least two-thirds of the directors then still in office who were either directors or whose election was previously so approved, cease for any reason to constitute a majority of the board of directors of the Company then in office; or
- (v) the adoption of a plan relating to the liquidation or dissolution of the Company;

“**Common Stock**” means, with respect to any Person, any and all shares, interests or other participations in, and other equivalents (however designated and whether voting or non-voting) of such Person’s common stock or ordinary shares, whether or not outstanding at the date of the Trust Deed, and include, without limitation, all series and classes of such common stock or ordinary shares;

“**Early Redemption Amount**” means, with respect to a redemption date, such amount that would represent a gross yield of 1.5 per cent. per annum on the Bonds, calculated on a semi-annual basis from the Issue Date up to such redemption date.

“**Permitted Holders**” means any or all of

- (i) (x) Mr. Lin Zhong, Mr. Lin Wei and Mr. Lin Feng, (y) Beauty Fountain Holdings Limited, Eternally Success International Limited and Gentle Beauty Assets Limited and (z) any family trust set up by any Person listed in sub-clause (x) of this clause (i);
- (ii) any Affiliate (other than an Affiliate as defined in clause (ii) or (iii) of the definition of Affiliate) of the Persons specified in clause (i); and
- (iii) any Person both the Capital Stock and the Voting Stock of which (or in the case of a trust, the beneficial interests in which) are owned 80% by Persons specified in clauses (1) and (2).

“**Person**” means any individual, corporation, partnership, limited liability company, joint venture, trust, unincorporated organization or government or any agency or political subdivision thereof;

“**Voting Rights**” means the right generally to vote at a general meeting of shareholders of the Company (irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency); and

“**Voting Stock**” means, with respect to any Person, Capital Stock of any class or kind ordinarily having the power to vote for the election of directors, managers or other voting members of the governing body of such Person.

9. TAXATION

All payments made by the Company and any Subsidiary Guarantor under or in respect of the Bonds, the Guarantee of the Bonds and the Trust Deed will be made free from any restriction or condition and be made without deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by (i) any jurisdiction where the Company or a Subsidiary Guarantor is organised or otherwise considered by a taxing authority to be resident for tax purposes or any political organisation or governmental authority thereof or therein having power to tax or (ii) the Cayman Islands, Hong Kong, or any political organisation or governmental authority thereof or therein having power to tax ((i) and (ii) each, a “**Relevant Tax Jurisdiction**”), unless deduction or withholding of such taxes, duties, assessments or governmental charges is compelled by law. In such event, the Company or, as the case may be, the relevant Subsidiary Guarantor will pay such additional amounts (the “**Additional Tax Amounts**”) as will result in the receipt by the Bondholders of the net amounts after such deduction or withholding equal to the amounts which would otherwise have been receivable by them had no such deduction or withholding been required except that no such additional amount shall be payable in respect of any Bond:

- (i) *Other connection:* to a Bondholder (or to a third party on behalf of a Bondholder) who is subject to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with a Relevant Tax Jurisdiction otherwise than merely by holding the Bond or by the receipt of amounts in respect of the Bond; or
- (ii) *Presentation more than 30 days after the relevant date:* (in the case of a payment of principal (or any redemption amount in relation to such principal)) if the Certificate in respect of such Bond is surrendered more than 30 days after the relevant date except to the extent that the holder would have been entitled to such Additional Tax Amount on surrendering the relevant Certificate for payment on the last day of such period of 30 days;

For the purposes hereof, “**relevant date**” means whichever is the later of (a) the date on which such payment first becomes due and (b) if the full amount payable has not been received by the Trustee or the Principal Agent on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Bondholders and payment made.

References in these Conditions to principal shall be deemed also to refer to any Additional Tax Amounts which may be payable under this Condition or any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Trust Deed.

10. EVENTS OF DEFAULT

If any of the following events (each an “**Event of Default**”) occurs and is continuing, the Trustee at its sole discretion may, and if so requested in writing by the holders of not less than 25 per cent. in aggregate principal amount of the Bonds then outstanding, or if so directed by an Extraordinary Resolution, shall (subject in either case to being indemnified and/or secured and/or pre-funded by the holders to its satisfaction), give written notice to the Company and the Subsidiary Guarantors that the Bonds are, and they shall immediately become due and repayable at 101.5% of their principal amount (subject as provided below and without prejudice to the right of Bondholders to exercise the Conversion Right in respect of their Bonds in accordance with Condition 6) if:

- (i) *Non-Payment:* there is a default in the payment of any principal (or any redemption amount in relation to such principal) or any Cash Settlement Amount (if applicable) due in respect of the Bonds on the due date for such payment;

- (ii) *Breach of Other Obligations:* the Company or, as the case may be, any Subsidiary Guarantor does not perform or comply with one or more of its other obligations in the Bonds, the Guarantee of the Bonds, the Trust Deed or the Agency Agreement which default is incapable of remedy or, if capable of remedy, is not remedied within 30 days after written notice of such default shall have been given to the Company or such Subsidiary Guarantor (as the case may be) by the Trustee;
- (iii) *Failure to deliver Shares:* the Company fails to deliver the Shares as and when such Shares are required to be delivered and such failure continues for a period of 7 days;
- (iv) *Cross-default of Company or Subsidiary:*
 - (a) any Indebtedness of the Company or any of its Subsidiaries is not paid when due or (as the case may be) within any applicable grace period;
 - (b) any such Indebtedness becomes (or becomes capable of being declared) due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described); or
 - (c) the Company or any of its Subsidiaries fails to pay when due any amount payable by it under any guarantee of any Indebtedness,

provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this paragraph 10(iv) have occurred equals or exceeds US\$30,000,000 or its equivalent in any other currency or currencies;
- (v) *Unsatisfied judgment:* one or more judgment(s) or order(s) for the payment is rendered against the Company or any of its Principal Subsidiaries and continue(s) unsatisfied and unstayed for a period of 30 days after the date(s) thereof or, if later, the date therein specified for payment;
- (vi) *Security enforced:* a secured party takes possession, or a receiver, manager or other similar officer is appointed, of the whole or a substantial part of the undertaking, assets and revenues of the Company or any of its Principal Subsidiaries;
- (vii) *Insolvency, etc.:* (1) the Company or any of its Principal Subsidiaries becomes insolvent or is unable to pay its debts as they fall due, (2) an administrator or liquidator is appointed (or application for any such appointment is made and such application is not discharged or stayed within 14 days) in respect of the Company or any of its Principal Subsidiaries or the whole or a substantial part of the undertaking, assets and revenues of the Company or any of its Principal Subsidiaries, (3) the Company or any of its Principal Subsidiaries takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of any of its Indebtedness or any guarantee of any Indebtedness given by it and such action is not discharged or stayed within 14 days or (4) the Company or any of its Principal Subsidiaries ceases or threatens to cease to carry on all or any substantial part of its business (otherwise than, in the case of a Principal Subsidiary of the Company, for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent);

- (viii) *Winding up, etc.*: an order of any court of competent jurisdiction is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Company or any of its Principal Subsidiaries (otherwise than, in the case of a Principal Subsidiary of the Company, for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent);
- (ix) *Analogous event*: any event occurs which under the laws of the Cayman Islands has an analogous effect to any of the events referred to in paragraphs (v) to (viii) above;
- (x) *Failure to take action, etc.*: any action, condition or thing at any time required to be taken, fulfilled or done in order (1) to enable the Company and each of the Subsidiary Guarantors lawfully to enter into, exercise its rights and perform and comply with its obligations under and in respect of the Bonds or the Trust Deed, (2) to ensure that those obligations are legal, valid, binding and enforceable and (3) to make the Bond Certificates and the Trust Deed admissible in evidence in the courts of the Cayman Islands is not taken, fulfilled or done;
- (xi) *Unlawfulness*: it is or will become unlawful for the Company or any Subsidiary Guarantor to perform or comply with any of its obligations under or in respect of the Bonds or the Trust Deed;
- (xii) *Guarantee of the Bonds*: at any time any Guarantee of the Bonds of a Subsidiary Guarantor is or becomes unlawful, or is not, or ceases to be legal, valid, binding or enforceable or otherwise for any reason ceases to be in full force or effective or is claimed to be unlawful, unenforceable, invalid or not in full force or effective; or
- (xiii) *Government intervention*: (1) all or part of the undertaking, assets and revenues of the Company or any of its Principal Subsidiaries is condemned, seized or otherwise appropriated by any person acting under the authority of any national, regional or local government or (2) the Company or any of its Principal Subsidiaries is prevented by any such person from exercising normal control over all or part of its undertaking, assets and revenues.

None of the Trustee or any of the Agents shall be responsible for the performance by the Company and any other person appointed by the Company or the Company in relation to the Bonds of the duties and obligations on their part expressed in respect of the same and the Trustee and the Agents need not do anything to ascertain whether an Event of Default has occurred or is continuing and will not be responsible to Bondholders or any other person for any loss arising from any failure by it to do so, and unless the Trustee or any Agent has received written notice from the Company to the contrary, the Trustee and each Agent shall assume that the same are being duly performed.

In these Conditions, “**Principal Subsidiary**” means a Restricted Subsidiary, when consolidated with its Restricted Subsidiaries, that would be a “significant subsidiary” using the conditions specified in the definition of significant subsidiary in Article 1, Rule 1-02(w) of Regulation S-X, promulgated pursuant to the U.S. Securities Act of 1933, as amended, as such regulation is in effect on the date of the Trust Deed, if any of the conditions exceeds 5%.

11. PRESCRIPTION

Claims in respect of amounts due in respect of the Bonds will become prescribed unless made within 10 years from the relevant date (as defined in Condition 9) in respect thereof.

12. ENFORCEMENT

At any time after the Bonds have become due and repayable, the Trustee may, at its discretion and without further notice, take such actions or proceedings against the Company or any Subsidiary Guarantor as it may think fit to enforce repayment of the Bonds and to enforce the provisions of the Trust Deed but it will not be bound to take any such actions or proceedings unless (i) it shall have been so requested in writing by the holders of not less than 25 per cent. in aggregate principal amount of the Bonds then outstanding or shall have been so directed by an Extraordinary Resolution of the Bondholders and (ii) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction. No Bondholder will be entitled to proceed directly against the Company or any Subsidiary Guarantor unless the Trustee, having become bound to do so, fails to do so within a reasonable period and such failure shall be continuing.

13. MEETINGS OF BONDHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION

(A) Meetings

The Trust Deed contains provisions for convening meetings of Bondholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Bonds or the provisions of the Trust Deed. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing over 50 per cent. in aggregate principal amount of the Bonds for the time being outstanding or, at any adjourned such meeting, two or more persons being or representing Bondholders whatever the principal amount of the Bonds so held or represented unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to modify the due date for any payment in respect of the Bonds, (ii) to reduce or cancel the amount of principal (or any redemption amount in relation to such principal) or Equivalent Amount payable in respect of the Bonds, (iii) to change the currency of payment of the Bonds, (iv) to modify (except by an adjustment to the Conversion Price in accordance with Condition 6(C)) or cancel any of the Conversion Rights, or (v) to modify the provisions concerning the quorum required at any meeting of the Bondholders or the majority required to pass an Extraordinary Resolution (each a “**Reserved Matter**”), in which case the necessary quorum for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 75 per cent., or at any adjourned such meeting not less than 25 per cent., in aggregate principal amount of the Bonds for the time being outstanding.

An Extraordinary Resolution passed at any meeting of Bondholders will be binding on all Bondholders, whether or not they are present at the meeting.

The Trust Deed provides that a written resolution signed by or on behalf of the holders of not less than 90 per cent. of the aggregate principal amount of Bonds outstanding shall be as valid and effective as a duly passed Extraordinary Resolution.

(B) Modification and Waiver

The Trustee may agree, without the consent of the Bondholders, to (i) any modification (except for Reserved Matters in Condition 13(A) above) to, or the waiver or authorisation of any breach or proposed breach of, the Bonds, the Agency Agreement or the Trust Deed which is, in the opinion of the Trustee not materially prejudicial to the interests of the Bondholders or (ii) any modification to the Bonds, the Agency Agreement or the Trust Deed which, in the Trustee’s opinion, is of a formal, minor or technical nature or to correct a manifest error or to comply with mandatory provisions of law. Any such modification, waiver or authorisation will be binding on

the Bondholders and, unless the Trustee agrees otherwise, any such modifications will be notified by the Company to the Bondholders as soon as practicable thereafter in accordance with Condition 16.

(C) Directions from Bondholders

None of the Trustee or any Agent shall be liable to any Bondholder or any other person for any action taken by the Trustee or such Agent in accordance with the instructions of the Bondholders. The Trustee shall be entitled to rely on any direction, request or resolution of Bondholders given by holders of the requisite principal amount of Bonds outstanding or passed at a meeting of Bondholders convened and held in accordance with the Trust Deed. Whenever the Trustee is required or entitled by the terms of the Trust Deed or these Conditions to exercise any discretion or power, take any action, make any decision or give any direction, the Trustee is entitled, prior to its exercising any such discretion or power, taking any such action, making any such decision, or giving any such direction, to seek directions from the Bondholders by way of an Extraordinary Resolution, and the Trustee is not responsible for any loss or liability incurred by any person as a result of any delay in it exercising such discretion or power, taking such action, making such decision, or giving such direction where the Trustee is seeking such directions or in the event that no such directions are received. The Trustee shall not be under any obligation to monitor compliance with the provisions of the Trust Deed or these Conditions.

(D) Interests of Bondholders

In connection with the exercise of its functions (including but not limited to those in relation to any proposed modification, authorisation, waiver or substitution) the Trustee shall have regard to the interests of the Bondholders as a class and shall not have regard to the consequences of such exercise for individual Bondholders and the Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Company, any Subsidiary Guarantor or the Trustee, any indemnification or payment in respect of any tax consequences of any such exercise upon individual Bondholders except to the extent provided for in Condition 9 and/or any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed.

(E) Certificates/Reports

Any certificate or report of any expert or other person called for by or provided to the Trustee (whether or not obtained by or addressed to the Trustee) in accordance with or for the purposes of these Conditions or the Trust Deed may be relied upon by the Trustee as sufficient evidence of the facts therein (and shall, in absence of manifest error, be conclusive and binding on all parties) notwithstanding that such certificate or report and/or engagement letter or other document entered into in connection therewith contains a monetary or other limit on the liability of the relevant expert or person in respect thereof.

14. REPLACEMENT OF CERTIFICATES

If any Certificate is mutilated, defaced, destroyed, stolen or lost, it may be replaced at the specified office of the Registrar or any Agent upon payment by the claimant of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Company and such Agent may require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

15. FURTHER ISSUES

The Company may from time to time, without the consent of the Bondholders, create and issue further bonds having the same terms and conditions as the Bonds in all respects so as to form a single series with the Bonds. The Company may from time to time create and issue other series of bonds having the benefit of the Trust Deed, *provided that* such supplemental documents are executed and further opinions are obtained as the Trustee may require, as further set out in the Trust Deed.

16. NOTICES

All notices to Bondholders shall be validly given if mailed to them at their respective addresses in the Register maintained by the Registrar or published in a leading newspaper having general circulation in Asia (which is expected to be the Asian Wall Street Journal). Any such notice shall be deemed to have been given on the later of the date(s) of such publication(s) and the seventh day after being so mailed, as the case may be.

So long as the Bonds are represented by the Global Bond Certificate and the Global Bond Certificate is held on behalf of Euroclear or Clearstream or the Alternative Clearing System, notices to Bondholders may be given by delivery of the relevant notice to Euroclear or Clearstream or the Alternative Clearing System for communication by it to entitled account holders in substitution for notification as required by these Conditions.

17. AGENTS

The names of the initial Agents and the Registrar and their specified offices are set out below. The Company reserves the right, subject to the prior written approval of the Trustee, at any time to vary or terminate the appointment of any Agent or the Registrar and to appoint additional or other Agents or a replacement Registrar. The Company will at all times maintain (a) a Principal Agent and (b) a Registrar which will maintain the Register outside Hong Kong and the United Kingdom. Notice of any such termination or appointment, of any changes in the specified offices of any Agent or the Registrar and of any change in the identity of the Registrar or the Principal Agent will be given promptly by the Company to the Bondholders and in any event not less than 45 days' notice will be given.

18. INDEMNIFICATION OF THE TRUSTEE

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking actions or proceedings to enforce repayment unless indemnified and/or secured and/or pre-funded to its satisfaction. The Trustee is entitled to enter into business transactions with the Company, any Subsidiary Guarantor or any Bondholder and any entity related to the Company, any Subsidiary Guarantor or any Bondholder without accounting for any profit.

19. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of the Bonds or any provision of the Trust Deed under the Contracts (Rights of Third Parties) Act 1999 but this shall not affect any right or remedy which exists or is available apart from such Act.

20. GOVERNING LAW AND SUBMISSION TO JURISDICTION

The Bonds, the Trust Deed and the Agency Agreement and any non-contractual obligations arising out of or in connection with them are governed by the laws of England. In relation to any legal action or proceedings arising out of or in connection with the Trust Deed or the Bonds, the Company and each any Subsidiary Guarantor has in the Trust Deed irrevocably submitted to the exclusive jurisdiction of the courts of England and in relation thereto has appointed Cogency Global (UK) Limited now at 6 Bevis Marks, 1st Floor, London EC3A 7BA as its agent for service of process in England.

Annex A

List of Subsidiary Guarantors

<u>No.</u>	<u>Name of guarantors</u>	<u>Jurisdiction of incorporation or organization, as applicable</u>
1.	XU MING LIMITED 旭名有限公司	BVI
2.	XU SHENG LIMITED 旭昇有限公司	BVI
3.	RADIANT ALLY INVESTMENTS LIMITED 旭匯投資有限公司	BVI
4.	XU DA CO. LIMITED 旭大有限公司	BVI
5.	XU HAI CO. LIMITED 旭海有限公司	BVI
6.	XU TIAN CO. LIMITED 旭添有限公司	BVI
7.	XU RONG CO. LIMITED 旭榮有限公司	BVI
8.	XU ZHOU CO. LIMITED 旭州有限公司	BVI
9.	WINTAK INTERNATIONAL LIMITED 偉達國際有限公司	BVI
10.	XU DUO CO. LIMITED 旭多有限公司	BVI
11.	XU LIANG CO. LIMITED 旭良有限公司	BVI
12.	AGROTECH INTERNATIONAL LIMITED	BVI
13.	JUNLAN INVESTMENT LIMITED	BVI
14.	KESTER RESOURCES LIMITED	BVI
15.	LONGFUL INVESTMENT LIMITED	BVI
16.	SPORTSMAN INVESTMENT LIMITED	BVI
17.	XU JING CO. LIMITED 旭晶有限公司	BVI
18.	CIFI ENTERPRISES CO. LIMITED 旭輝企發有限公司	Hong Kong
19.	XU MING (HK) LIMITED 旭名(香港)有限公司	Hong Kong
20.	XU HUI INVESTMENTS (HK) LIMITED 旭匯投資(香港)有限公司	Hong Kong
21.	XU DA (HK) CO. LIMITED 旭大(香港)有限公司	Hong Kong
22.	XU HAI (HK) CO. LIMITED 旭海(香港)有限公司	Hong Kong
23.	XU RONG (HK) CO. LIMITED 旭榮(香港)有限公司	Hong Kong
24.	XU FU (HK) CO. LIMITED 旭富(香港)有限公司	Hong Kong
25.	XU LIANG (HK) CO. LIMITED 旭良(香港)有限公司	Hong Kong

No.	Name of guarantors	Jurisdiction of incorporation or organization, as applicable
26.	ADVANCE DRAGON ENTERPRISES LIMITED 昇龍企業有限公司	Hong Kong
27.	CHARM FAMOUS ENTERPRISES LIMITED 銳領企業有限公司	Hong Kong
28.	GRAND SPARKLE ENTERPRISES LIMITED 添耀企業有限公司	Hong Kong
29.	GREEN WEALTH ENTERPRISES LIMITED 碧裕企業有限公司	Hong Kong
30.	JADE FORCE ENTERPRISES LIMITED 翠亭企業有限公司	Hong Kong
31.	FULL METRO INVESTMENT LIMITED 豐萬投資有限公司	Hong Kong
32.	TOP MEDIA INVESTMENT LIMITED 東萬投資有限公司	Hong Kong

TAXATION

The following summary of certain Cayman Islands, British Virgin Islands, Hong Kong and PRC tax consequences of the purchase, ownership and disposition of Bonds is based upon applicable laws, regulations, rulings and decisions in effect as of the date of this offering circular, all of which are subject to change (possibly with retroactive effect). This discussion does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Bonds and does not purport to deal with consequences applicable to all categories of investors, some of which may be subject to special rules. Persons considering the purchase of Bonds should consult their own tax advisors concerning the tax consequences of the purchase, ownership and disposition of Bonds, including such possible consequences under the laws of their country of citizenship, residence or domicile.

CAYMAN ISLANDS

The following is a discussion on certain Cayman Islands income tax consequences of an investment in the Bonds. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor's particular circumstances, and does not consider tax consequences other than those arising under Cayman Islands law.

Under the laws of the Cayman Islands, payments of interest, principal or redemption premium on the Bonds will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of interest, principal or redemption premium to any holder of the Bonds, as the case may be, nor will gains derived from the disposal of the Bonds be subject to Cayman Islands tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax.

No stamp duty is payable in respect of the issue of the Bonds. An instrument of transfer in respect of a Security is stampable if executed in or brought into the Cayman Islands.

We have been incorporated under the laws of the Cayman Islands as an exempted company with limited liability and, as such, have obtained an undertaking from the Governor in Cabinet of the Cayman Islands as to tax concessions under the Tax Concessions Law (1999 Revision). In accordance with the provision of section 6 of The Tax Concessions Law (1999 Revision), the Governor in Cabinet undertakes with us:

- that no law which is hereafter enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to us or our operations;
- in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable, (i) on or in respect of our shares, debentures or other obligations, or (ii) by way of the withholding, in whole or part, of any relevant payment as defined in Section 6(3) of the Tax Concessions Law (1999 Revision); and

These concessions shall be for a period of 20 years from June 7, 2011.

BRITISH VIRGIN ISLANDS

There is no income or other tax of the BVI imposed by withholding or otherwise on any payment to be made to or by the Subsidiary Guarantors pursuant to the execution, delivery, performance or enforcement of the Subsidiary Guarantees.

HONG KONG

Withholding Tax. No withholding tax In Hong Kong is payable on payments of principal (including any premium payable on redemption of the B) or distributions in respect of the Bonds.

Profits Tax. Hong Kong profits tax is charged on every person carrying on a trade, profession or business in Hong Kong in respect of assessable profits arising in or derived from Hong Kong from such trade, profession or business. Under the Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong) (the “Inland Revenue Ordinance”). As it is currently applied, Hong Kong profits tax may be charged on revenue profits arising on the sale, disposal, exchange or redemption of the Bonds where such sale, disposal, exchange or redemption is or forms part of a trade, profession or business carried on in Hong Kong. Interest payments on the Bonds will be subject to Hong Kong profits tax where such payments have a Hong Kong source, and are received by or accrue to:

- a financial institution (as defined in the Inland Revenue Ordinance) and the income that arises through or from the carrying on by the financial institution of its business in Hong Kong; or
- a corporation carrying on a trade, profession or business in Hong Kong; or
- a person, other than a corporation, carrying on a trade, profession or business in Hong Kong and such distributions are in respect of the funds of the trade, profession or business.

Although no tax is imposed in Hong Kong in respect of capital gains. Hong Kong profits tax may be chargeable on trading gains arising on the sale or disposal of the Bonds where such transactions are or form part of a trade, profession or business carried on in Hong Kong.

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

PRC

Taxation on Interests and Capital Gains. Under the EIT Law and implementation regulations issued by the State Council, PRC income tax at the rate of 10% must be withheld from interest paid to investors that are “non-resident enterprises” and that do not have an establishment or place of business in the PRC, or that have such establishment or place of business but the relevant income is not effectively connected with the establishment or place of business if we are deemed to be a PRC “resident enterprise” and the distribution is deemed as PRC-source income. In the case of “non-resident individual” investors, the PRC income tax on interest may be imposed and withheld at a rate of 20%. Any gain realized on the transfer of the Bonds by “non-resident enterprise” investors would be subject to a 10% PRC income tax, or 20% PRC income tax for “non-resident individual” investors, if such gain is regarded as income derived from sources within the PRC in the case that we are treated as a PRC “resident enterprise.” Any PRC tax liability described above may be reduced to the extent provided under applicable tax treaties. As advised by Commerce & Finance Law Offices, our PRC legal advisors, there is uncertainty as to whether we will be treated as a PRC “resident enterprise” for the purpose of the EIT Law. If we are treated as a PRC “resident enterprise,” the payments of interest we make in respect of the Bonds, and the gain any investor may realize from the transfer of the Bonds, may be treated as income derived from sources within the PRC and may be subject to PRC tax (including withholding tax in the case of interest payments), as described in “Risk Factors — Risks Relating to the PRC — We may be deemed to be a PRC tax resident enterprise under the EIT Law, which could result in unfavorable tax consequences to us and our non-PRC holders of the Bonds.”

Stamp duty. No PRC stamp tax will be chargeable upon the issue or transfer (for so long as the register of holders of the Bonds is maintained outside the PRC) of a Security.

SUBSCRIPTION AND SALE

Credit Suisse (Hong Kong) Limited, Morgan Stanley & Co. International plc and Haitong International Securities Company Limited are acting as the Joint Lead Managers. Subject to the terms and conditions stated in the subscription agreement dated January 25, 2018 (the “Subscription Agreement”), each Joint Lead Manager named below has severally but not jointly agreed to purchase, and we have agreed to sell to such Joint Lead Manager, the principal amount of the Bonds set forth opposite such Joint Lead Manager’s name as follows:

Joint Lead Manager	Principal Amount of Bonds
Credit Suisse (Hong Kong) Limited	HK\$1,325.25 million
Morgan Stanley & Co. International plc	HK\$1,325.25 million
Haitong International Securities Company Limited	HK\$139.50 million
Total	HK\$2,790 million

The Subscription Agreement provides that the obligations of the Joint Lead Managers to purchase the Bonds are subject to approval of legal matters by counsel and to other conditions. The Joint Lead Managers must purchase all the Bonds if they purchase any of the Bonds.

The Joint Lead Managers propose to resell the Bonds only outside the United States to non-U.S. persons in offshore transactions in reliance on Regulation S. See “Transfer Restrictions.”

We have agreed to pay the Joint Lead Managers a commission as agreed in respect of the Bonds subscribed by the Joint Lead Managers. We have further agreed to indemnify the Joint Lead Managers against certain liabilities.

The Subscription Agreement provides that the Joint Lead Managers may terminate it in certain circumstances prior to payment being made to us. If a Joint Lead Manager defaults, the subscription agreement provides that the underwriting commitments of the non-defaulting Joint Lead Managers may be increased or the subscription agreement may be terminated.

The Issuer has agreed with the Joint Lead Managers in the Subscription Agreement that, for the period beginning on January 25, 2018 until April 25, 2018 (both dates inclusive), neither the Issuer, the Subsidiary Guarantors, nor any person acting on their behalf will, without the prior written of the Joint Lead Managers, and except for (i) the Bonds and the new Shares issued on conversion of the Bonds and (ii) the Shares issued or options to purchase Shares issued to employees of the Issuer or the Subsidiaries under employee stock option plans, (a) issue, offer, sell, pledge, contract to sell or otherwise dispose of or grant options, issue warrants or offer rights entitling persons to subscribe or purchase any interest in any Shares or any securities issued or guaranteed by the Company or the Subsidiary Guarantors that are substantially similar to the Bonds or the Shares or any securities convertible into, exchangeable for or which carry rights to subscribe or purchase the Bonds, the Shares or securities of the same class as the Bonds, the Shares or other instruments representing interests in the Bonds, the Shares or other securities of the same class as them, (b) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of the ownership of the Shares, (c) enter into any transaction with the same economic effect as, or which is designed to, or which may reasonably be expected to result in, or agree to do, any of the foregoing, whether any such transaction of the kind described in (a), (b) or (c) is to be settled by delivery of Shares or other securities, in cash or otherwise or (d) announce or otherwise make public an intention to do any of the foregoing.

In addition, we have procured Rosy Fortune Investments Limited and Ding Chang Limited to execute a shareholder lockup to, jointly and severally, undertake that, for the period beginning on January 25, 2018 until April 25, 2018 (both dates inclusive), neither Rosy Fortune Investments Limited, Ding Chang Limited nor any of their respective subsidiaries (if applicable) or affiliates or spouse (if

applicable) or family members (if applicable) over which they exercise management or voting control, nor any person acting on their behalf will, without the prior written consent of the Joint Lead Managers, (a) issue, offer, sell, and it shall procure such entities to not, pledge, contract to sell or otherwise dispose of or grant options, issue warrants or offer rights entitling persons to subscribe or purchase any interest in any Shares held by Rosy Fortune Investments Limited and Ding Chang Limited directly or indirectly through companies controlled by each of them or the subsidiaries of such companies as of January 25, 2018 (the “Lock-up Shares”) or any securities convertible into, exchangeable for or which carry rights to subscribe or purchase the Lock-up Shares or other instruments representing interests in the Lock-up Shares, (b) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of the ownership of the Lock-up Shares, (c) enter into any transaction with the same economic effect as, or which is designed to, or which may reasonably be expected to result in, or agree to do, any of the foregoing, whether any such transaction of the kind described in (a), (b) or (c) is to be settled by delivery of Lock-up Shares or other securities, in cash or otherwise or (d) announce or otherwise make public an intention to do any of the foregoing.

Approval in-principle has been received from the SGX-ST for the listing and quotation of the Bonds on the SGX-ST. However, we cannot assure you that the prices at which the Bonds will sell in the market after this offering will not be lower than the initial offering price or that there will be an active trading market for the Bonds. The Joint Lead Managers have advised us that they currently intend to make, or continue to make a market in the Bonds. However, the Joint Lead Managers are not obligated to do so and they may discontinue any market-making activities with respect to the Bonds at any time without notice. Accordingly, we cannot assure you as to the liquidity of, or the trading market for, the Bonds.

The Joint Lead Managers may engage in stabilisation transactions, syndicate covering transactions and penalty bids to the extent permitted by applicable laws and regulations. Stabilisation transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum. Covering transactions involve purchase of the Bonds in the open market after the distribution has been completed in order to cover short positions. Penalty bids permit the Joint Lead Managers to reclaim a selling concession from a dealer when the Bonds originally sold by such dealer are purchased in a stabilisation transaction or a covering transaction to cover short positions. Neither the Company nor the Joint Lead Managers make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the Bonds. In addition, neither the Company nor the Joint Lead Managers makes any representation that the Joint Lead Managers will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

We expect to deliver the Bonds against payment for the Bonds on or about the fourteenth business day following the date of the pricing of the Bonds. Trades in the secondary market generally settle in two business days; purchasers who wish to trade Bonds on the date of pricing or the next eleven succeeding business days will be required, by virtue of the fact that the Bonds initially will settle in T +14, to specify alternative settlement arrangements to prevent a failed settlement. Purchasers of the Bonds who wish to trade the Bonds on the date of pricing or the next eleven succeeding business days should consult their own advisor.

The Joint Lead Managers or its affiliates have performed commercial banking, investment banking or advisory services for us from time to time for which they have received customary fees and reimbursement of expenses. The Joint Lead Managers or its affiliates may, from time to time, engage in transactions with and perform services for us in the ordinary course of business for which they may receive customary fees and reimbursement of expenses. We may enter into hedging or other derivative

transactions as part of our risk management strategy with one or more of the Joint Lead Managers, which may include transactions relating to our obligations under the Bonds. Our obligations under these transactions may be secured by cash or other collateral.

In connection with this offering of the Bonds, each Joint Lead Manager and/or its affiliate(s) may act as an investor for its own account and may take up Bonds in the offering and in that capacity may retain, purchase or sell for its own account such securities and any securities of the Company or related investments and may offer or sell such securities or other investments otherwise than in connection with the offering of the Bonds. Accordingly, references herein to the Bonds being offered should be read as including any offering of the Bonds to the Joint Lead Managers and/or their affiliates acting in such capacity. Such persons do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

Selling Restrictions

General

None of the Company or any Joint Lead Manager makes any representation that any action has been taken or will be taken in any jurisdiction by the Company or the Joint Lead Managers that would permit a public offering of the Bonds, or the possession, circulation or distribution of this offering circular or any other material relating to the Bonds or this offering, in any jurisdiction where action for that purpose is required. Accordingly, each Joint Lead Manager represents and agrees that it will not, severally and not jointly, offer or sell, directly or indirectly, the Bonds, and that it will not distribute or publish this offering circular or such other material, in or from any country or jurisdiction except in compliance with any applicable rules and regulations of such country or jurisdiction. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Joint Lead Managers or any affiliate of the Joint Lead Managers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Joint Lead Managers or such affiliate on behalf of the Company in such jurisdiction.

United States

The Bonds have not been and will not be registered under the Securities Act or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefits of, U.S. persons (as defined in Regulation S) except in transactions exempt from, or not subject to, the registration requirements of the Securities Act. See “Transfer Restrictions.”

In addition, until 40 days after the commencement of this offering, an offer or sale of the Bonds within the United States by a dealer (whether or not participating in this offering) may violate the registration requirements of the Securities Act if that offer or sale is made otherwise than in compliance with an available exemption from registration under the Securities Act.

Prohibition of Sales to EEA Retail Investors

Each Joint Lead Manager has represented to and agreed with the Issuer that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds to any retail investor in the EEA. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
 - (ii) a customer within the meaning of the IMD, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; and
- (b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Bonds.

United Kingdom

Each Joint Lead Manager has represented and agreed with the Issuer that:

- (a) (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell the Bonds other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Bonds would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Subsidiary Guarantors; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

Hong Kong

Each Joint Lead Manager represents and agrees that:

- (a) it has not offered or sold in Hong Kong, by means of any document, any Bonds other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to “professional investors” within the meaning of the Bonds and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a “prospectus” within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong); and

- (b) it has not issued or had in its possession for the purpose of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Bonds, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to the Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Japan

The Bonds have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948) (as amended) (the “FIEL”), and disclosure under the FIEL has not been made with respect to the Bonds. Accordingly, each Joint Lead Manager represents and agrees that it will not, directly or indirectly, offer or sell any Bonds in Japan or to, or for the account of, any resident of Japan, or to others for re-offering or re-sale, directly or indirectly in Japan or to, or for the benefit of, any resident of Japan, except pursuant to any exemption from the registration requirements of the FIEL and otherwise in compliance with the FIEL and other applicable provisions of Japanese laws and regulations. As used in this paragraph, “resident of Japan” means any person residing in Japan, including any corporation or other entity organized under the laws of Japan.

Singapore

Each Joint Lead Manager acknowledges that this offering memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore (the “MAS”) under the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”). Accordingly, each Joint Lead Manager represents and agrees that it will not offer or sell any Bonds or cause such Bonds to be made the subject of an invitation for subscription or purchase, and will not circulate or distribute, this offering memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Bonds, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor under Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA; or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Bonds are initially subscribed or purchased by (i) an institutional investor under Section 274 of the SFA, or (ii) a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, the Bonds may only be sold or transferred: (a) at any time, to an institutional investor under Section 274 of the SFA; (b) at any time, to a relevant person defined in Section 275(2) of the SFA or to any person pursuant to an offer referred to in Section 275(1A) of the SFA; or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Bonds are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Bonds pursuant to an offer made under Section 275 of the SFA except:

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

PRC

The Joint Lead Managers have acknowledged that this offering circular does not constitute a public offer of the Bonds, whether by way of sale or subscription, in the PRC. Each of the Joint Lead Managers has severally represented and agreed that, except to the extent consistent with applicable laws and regulations in the PRC, the Bonds are not being offered and may not be offered or sold, directly or indirectly, in the PRC to or for the benefit of, legal or natural persons of the PRC. According to the laws and regulatory requirements in the PRC, with the exception to the extent consistent with applicable laws and regulations in the PRC, the Bonds may, subject to the laws and regulations of the relevant jurisdictions, only be offered or sold to non-PRC natural or legal persons in any country other than the PRC.

Cayman Islands

Each Joint Lead Manager represents and agrees that it will not make any invitation whether directly or indirectly to the public in the Cayman Islands to subscribe for the Bonds unless the Company is listed on the Cayman Islands Stock Exchange.

British Virgin Islands

Each Joint Lead Manager represents and agrees that it will not make any invitation directly or indirectly to any person resident in the British Virgin Islands to subscribe for any of the Bonds.

TRANSFER RESTRICTIONS

Because of the following restrictions, we encourage you to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Bonds.

The Bonds are subject to restrictions on transfer as summarized below. By purchasing the Bonds, you will be deemed to have made the following acknowledgements, representations to, and agreements with, us and the Joint Lead Managers:

1. You understand and acknowledge that:
 - the Bonds have not been registered under the Securities Act or any other applicable securities laws;
 - the Bonds are being offered for resale in transactions that do not require registration under the Securities Act or any other securities laws;
 - the Bonds are being offered and sold only to non-U.S. persons outside the United States in offshore transactions in reliance on Rule 903 of Regulation S under the Securities Act; and
 - unless so registered, the Bonds may not be sold or otherwise transferred except under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or any other applicable securities laws.
2. You represent that you are not an affiliate (as defined in Rule 144 under the Securities Act) of ours, that you are not acting on our behalf and that you are not a U.S. person (as defined in Regulation S under the Securities Act) or purchasing for the account or benefit of a U.S. person, other than a distributor, and you are purchasing the Bonds in an offshore transaction in accordance with Regulation S.
3. You acknowledge that neither we nor the Joint Lead Managers nor any person representing us or the Joint Lead Managers have made any representation to you with respect to us or the offering of the Bonds, other than the information contained in this offering circular. You represent that you are relying only on this offering circular in making your investment decision with respect to the Bonds. You agree that you have had access to such financial and other information concerning us and the Bonds as you have deemed necessary in connection with your decision to purchase the Bonds including an opportunity to ask questions of and request information from us.
4. You represent that you are purchasing the Bonds for your own account, or for one or more investor accounts for which you are acting as a fiduciary or agent, in each case not with a view to, or for offer or sale in connection with, any distribution of the Bonds in violation of the Securities Act.

5. You also acknowledge that: each Note will contain a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.

6. You acknowledge that we, the Joint Lead Managers and others will rely upon the truth and accuracy of the above acknowledgments, representations and agreements. You agree that if any of the acknowledgments, representations or agreements you are deemed to have made by your purchase of the Bonds is no longer accurate, you will promptly notify us and the Joint Lead Managers. If you are purchasing any Bonds as a fiduciary or agent for one or more investor accounts, you represent that you have sole investment discretion with respect to each of those accounts and that you have full power to make the above acknowledgments, representations and agreements on behalf of each account.

SUMMARY OF PROVISIONS RELATING TO THE BONDS IN GLOBAL FORM

The Global Certificate contains provisions which apply to the Bonds in respect of which the Global Certificate is issued, some of which modify the effect of the Conditions. Terms defined in the Conditions have the same meaning in the paragraphs below. The following is a summary of those provisions:

The Bonds will be represented by a Global Certificate which will be registered in the name of Citivic Nominees Limited as nominee for, and deposited with, a common depository for Euroclear and Clearstream.

Under the Global Certificate, the Issuer, for value received, promises to pay such principal sum to the holder on 12 February 2019 or on such earlier date or dates as the same may become payable in accordance with the Conditions, together with any additional amounts payable in accordance with the Conditions, all subject to and in accordance with the Conditions.

The Global Certificate will become exchangeable in whole, but not in part, for individual certificates (“Individual Certificates”) if (a) Euroclear or Clearstream is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or (b) any of the circumstances described in Condition 10 (Events of Default) occurs.

Whenever the Global Certificate is to be exchanged for Individual Certificates, such Individual Certificates will be issued in an aggregate principal amount equal to the principal amount of the Global Certificate within five business days of the delivery, by or on behalf of the registered holder of the Global Certificate, Euroclear and/or Clearstream, to the Registrar of such information as is required to complete and deliver such Individual Certificates (including, without limitation, the names and addresses of the persons in whose names the Individual Certificates are to be registered and the principal amount of each such person’s holding) against the surrender of the Global Certificate at the specified office of the Registrar. Such exchange will be effected in accordance with the provisions of the Agency Agreement and the regulations concerning the transfer and registration of Bonds scheduled thereto and, in particular, shall be effected without charge to any holder or the Trustee, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

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

Meetings

The registered holder of the Global Certificate will be treated as being two persons for the purposes of any quorum requirements of a meeting of Bondholders and, at any such meeting, as having one vote in respect of each HK\$1,000,000 in principal amount of Bonds for which the Global Certificate is issued. The Trustee may allow any accountholder (or the representative of such person) of a clearing system entitled to Bonds in respect of which the Global Certificate has been issued to attend and speak (but not to vote) at a meeting of Bondholders on appropriate proof of his identity.

Cancellation

Cancellation of any Bonds required by the Conditions to be cancelled following their redemption, conversion or purchase by the Issuer will be effected by a reduction in the principal amount of the Bonds in the register of Bondholders.

Trustee's Powers

In considering the interests of Bondholders while the Global Certificate is registered in the name of a nominee for a clearing system, the Trustee may to the extent it considers it appropriate to do so in the circumstances, have regard to any information provided to it by such clearing system as to the identity (either individually or by category) of its accountholders with entitlements to Bonds and may consider such interests as if such accountholders were the holders of the Bonds.

Conversion

The Bonds are convertible into fully-paid ordinary shares of par value HK\$0.1 of the Issuer subject to and in accordance with the Conditions and the Trust Deed. Subject to the requirements of Euroclear and Clearstream (or any other clearing system (an "Alternative Clearing System")), the Conversion Rights attaching to the Bonds may be exercised by the presentation thereof to or to the order of the Principal Agent of one or more Conversion Notices duly completed by or on behalf of a holder of a book-entry interest in such Bonds. Deposit of the Global Certificate with the Principal Agent together with the relevant Conversion Notice(s) shall not be required. The exercise of the Conversion Right shall be notified by the Principal Agent to the Registrar and the holder of the Global Certificate.

Record Date

Notwithstanding Condition 7(A) (Payments — Payment), so long as the Global Certificate is held on behalf of Euroclear, Clearstream or any Alternative Clearing System, each payment in respect of the Global Certificate will be made to the person shown as the holder in the Register at the close of business (of the relevant clearing system) on the Clearing System Business Day before the due date for such payments, where "Clearing System Business Day" means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.

Notices

Notwithstanding Condition 16 (Notices), so long as the Global Certificate is held on behalf of Euroclear, Clearstream or any Alternative Clearing System, notices to holders of Bonds represented by the Global Certificate may be given by delivery of the relevant notice to Euroclear, Clearstream or (as the case may be) such Alternative Clearing System.

Determination of Entitlement

The Global Certificate is evidence of entitlement only and is not a document of title. Entitlements are determined by the Register and only the holder is entitled to payment in respect of the Global Certificate.

Transfer

Transfers of interests in the Bonds will be effected through the records of Euroclear and Clearstream (or any Alternative Clearing System) and their respective participants in accordance with the rules and procedures of Euroclear and Clearstream (or any Alternative Clearing System) and their respective direct and indirect participants.

Enforcement

For all purposes other than with respect to the payment of principal and premium (if any) on the Bonds in respect of which the Global Certificate is issued, each person who is for the time being shown in the records of Euroclear or of Clearstream as the holder of a particular principal amount of such Bonds (in which regard any certificate or other document issued by Euroclear or Clearstream as to the principal amount of Bonds represented by a Global Certificate standing to the account of any person shall be conclusive and binding for all purposes) shall be recognized as the holder of such principal amount of Bonds.

LEGAL MATTERS

Certain legal matters with respect to the Bonds will be passed upon for us by Sidley Austin as to matters of English and Hong Kong law, Commerce & Finance Law Office as to matters of PRC law and Maples and Calder (Hong Kong) LLP as to matters of Cayman Islands and British Virgin Islands law.

Certain legal matters will be passed upon for the Joint Lead Managers by Davis Polk & Wardwell as to matters of English and Hong Kong law and Jingtian & Gongcheng as to matters of PRC law.

INDEPENDENT ACCOUNTANTS

The consolidated financial statements as of and for the years ended December 31, 2015 and 2016 included in this offering circular have been audited by Deloitte Touche Tohmatsu, certified public accountants, as stated in their reports appearing herein. The consolidated financial statements as of and for the year ended December 31, 2014 are included as comparative information within the consolidated financial statements as of and for the year ended December 31, 2015. The condensed consolidated financial statements as of and for the six months ended June 30, 2016 and 2017 have been reviewed by Deloitte Touche Tohmatsu, certified public accountants. Such unaudited condensed consolidated financial information is not audited and accordingly the degree of reliance on such information should be restricted in light of the limited nature of the review procedure applied.

GENERAL INFORMATION

Consents

The Company has obtained all necessary consents, approvals and authorizations in the Cayman Islands in connection with the issue and performance of the Bonds. The issue of the Bonds have been authorized by the board resolutions of the Company dated January 25, 2018.

Litigation

Except as disclosed in this offering circular, there are no legal or arbitration proceedings against or affecting us, any of our subsidiaries or any of our assets, nor are we aware of any pending or threatened proceedings, which are or might be material in the context of this issue of the Bonds.

No Material Adverse Change

There has been no adverse change or any development reasonably likely to involve an adverse change, in the condition (financial or otherwise) of our general affairs since June 30, 2017 that is material in the context of the issue of the Bonds.

Documents Available

For so long as any of the Bonds is outstanding, copies of the Trust Deed may be inspected free of charge during normal business hours on any weekday (except public holidays) at the corporate trust office of the Trustee.

For so long as any of the Bonds is outstanding, copies of the accountants' reports and/or our published financial statements, if any, including the accountants' report set out in the section entitled "Index to Consolidated Financial Statements" in this offering circular, may be obtained during normal business hours on any weekday (except public holidays) at the corporate trust office of the Trustee.

Clearing Systems and Settlement

The Bonds have been accepted for clearance through the facilities of Euroclear and Clearstream. Certain trading information with respect to the Bonds is set forth below:

	<u>ISIN</u>	<u>Common Code</u>
Bonds	XS1763165518	176316551

Only Bonds evidenced by a Global Certificate have been accepted for clearance through Euroclear and Clearstream.

Listing of the Bonds

Approval in-principle has been received from the SGX-ST for the listing and quotation of the Bonds on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this offering circular. Approval in-principle from, admission to the Official List of, and listing and quotation of the Bonds on, the SGX-ST are not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors, the JV Subsidiary Guarantors (if any) or any other subsidiary or associated company of the Company, the Bonds, the Subsidiary Guarantees or the JV Subsidiary Guarantees. For so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require, the Bonds, if traded on the SGX-ST, will be traded in a minimum board lot size of S\$200,000 (or its equivalent in foreign currencies). Accordingly the Bonds, if traded on the SGX-ST, will be traded in a minimum board lot size of HK\$2,000,000.

For so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require, in the event that a Global Note is exchanged for definitive Bonds, we will appoint and maintain a paying agent in Singapore, where the Bonds may be presented or surrendered for payment or redemption. In addition, in the event that a Global Note is exchanged for definitive Bonds, an announcement of such exchange shall be made by or on behalf of us through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive Bonds, including details of the paying agent in Singapore.

INDEX TO FINANCIAL STATEMENTS

Condensed consolidated financial information as of and for the six months ended June 30, 2017

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	F-2
Condensed Consolidated Statement of Financial Position	F-3
Condensed Consolidated Statement of Changes in Equity	F-5
Condensed Consolidated Statement of Cash Flows	F-6
Notes to the Condensed Consolidated Financial Statements	F-8

Audited consolidated financial statements as of and for the year ended December 31, 2016

Independent Auditor's Report	F-51
Consolidated Statement of Profit or Loss and Other Comprehensive Income	F-59
Consolidated Statement of Financial Position	F-60
Consolidated Statement of Changes in Equity	F-62
Consolidated Statement of Cash Flows	F-64
Notes to the Consolidated Financial Statements	F-67

Audited consolidated financial statements as of and for the year ended December 31, 2015

Independent Auditor's Report	F-226
Consolidated Statement of Profit or Loss and Other Comprehensive Income	F-228
Consolidated Statement of Financial Position	F-229
Consolidated Statement of Changes in Equity	F-231
Consolidated Statement of Cash Flows	F-233
Notes to the Consolidated Financial Statements	F-235

Page references included in the unaudited condensed consolidated interim financial information for the six months ended June 30, 2017 and the audited consolidated financial statements as of and for each of the years ended December 31, 2016, 2015 and 2014 set forth below refer to pages in such unaudited condensed consolidated interim financial information or audited consolidated financial statements as appeared in our interim report for the six months ended June 30, 2017 on annual reports for the years ended December 31, 2016 and 2015, as the case may be. These interim report and annual reports are not incorporated by reference herein and do not form part of this offering circular.

簡明綜合損益及其他全面收益表

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

截至二零一七年六月三十日止六個月 For the six months ended 30 June 2017

		截至六月三十日止六個月 Six months ended 30 June		
		二零一七年 2017	二零一六年 2016	
		人民幣千元 RMB'000	人民幣千元 RMB'000	
		(未經審核) (unaudited)	(未經審核) (unaudited)	
	附註 NOTES			
收入	Revenue	3	11,235,359	8,744,121
銷售及服務成本	Cost of sales and services		(7,680,373)	(6,377,396)
毛利	Gross profit		3,554,986	2,366,725
其他收入、收益及虧損	Other income, gains and losses	4	40,717	(127,572)
投資物業公平值變動	Change in fair value of investment properties		19,286	(66,108)
營銷及市場推廣開支	Selling and marketing expenses		(271,021)	(217,837)
行政開支	Administrative expenses		(598,808)	(314,619)
應佔合營企業業績	Share of results of joint ventures		1,204,327	261,124
應佔聯營公司業績	Share of results of associates		319,124	(21,629)
融資成本	Finance costs	5	(99,587)	(108,190)
除稅前利潤	Profit before taxation		4,169,024	1,771,894
所得稅開支	Income tax expense	6	(1,561,131)	(722,508)
期內利潤及全面收入總額	Profit and total comprehensive income for the period	7	2,607,893	1,049,386
以下各項應佔：	Attributable to:			
本公司股東權益	Equity owners of the Company		2,156,233	838,480
非控股權益	Non-controlling interests		451,660	210,906
期內利潤及全面收入總額	Profit and total comprehensive income for the period		2,607,893	1,049,386
每股盈利(人民幣元)：	Earnings per share, in RMB:			
基本	Basic	9	0.32	0.13
攤薄	Diluted	9	0.31	0.13

簡明綜合財務狀況表

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

於二零一七年六月三十日 At 30 June 2017

			於二零一七年 六月三十日 At 30 June 2017	於二零一六年 十二月三十一日 At 31 December 2016
	附註 NOTES	人民幣千元 RMB'000 (未經審核) (unaudited)	人民幣千元 RMB'000 (經審核) (audited)	
非流動資產	NON-CURRENT ASSETS			
投資物業	Investment properties	10	12,019,900	5,773,100
物業、廠房及設備	Property, plant and equipment	11	84,177	75,783
預付租賃款項	Prepaid lease payments		32,742	32,742
聯營公司權益	Interests in associates	12	1,987,706	1,334,453
合營企業權益	Interests in joint ventures	13	5,333,244	7,504,466
於物業項目的投資	Investments in property projects	14	713,086	529,225
可供出售投資	Available-for-sale investment	15	1,145,722	740,976
衍生金融工具	Derivative financial instruments	16	25,916	314,768
遞延稅項資產	Deferred taxation assets		321,520	319,795
就收購股權已付按金	Deposits paid for acquisitions of equity interests	17	593,692	622,213
長期保證金	Long-term deposit	18	300,000	300,000
			22,557,705	17,547,521
流動資產	CURRENT ASSETS			
持作出售物業	Properties held for sale		7,683,345	6,829,221
擬作出售的開發中物業	Properties under development for sale		33,737,351	21,254,355
應收賬款及其他應收款項、按金及預付款項	Accounts and other receivables, deposits and prepayments	19	14,684,861	9,625,149
應收非控股權益款項	Amounts due from non-controlling interests	20	4,779,409	2,387,678
應收合營企業及聯營公司款項	Amounts due from joint ventures and associates	21	6,497,292	4,620,932
持作出售物業土地使用權按金	Deposits for land use rights for properties held for sale		1,346,394	4,373,075
可收回稅項	Taxation recoverable		1,203,343	812,197
按公平值計入損益(「按公平值計入損益」)的金融資產	Financial assets at fair value through profit or loss ("FVTPL")	22	474,608	352,829
已質押銀行存款	Pledged bank deposits		758,807	348,855
銀行結餘及現金	Bank balances and cash		25,034,770	20,328,397
			96,200,180	70,932,688
流動負債	CURRENT LIABILITIES			
應付賬款及其他應付款項以及應計開支	Accounts and other payables, and accrued charges	23	16,730,073	7,854,327
已收物業銷售按金	Deposits received from property sales		22,603,258	15,391,289
應付非控股權益款項	Amounts due to non-controlling interests	20	1,887,470	965,649
應付合營企業及聯營公司款項	Amounts due to joint ventures and associates	21	10,098,113	14,419,441
應付稅項	Taxation payable		2,523,877	1,838,829
銀行及其他借款	Bank and other borrowings			
— 於一年內到期	— due within one year	24	4,984,163	2,367,536
公司債券	Corporate bonds	27	1,529,558	2,088,970
			60,356,512	44,926,041
流動資產淨值	NET CURRENT ASSETS		35,843,668	26,006,647
總資產減流動負債	TOTAL ASSETS LESS CURRENT LIABILITIES		58,401,373	43,554,168

簡明綜合財務狀況表

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

於二零一七年六月三十日 At 30 June 2017

			於二零一七年 六月三十日 At 30 June 2017	於二零一六年 十二月三十一日 At 31 December 2016
		附註 NOTES	人民幣千元 RMB'000 (未經審核) (unaudited)	人民幣千元 RMB'000 (經審核) (audited)
資本及儲備	CAPITAL AND RESERVES			
股本	Share capital	25	549,345	542,797
儲備	Reserves		15,841,933	14,437,365
本公司股東權益 應佔股本權益	Equity attributable to equity owners of the Company		16,391,278	14,980,162
非控股權益	Non-controlling interests		6,821,706	2,302,851
股本權益總額	TOTAL EQUITY		23,212,984	17,283,013
非流動負債	NON-CURRENT LIABILITIES			
銀行及其他借款 — 於一年後到期	Bank and other borrowings – due after one year	24	20,174,776	11,199,111
優先票據	Senior notes	26	4,623,798	5,683,011
公司債券	Corporate bonds	27	8,244,546	8,052,498
遞延稅項負債	Deferred taxation liabilities		2,145,269	1,336,535
			35,188,389	26,271,155
			58,401,373	43,554,168

簡明綜合股本權益變動表

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

截至二零一七年六月三十日止六個月 For the six months ended 30 June 2017

		本公司股東權益應佔							非控股權益		總計
		Attributable to equity owners of the Company							Non-controlling interests		
		已繳/ 股本	股份溢價	特別及 其他儲備	法定 盈餘儲備	購股權 儲備	出資儲備	保留利潤	小計		
		Paid in/ share capital	Share premium	Special and other reserve	Statutory surplus reserve	Share option reserve	Capital contribution reserve	Retained profits	Sub-total		Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
於二零一六年一月一日(經審核)	At 1 January 2016 (audited)	537,157	1,256,083	202,284	845,060	143,625	39,440	9,803,448	12,827,097	2,456,065	15,283,162
期內利潤及全面收入總額	Profit and total comprehensive income for the period	-	-	-	-	-	-	838,480	838,480	210,906	1,049,386
確認為分派股息(附註8)	Dividend recognised as distribution (Note 8)	-	(620,937)	-	-	-	-	-	(620,937)	-	(620,937)
確認以股本權益結算並以股份付款(附註33)	Recognition of equity-settled share based payments (Note 33)	-	-	-	-	23,985	-	-	23,985	-	23,985
向非控股權益出售附屬公司部份權益	Disposal of partial interest in subsidiaries to non-controlling interests	-	-	324	-	-	-	-	324	8,676	9,000
收購非控股股東附屬公司額外權益	Acquisition of additional interests in subsidiaries from non-controlling shareholders	-	-	19,586	-	-	-	-	19,586	(80,164)	(60,578)
行使購股權時發行股份	Issue of shares upon exercise of share options	887	17,627	-	-	(4,114)	-	-	14,400	-	14,400
就以股代息發行股份	Issue of shares for scrip dividend	3,384	56,440	-	-	-	-	-	59,824	-	59,824
註銷回購股份	Cancelled upon repurchase of shares	(1,853)	(115,372)	-	-	-	-	-	(117,225)	-	(117,225)
於二零一六年六月三十日(未經審核)	At 30 June 2016 (unaudited)	539,575	593,841	222,194	845,060	163,496	39,440	10,641,928	13,045,534	2,595,483	15,641,017
於二零一七年一月一日(經審核)	At 1 January 2017 (audited)	542,797	516,390	251,728	1,028,924	173,750	39,440	12,427,133	14,980,162	2,302,851	17,283,013
期內利潤及全面收入總額	Profit and total comprehensive income for the period	-	-	-	-	-	-	2,156,233	2,156,233	451,660	2,607,893
確認為分派股息(附註8)	Dividend recognised as distribution (Note 8)	-	-	-	-	-	-	(779,492)	(779,492)	-	(779,492)
確認以股本權益結算並以股份付款(附註33)	Recognition of equity-settled share based payments (Note 33)	-	-	-	-	10,131	-	-	10,131	-	10,131
非控股權益注資	Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	45,300	45,300
向非控股權益出售附屬公司部份權益	Disposal of partial interest in subsidiaries to non-controlling interests	-	-	2,355	-	-	-	-	2,355	116,810	119,165
收購附屬公司	Acquisition of subsidiaries	-	-	-	-	-	-	-	-	3,934,836	3,934,836
收購非控股股東附屬公司額外權益	Acquisition of additional interests in subsidiaries from non-controlling shareholders	-	-	(87,449)	-	-	-	-	(87,449)	(29,751)	(117,200)
行使購股權時發行股份	Issue of shares upon exercise of share options	6,393	131,296	-	-	(32,981)	-	-	104,708	-	104,708
就以股代息發行股份	Issue of shares for scrip dividend	155	4,475	-	-	-	-	-	4,630	-	4,630
於二零一七年六月三十日(未經審核)	At 30 June 2017 (unaudited)	549,345	652,161	166,634	1,028,924	150,900	39,440	13,803,874	16,391,278	6,821,706	23,212,984

簡明綜合現金流量表

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

截至二零一七年六月三十日止六個月 For the six months ended 30 June 2017

		截至六月三十日止六個月 Six months ended 30 June	
		二零一七年 2017	二零一六年 2016
		人民幣千元 RMB'000	人民幣千元 RMB'000
		(未經審核) (unaudited)	(未經審核) (unaudited)
	附註 NOTES		
經營活動所得現金淨額	NET CASH FROM OPERATING ACTIVITIES	9,325,506	1,259,584
投資活動	INVESTING ACTIVITIES		
就收購股權已付按金	Deposits paid for acquisitions of equity interests	(363,526)	–
向非控股權益墊款	Advances to non-controlling interests	(1,072,357)	(927,371)
非控股權益還款	Repayment from non-controlling interests	642,114	831,339
向合營企業及聯營公司墊款	Advances to joint ventures and associates	(4,171,713)	(3,379,551)
合營企業及聯營公司還款	Repayment from joint ventures and associates	2,295,353	2,606,716
添置投資物業	Additions to investment properties	(13,694)	–
添置開發中投資物業	Additions to investment properties under development	–	(6,208)
購置物業、廠房及設備	Purchase of property, plant and equipment	(18,892)	(14,054)
視作收購一間附屬公司所得現金流入淨額	Net cash inflow from deemed acquisition of a subsidiary	1,600,539	–
收購附屬公司所得現金(流出)流入淨額	Net cash (outflow) inflow from acquisition of subsidiaries	(1,927,094)	213,770
出售附屬公司所得現金流入(流出)淨額	Net cash inflow (outflow) from disposal of subsidiaries	180,163	(5,549)
存入已質押銀行存款	Placement of pledged bank deposits	(758,807)	–
提取已質押銀行存款	Withdrawal of pledged bank deposits	348,855	–
出售物業、廠房及設備所得款項	Proceeds from disposal of property, plant and equipment	498	546
向合營企業注資	Capital injection into joint ventures	(419,421)	–
向聯營公司注資	Capital injection into associates	(333,879)	(39,500)
購買可供出售投資	Purchase of available-for-sale investments	(404,746)	(344,688)
已收利息	Interest received	162,065	68,293
添置物業項目投資	Addition to investments in property projects	(183,861)	–
投資活動所用現金淨額	NET CASH USED IN INVESTING ACTIVITIES	(4,438,403)	(996,257)

		截至六月三十日止六個月 Six months ended 30 June	
		二零一七年 2017	二零一六年 2016
		人民幣千元 RMB'000	人民幣千元 RMB'000
		(未經審核) (unaudited)	(未經審核) (unaudited)
融資活動	FINANCING ACTIVITIES		
新增銀行及其他借款	New bank and other borrowings raised	13,149,220	7,026,831
償還銀行及其他借款	Repayment of bank and other borrowings	(5,941,984)	(4,908,612)
已付利息	Interest paid	(881,937)	(648,178)
收購附屬公司額外權益	Acquisition of additional interest in subsidiaries	(117,200)	(60,578)
來自非控股權益的墊款	Advances from non-controlling interests	339,790	253,605
向非控股權益還款	Repayment to non-controlling interests	(614,270)	(995,208)
來自合營企業及聯營公司的墊款	Advances from joint ventures and associates	2,606,457	9,528,654
向合營企業及聯營公司還款	Repayment to joint ventures and associates	(6,927,785)	(6,895,062)
向非控股股東出售附屬公司部份權益的所得款項	Proceeds from disposal of partial interests in subsidiaries to non-controlling shareholders	119,165	9,000
非控股權益注資	Capital contributions from non-controlling interests	45,300	–
發行優先票據及公司債券所得款項淨額	Net proceeds from issue of senior notes and corporate bonds	1,864,953	1,987,422
贖回優先票據及公司債券	Redemption of senior notes and corporate bonds	(3,273,952)	(3,239,636)
行使購股權所得款項	Proceed from exercise of share options	104,708	14,400
結算衍生金融工具所得款項	Proceed from settlement of derivative financial instruments	123,191	–
償還回購股份款項	Repayment on repurchase of shares	–	(117,225)
已付股息	Dividend paid	(774,862)	(561,113)
融資活動所用所得現金淨額	NET CASH USED IN FROM FINANCING ACTIVITIES	(179,206)	1,394,300
現金及現金等價物增加淨額	NET INCREASE IN CASH AND CASH EQUIVALENTS	4,707,897	1,657,627
外匯影響	Effect of foreign exchanges	(1,524)	7,460
期初現金及現金等價物	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	20,328,397	14,873,736
期末現金及現金等價物	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	25,034,770	16,538,823
現金及現金等價物結餘分析	ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
銀行結餘及現金	Bank balances and cash	25,034,770	16,538,823

簡明綜合財務報表附註

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

截至二零一七年六月三十日止六個月 For the six months ended 30 June 2017

1. 呈列基準

簡明綜合財務報表乃按照國際會計準則委員會(「國際會計準則委員會」)頒佈的國際會計準則第34號「中期財務報告」以及香港聯合交易所有限公司證券上市規則附錄十六的適用披露規定編製。

2. 主要會計政策

除按公平值計量的投資物業及若干金融工具外，簡明綜合財務報表已按歷史成本法編製。歷史成本一般根據貨物及服務交換所得代價的公平值釐定。

除下文所述者外，截至二零一七年六月三十日止六個月的簡明綜合財務報表所採用的會計政策及計算方法與編製本集團截至二零一六年十二月三十一日止年度的年度綜合財務報表所採用者一致。

於本中期期間，本集團首次應用下列由國際會計準則委員會頒佈的國際會計準則(「國際會計準則」)及國際財務報告準則(「國際財務報告準則」)修訂本，以下統稱為「國際財務報告準則修訂本」。

國際會計準則第7號 披露計劃 (修訂本)	
國際會計準則第12號 就未變現虧損確認 (修訂本) 遞延稅項資產	
國際財務報告準則第 二零一四年至 12號(修訂本) 二零一六年期間 國際財務報告準則 年度改善的一部份	

於本期間應用國際財務報告準則修訂本對本集團於本期間及過往年度的財務表現及狀況及／或於簡明綜合財務報表中所載披露並無重大影響，惟有關應用預期會對截至二零一七年十二月三十一日止年度的綜合財務報表中的披露構成影響。

1. BASIS OF PRESENTATION

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* issued by the International Accounting Standards Board (the "IASB") as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for investment properties and certain financial instruments which are measured at fair values. Historical cost is generally based on the fair value of the consideration given in exchange of goods and services.

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2017 are the same as those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2016.

In the current interim period, the Group has applied, for the first time, the following amendments to International Accounting Standard ("IAS") and International Financial Reporting Standards ("IFRSs") hereinafter collectively referred to as the "amendments to IFRSs" issued by the IASB.

Amendments to IAS 7	Disclosure Initiative
Amendments to IAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to IFRS12	As part of the Annual Improvements to IFRSs 2014-2016 Cycle

The application of the amendments to IFRSs in current period has had no material impact on the results the Group's financial performance and position for the current period and prior years and/or on the disclosures set out in the condensed consolidated financial statements, but the application is expected to have impact on disclosures in the consolidated financial statements for the year ending 31 December 2017.

3. 分部資料

以下為本集團可呈報及經營分部的收入及業績的分析：

(a) 分部收入及利潤

3. SEGMENT INFORMATION

The following is an analysis of the Group's revenue and results by reportable and operating segments:

(a) Segment revenue and profit

		房地產開發	房地產投資	物業管理、 項目管理及 其他相關 服務	總計
		Property development	Property investment	Property management, Project management and other related services	Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
截至二零一七年六月三十日止 六個月	Six months ended 30 June 2017				
來自外部客戶的可呈報分部 收入	Reportable segment revenue from external customers	10,590,200	50,986	594,173	11,235,359
可呈報分部利潤	Reportable segment profit	3,095,718	35,363	223,097	3,354,178

		房地產開發	房地產投資	物業管理、 項目管理及 其他相關 服務	總計
		Property development	Property investment	Property management, project management and other related services	Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
截至二零一六年六月三十日止 六個月	Six months ended 30 June 2016				
來自外部客戶的可呈報分部 收入	Reportable segment revenue from external customers	7,985,162	17,487	741,472	8,744,121
可呈報分部利潤	Reportable segment profit	1,794,776	14,982	280,128	2,089,886

簡明綜合財務報表附註

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

3. 分部資料(續)

(b) 分部資產及負債

由於主要經營決策者於計算本集團分部報告時並無計入資產及負債，因此並無呈列分部資產及負債。

(c) 可呈報分部收入及利潤的對賬

3. SEGMENT INFORMATION (Continued)

(b) Segment assets and liabilities

No assets and liabilities are included in the measures of the Group's segment reporting that are used by the chief operating decision maker. Accordingly, no segment assets and liabilities are presented.

(c) Reconciliations of reportable segment revenue and profit

		截至六月三十日止六個月	
		Six months ended 30 June	
		二零一七年	二零一六年
		2017	2016
		人民幣千元	人民幣千元
		RMB'000	RMB'000
		(未經審核)	(未經審核)
		(unaudited)	(unaudited)
收入	Revenue		
可呈報分部及綜合收入	Reportable segment and consolidated revenue	11,235,359	8,744,121
利潤	Profit		
可呈報分部利潤	Reportable segment profit	3,354,178	2,089,886
其他收入、收益及虧損	Other income, gains and losses	40,717	(127,572)
投資物業公平值變動	Change in fair value of investment properties	19,286	(66,108)
融資成本	Finance costs	(99,587)	(108,190)
應佔合營企業業績	Share of results of joint ventures	1,204,327	261,124
應佔聯營公司業績	Share of results of associates	319,124	(21,629)
物業、廠房及設備折舊	Depreciation of property, plant and equipment	(10,725)	(8,242)
呆賬(撥備)撥回	(Allowance for) write-back of doubtful debts	(1,665)	415
未分配總部及企業開支	Unallocated head office and corporate expenses	(656,631)	(247,790)
除稅前綜合利潤	Consolidated profit before taxation	4,169,024	1,771,894

4. 其他收入、收益及虧損

4. OTHER INCOME, GAINS AND LOSSES

		截至六月三十日止六個月	
		Six months ended 30 June	
		二零一七年	二零一六年
		2017	2016
		人民幣千元	人民幣千元
		RMB'000	RMB'000
		(未經審核)	(未經審核)
		(unaudited)	(unaudited)
利息收入	Interest income	162,065	68,293
重新計量的收益(附註28)	Gain on re-measurement (Note 28)	–	38,283
業務合併的收益(附註28)	Gain from business combinations (Note 28)	–	33,867
出售附屬公司的收益(虧損)(附註29)	Gain (loss) on disposal of subsidiaries (Note 29)	1,591	(211)
政府補貼	Government grants	1,734	3,560
沒收買家支付的按金	Forfeited deposits paid by purchasers	12,339	2,912
出售物業、廠房及設備的收益(虧損)	Gain (loss) on disposal of property, plant and equipment	280	(6)
提早贖回優先票據的虧損(附註26)	Loss on early redemption of senior notes (Note 26)	(128,288)	(182,263)
指定為按公平值計入損益的金融資產 公平值變動(附註22)	Change in fair value of financial assets at FVTPL (Note 22)	(63,282)	–
衍生金融工具公平值變動	Change in fair value of derivative financial instrument	(165,661)	61,687
匯兌收益(虧損)淨額	Net exchange gain (loss)	213,284	(163,867)
雜項收入	Sundry income	6,655	10,173
		40,717	(127,572)

5. 融資成本

5. FINANCE COSTS

		截至六月三十日止六個月	
		Six months ended 30 June	
		二零一七年	二零一六年
		2017	2016
		人民幣千元	人民幣千元
		RMB'000	RMB'000
		(未經審核)	(未經審核)
		(unaudited)	(unaudited)
銀行及其他借款的利息	Interest on bank and other borrowings	(630,299)	(385,201)
優先票據及公司債券的利息開支	Interest expense on senior notes and corporate bonds	(419,139)	(475,725)
減：擬作出售的開發中物業及在建 投資物業的資本化金額	Less: Amount capitalised to properties under development for sale and investment properties under construction	949,851	752,736
		(99,587)	(108,190)

簡明綜合財務報表附註

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. 融資成本(續)

擬作出售的開發中物業及在建投資物業的資本化借款成本根據各銀行及其他借款、優先票據及公司債券的合約利率釐定，分別於附註24、26及27披露。

5. FINANCE COSTS (Continued)

Borrowing costs capitalised to properties under development for sale and investment properties under construction were determined by the contracted interest rates of respective bank and other borrowings, senior notes and corporate bonds as disclosed in notes 24, 26 and 27 respectively.

6. 所得稅開支

6. INCOME TAX EXPENSE

		截至六月三十日止六個月	
		Six months ended 30 June	
		二零一七年	二零一六年
		2017	2016
		人民幣千元	人民幣千元
		RMB'000	RMB'000
		(未經審核)	(未經審核)
		(unaudited)	(unaudited)
於中華人民共和國(「中國」)的 即期稅項	Current tax in the People's Republic of China (the "PRC")		
中國企業所得稅	PRC enterprise income tax	(704,015)	(485,536)
土地增值稅	Land appreciation tax	(853,804)	(305,322)
		(1,557,819)	(790,858)
遞延稅項	Deferred taxation	(3,312)	68,350
		(1,561,131)	(722,508)

根據自二零零八年一月一日起生效的中國企業所得稅法及實施條例，中國附屬公司的法定稅率為25%。

Under the Law of Enterprise Income Tax and Implementation Rules of the PRC effective since 1 January 2008, the statutory tax rate of the PRC subsidiaries is 25%.

經多個稅務主管當局批准，若干中國附屬公司須就其各自視作應課稅收入按法定稅率25%納稅，而應課稅收入根據適用中國稅務法規的規定計稅方法按收入的8%至10%計算。

As approved by various competent tax bureaux, certain PRC subsidiaries are subject to statutory tax rate of 25% on their respective deemed taxable income, ranging from 8% to 10% of revenue in accordance with the prescribed tax calculation method pursuant to the applicable PRC tax regulations.

6. 所得稅開支(續)

土地增值稅撥備乃根據相關中國稅務法律及法規所載規定估計。土地增值稅已按增值價值的累進稅率範圍作出撥備(附帶若干許可豁免及減免)。

根據英屬處女群島(「英屬處女群島」)及開曼群島的規則及法規，本集團毋須在英屬處女群島及開曼群島繳納任何所得稅。

由於本集團旗下各公司的收入既不產自亦非來自香港，故並無就香港利得稅作出撥備。

7. 期內利潤及全面收入總額

6. INCOME TAX EXPENSE (Continued)

The provision of LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable exemptions and deductions.

Pursuant to the rules and regulations of the British Virgin Islands (“BVI”) and the Cayman Islands, the Group is not subject to any income tax in the BVI and the Cayman Islands.

No provision for Hong Kong Profits Tax has been made as the income of the companies comprising the Group neither arises in, nor is derived from, Hong Kong.

7. PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD

		截至六月三十日止六個月 Six months ended 30 June	
		二零一七年 2017	二零一六年 2016
		人民幣千元 RMB'000	人民幣千元 RMB'000
		(未經審核) (unaudited)	(未經審核) (unaudited)
期內利潤及全面收入總額乃經扣除(計入)下列各項：	Profit and total comprehensive income for the period has been arrived at after charging (crediting):		
計入銷售及服務成本的已售物業成本	Cost of properties sold included in cost of sales and services	7,324,885	6,276,464
物業、廠房及設備折舊	Depreciation of property, plant and equipment	10,725	8,242
呆賬撥備(撥回)	Allowance for (write-back of) doubtful debts	1,665	(415)
土地及樓宇的經營租賃租金	Operating lease rentals in respect of land and buildings	36,659	20,344

簡明綜合財務報表附註

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

8. 股息

8. DIVIDEND

		截至六月三十日止六個月 Six months ended 30 June	
		二零一七年 2017	二零一六年 2016
		人民幣千元 RMB'000	人民幣千元 RMB'000
		(未經審核) (unaudited)	(未經審核) (unaudited)
於期內確認為分派股息：	Dividend recognised as distribution during the period:		
就截至二零一六年十二月三十一日止 財政年度派付末期股息每股普通股 人民幣11.50分(相當於13港分) (二零一五年：人民幣9.35分(相當 於11港分))	Final dividend paid in respect of financial year ended 31 December 2016 of RMB11.50 cents (equivalent to HK13 cents) (2015: RMB9.35 cents (equivalent to HK11 cents)) per ordinary share	779,492	620,937
於期內宣派為分派股息：	Dividends declared as distribution during the period:		
現金	Cash	326,320	229,414

董事會宣派截至二零一七年六月三十日止六個月的中期股息每股普通股人民幣4.35分(相當於5港分)(截至二零一六年六月三十日止六個月：人民幣3.42分(相當於4港分))。

The Board declared the payment of an interim dividend of RMB4.35 cents (equivalent to HK5 cents) (six months ended 30 June 2016: RMB3.42 cents (equivalent to HK4 cents)) per ordinary share for the six months ended 30 June 2017.

於二零一七年五月三十一日，股東獲派發末期股息每股普通股人民幣11.50分(相當於13港分)(包括供股東選擇以獲配發新股份代替現金的形式收取末期股息的以股代息選擇)，作為截至二零一六年十二月三十一日止財政年度的末期股息。以股代息選擇已獲股東接納如下：

On 31 May 2017, a final dividend of RMB11.50 cents (equivalent to HK13 cents) per ordinary share, which included scrip dividend alternative offered to shareholders to elect receiving the final dividend by allotment of new shares in lieu of cash, were paid to shareholders as the final dividend in respect of the financial year ended 31 December 2016. The scrip dividend alternative was accepted by shareholders as follows:

		截至六月三十日止六個月 Six months ended 30 June	
		二零一七年 2017	二零一六年 2016
		人民幣千元 RMB'000	人民幣千元 RMB'000
		(未經審核) (unaudited)	(未經審核) (unaudited)
股息	Dividends		
現金	Cash	774,862	561,113
以股代息選擇	Scrip dividend alternative	4,630	59,824
		779,492	620,937

9. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利的計算乃基於以下數據：

9. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

		截至六月三十日止六個月 Six months ended 30 June	
		二零一七年 2017	二零一六年 2016
		人民幣千元 RMB'000	人民幣千元 RMB'000
		(未經審核) (unaudited)	(未經審核) (unaudited)
盈利	Earnings		
就計算每股基本及攤薄盈利的盈利 (本公司擁有人應佔期內利潤)	Earnings for the purposes of basic and diluted earnings per share (profit for the period attributable to owners of the Company)	2,156,233	838,480

		截至六月三十日止六個月 Six months ended 30 June	
		二零一七年 2017	二零一六年 2016
		千股 '000	千股 '000
		(未經審核) (unaudited)	(未經審核) (unaudited)
股份數目	Number of shares		
就計算每股基本盈利的普通股加權 平均數	Weighted average number of ordinary shares for the purpose of basic earnings per share	6,773,955	6,674,468
對購股權的潛在普通股攤薄效應	Effect of dilutive potential ordinary shares on share options	107,516	156
就計算每股攤薄盈利的普通股加權 平均數	Weighted average number of ordinary shares for the purpose of diluted earnings per share	6,881,471	6,674,624

簡明綜合財務報表附註

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

10. 投資物業

10. INVESTMENT PROPERTIES

		在建投資 物業 Investment properties under construction 人民幣千元 RMB'000	已竣工投資 物業 Completed investment properties 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
於二零一七年一月一日(經審核)	At 1 January 2017 (audited)	–	5,773,100	5,773,100
添置	Additions	–	13,694	13,694
收購一間附屬公司(附註28)	Acquisition of a subsidiary (Note 28)	5,874,000	–	5,874,000
轉撥自持作出售物業	Transfer from property held for sales	–	339,820	339,820
在損益中確認的公平值增加	Increase in fair value recognised in profit or loss	2,000	17,286	19,286
於二零一七年六月三十日 (未經審核)	At 30 June 2017 (unaudited)	5,876,000	6,143,900	12,019,900

已竣工投資物業及在建投資物業均位於中國。

The completed investment properties and investment properties under construction are all situated in the PRC.

本集團已竣工投資物業及在建投資物業於二零一七年六月三十日及二零一六年十二月三十一日的公平值乃基於與本集團並無關連的獨立合資格專業估值師行第一太平戴維斯估值及專業顧問有限公司於該等日期進行的估值而得出。第一太平戴維斯估值及專業顧問有限公司擁有合適資格，且近期於評估相關地點的類似物業方面擁有經驗。

The fair values of the Group's completed investment properties and investment properties under construction at 30 June 2017 and 31 December 2016 have been arrived at on the basis of valuations on those dates carried out by Savills Valuation and Professional Services Limited, a firm of independent qualified professional valuers not connected with the Group, who have appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations.

已竣工投資物業的估值採用直接比較法並參照已竣工投資物業於有關市場上可比較市場交易及透過將現有租約所得租金收入淨額資本化的方式計算，並適當考慮各物業對已竣工投資物業的收入復歸潛力。

The valuations of completed investment properties were arrived at with adoption of the direct comparison approach by making reference to comparable market transactions as available in the relevant markets on completed investment properties and, by capitalising the net rental income derived from the existing tenancies with due allowance for reversionary incoming potential of the respective properties on completed investment properties.

10. 投資物業(續)

在建投資物業的估值採用直接比較法，參考於相關市場上可資比較的空置土地交易；並採用餘值法(以市場上可觀察的已竣工物業交易為依據)，按該等物業將根據最新開發方案開發及竣工的基準，計及完成開發所耗用的建造成本而得出，以反映已竣工開發項目的質素及發展商利潤。

於過往年度使用的估值方法概無變動。

於估計物業的公平值時，物業的最高及最佳用途為其當前用途。

11. 物業、廠房及設備

截至二零一七年六月三十日止六個月，本集團出售賬面值總額人民幣218,000元(截至二零一六年六月三十日止六個月：人民幣552,000元)的若干設備及傢俬，所得款項為人民幣498,000元(截至二零一六年六月三十日止六個月：人民幣546,000元)，產生出售收益人民幣280,000元(截至二零一六年六月三十日止六個月：出售虧損人民幣6,000元)。添置物業、廠房及設備達人民幣19,337,000元(截至二零一六年六月三十日止六個月：人民幣14,054,000元)，包括機動車輛以及設備及傢俬。

12. 於聯營公司的權益

10. INVESTMENT PROPERTIES (Continued)

The valuations of investment properties under construction were arrived at with adoption of the direct comparison approach by making reference to comparable transactions for bare land as available in the relevant markets and, residual approach, which is based on market observable transactions of completed properties with the basis that they will be developed and completed in accordance with the latest development proposals and taken into account the construction costs that will be expended to complete the development to reflect the quality of the completed development and developer's profit.

There has been no change from the valuation technique used in prior year.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2017, the Group disposed of certain equipment and furniture with an aggregate carrying amount of RMB218,000 (six months ended 30 June 2016: RMB552,000) for proceeds of RMB498,000 (six months ended 30 June 2016: RMB546,000) resulting in a gain of disposal of RMB280,000 (six months ended 30 June 2016: loss on disposal of RMB6,000). additions to property, plant and equipment amounted to RMB19,337,000 (six months ended 30 June 2016: RMB14,054,000), consisting of motor vehicles and equipment and furniture.

12. INTERESTS IN ASSOCIATES

		於二零一七年 六月三十日 At 30 June 2017 人民幣千元 RMB'000 (未經審核) (unaudited)	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000 (經審核) (audited)
本集團於聯營公司的權益詳情如下：	Details of the Group's interests in associates are as follows:		
於聯營公司的非上市投資成本	Cost of unlisted investment in associates	1,646,166	1,312,037
應佔收購後業績及其他全面收益， 扣除已收股息	Share of post-acquisition results and other comprehensive income, net of dividend received	341,540	22,416
		1,987,706	1,334,453

簡明綜合財務報表附註

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

13. 於合營企業的權益

13. INTERESTS IN JOINT VENTURES

		於二零一七年 六月三十日 At 30 June 2017 人民幣千元 RMB'000 (未經審核) (unaudited)	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000 (經審核) (audited)
於合營企業的非上市投資成本	Cost of unlisted investments in joint ventures	4,274,322	6,316,727
應佔收購後業績及其他全面收益， 扣除已收股息	Share of post-acquisition results and other comprehensive income, net of dividend received	1,058,922	1,187,739
		5,333,244	7,504,466

14. 於物業項目的投資

14. INVESTMENTS IN PROPERTY PROJECTS

		於二零一七年 六月三十日 At 30 June 2017 人民幣千元 RMB'000 (未經審核) (unaudited)	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000 (經審核) (audited)
於物業項目的投資	Investments in property projects	713,086	529,225

上述餘額指本集團於蘇州、宜興及長沙物業項目的權益，而將予收取的金額乃根據與相關方訂立的各項安排所訂明相關物業單位的銷售及成本釐定，且於報告期末按公平值列賬。於二零一七年六月三十日及二零一六年十二月三十一日的公平值乃基於與本集團並無關連的獨立合資格專業估值師行第一太平戴維斯估值及專業顧問有限公司進行的估值而得出。第一太平戴維斯估值及專業顧問有限公司擁有合適資格，且近期於評估相關地點的類似物業方面擁有經驗。有關公平值計量的詳情載於附註35。

The above balance represents the Group's interests in the property projects located in Suzhou, Yixing and Changsha of which the amounts receivable are determined based on the sales and costs of the relevant property units specified in the respective arrangement with the counterparts and it is carried at fair value at the end of the reporting period. The fair value at 30 June 2017 and 31 December 2016 has been arrived on the basis of valuation carried out by Savills Valuation and Professional Services Limited, a firm of independent qualified professional valuers not connected with the Group, who have appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations. Details of the fair value measurements are set out in note 35.

15. 可供出售投資

15. AVAILABLE-FOR-SALE INVESTMENTS

			於二零一七年 六月三十日 At 30 June 2017	於二零一六年 十二月三十一日 At 31 December 2016
		附註 Notes	人民幣千元 RMB'000 (未經審核) (unaudited)	人民幣千元 RMB'000 (經審核) (audited)
按成本入賬的上市股本投資	Listed equity investment, at cost	a	54,023	54,023
按成本入賬的非上市股本投資	Unlisted equity investments, at cost	b	484,880	484,880
非上市私人基金	Unlisted private fund	c	606,819	202,073
			1,145,722	740,976

附註：

Notes:

- a) 上市股本投資指於中國成立並於全國中小企業股份轉讓系統上市的實體的投資。本公司董事認為，由於並無成交量，故有關投資並無股份價格。由於合理公平值的估計範圍甚廣，本公司董事認為其公平值無法可靠計量，故有關投資於報告期末按成本扣除減值計量。
- a) The listed equity investment represents investment in an entity established in the PRC and listed on the National Equities Exchange and Quotation System. The directors of the Company are of the opinion that there is no stock price for the investment due to no trading volume. The investment is measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimates are so significant that the directors of the Company are of the opinion that their fair value cannot be reliably measured.
- b) 非上市股本投資指於私人實體的投資。由於合理公平值的估計範圍甚廣，本公司董事認為其公平值不能可靠計量，故有關投資於報告期末按成本扣除減值計量。
- b) The unlisted equity investments represent investments in private entities. The investments are measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimates are so significant that the directors of the Company are of the opinion that their fair value cannot be reliably measured.
- c) 非上市私人基金投資於若干私人實體的股本投資。有關投資於二零一六年十二月三十一日按成本扣除減值計量。於截至二零一七年六月三十日止六個月，投資能獲取報價，因此，有關投資依據二零一七年六月三十日場外交易所報的市場價格，按公平值重新計量，而公平值變動於損益確認。
- c) The unlisted private fund is invested in equity investments in certain private entities. The investments was measured at cost less impairment as at 31 December 2016. During the six months ended 30 June 2017, the quoted price of the investment becomes available and accordingly, the investment is re-measured at fair value, with changes in fair value recognised in profit or loss, based on the market price in the over-the-counter market available at 30 June 2017.

16. 衍生金融工具

16. DERIVATIVE FINANCIAL INSTRUMENTS

		於二零一七年 六月三十日 At 30 June 2017 人民幣千元 RMB'000 (未經審核) (unaudited)	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000 (經審核) (audited)
非作為對沖工具的衍生金融工具：	Derivative financial instruments not designated as hedging instruments:		
外幣遠期合約	Foreign currency forward contracts	25,916	314,768

於二零一七年六月三十日，遠期合約的遠期合約名義總額為1,148,000,000美元(二零一六年十二月三十一日：1,098,000,000美元)。

At 30 June 2017, total notional amount of the forward contracts was USD1,148,000,000 (31 December 2016: USD1,098,000,000) in aggregate for the forward contracts.

17. 就收購股權已付按金

17. DEPOSITS PAID FOR ACQUISITIONS OF EQUITY INTERESTS

於二零一七年六月三十日，本集團就收購於中國註冊成立的若干實體股權所支付的按金為人民幣593,692,000元(二零一六年十二月三十一日：人民幣622,213,000元)。

At 30 June 2017, the Group had made deposits of RMB593,692,000 (31 December 2016: RMB622,213,000) for the acquisitions of equity interests in certain PRC incorporated entities.

18. 長期保證金

18. LONG-TERM DEPOSIT

於二零一七年六月三十日，本集團有保證金人民幣300,000,000元(二零一六年十二月三十一日：人民幣300,000,000元)，以擔保其將於報告期末起計十二個月後開始的物業項目管理服務。

At 30 June 2017, the Group had deposit of RMB300,000,000 (31 December 2016: RMB300,000,000) which was for securing property project management service to be commenced by the Group after twelve months from the end of the reporting period.

19. 應收賬款及其他應收款項、按金及預付款項

19. ACCOUNTS AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

貿易應收款項主要來自出售物業及租金收入。有關已售物業的代價乃根據相關買賣協議的條款且通常自協議日期起計介乎60至180日內支付。根據租賃協議，租金收入應由租戶於兩個月內支付。

Trade receivables mainly arise from sales of properties and rental income. Considerations in respect of properties sold are paid in accordance with the terms of the related sales and purchase agreements, normally with a range of 60 days to 180 days from the date of agreement. Rental income is paid by tenants within two months in accordance to tenancy agreement.

19. 應收賬款及其他應收款項、
按金及預付款項(續)

19. ACCOUNTS AND OTHER RECEIVABLES,
DEPOSITS AND PREPAYMENTS (Continued)

		於二零一七年 六月三十日 At 30 June 2017 人民幣千元 RMB'000 (未經審核) (unaudited)	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000 (經審核) (audited)
貿易應收款項(扣除撥備)	Trade receivables, net of allowance	1,404,559	1,315,103
其他應收款項(扣除撥備)(附註)	Other receivables, net of allowance (note)	11,265,410	7,077,230
預付稅項	Prepaid tax	881,660	360,420
按金及預付款項	Deposits and prepayments	1,133,232	872,396
		14,684,861	9,625,149

附註：有關金額主要包括就潛在物業發展項目的臨時付款及於完成開發項目後可返還的項目相關按金。其他應收款項並無固定還款期，董事認為其須按要求償還，並將於墊款日期起一年內收回。其他應收款項(扣除撥備)人民幣12,072,070,000元(二零一六年十二月三十一日：人民幣5,885,549,000元)的賬齡為一年內，而其他應收款項人民幣75,000,000元(二零一六年十二月三十一日：人民幣1,191,681,000元)的賬齡為超過一年。

Note: The amount mainly includes temporary payments paid for potential property development projects and project-related deposits which would be refundable upon completion of the development projects. There is no fixed repayment term for other receivables and the directors considers they are repayable on demand and will be recovered in one year from the date of advance. The other receivables, net of allowance, amounting to RMB12,072,070,000 (31 December 2016: RMB5,885,549,000) are aged within one year and RMB75,000,000 (31 December 2016: RMB1,191,681,000) are aged over one year respectively.

以下為於報告期末按協議日期編製的貿易應收款項賬齡分析(經扣除撥備)：

The following is an aged analysis of trade receivables, based on the date of agreement and net of allowance, at the end of the reporting period:

		於二零一七年 六月三十日 At 30 June 2017 人民幣千元 RMB'000 (未經審核) (unaudited)	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000 (經審核) (audited)
於60日內	Within 60 days	1,015,962	815,941
61至180日	61-180 days	140,347	66,126
181至365日	181-365 days	66,319	202,118
1年以上	Over 1 year	181,931	230,918
		1,404,559	1,315,103

簡明綜合財務報表附註

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

19. 應收賬款及其他應收款項、按金及預付款項(續)

於接納任何企業客戶前，本集團使用內部信貸評估制度評估潛在客戶的信貸質素。

於二零一七年六月三十日，於報告期末已逾期但本集團尚未就此計提撥備的貿易應收賬款賬面值約人民幣248,250,000元(二零一六年十二月三十一日：人民幣433,036,000元)計入本集團的應收賬款餘額，原因在於信貸質素並無重大不利變動，且金額仍被視為可收回。

應收賬款及其他應收款項的呆賬撥備變動如下：

		於二零一七年 六月三十日 At 30 June 2017 人民幣千元 RMB'000 (未經審核) (unaudited)	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000 (經審核) (audited)
期／年初結餘	Balance at the beginning of the period/year	(5,863)	(8,461)
撥備(增加)撥回	(Increase in) write-back of allowance	(1,665)	2,598
期／年末結餘	Balance at the end of the period/year	(7,528)	(5,863)

本集團根據過往違約率及還款記錄評估應收賬款及其他應收款項的信貸質素，並認為已於報告期末作出足夠撥備。

20. 應收／應付非控股權益款項

應收／應付非控股權益款項為無抵押、免息及須按要求償還。

19. ACCOUNTS AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

Before accepting any corporate customer, the Group uses an internal credit assessment system to assess the potential customers' credit quality.

Included in the Group's accounts receivable balance are trade receivables with a carrying amount of approximately RMB248,250,000 (31 December 2016: RMB433,036,000) at 30 June 2017 which are past due at the end of the reporting period for which the Group has not provided for allowance as there has not been a significant adverse change in credit quality and the amounts are still considered recoverable.

Movements in the allowance for doubtful debts on accounts and other receivables are as follows:

The Group assessed the credit quality of accounts and other receivables based on historical default rates and the repayment records and considered adequate allowance has been made at the end of the reporting period.

20. AMOUNTS DUE FROM/TO NON-CONTROLLING INTERESTS

The amounts due from/to non-controlling interests are unsecured, interest-free and repayable on demand.

21. 應收／應付合營企業及聯營公司款項

應收／應付合營企業及聯營公司款項為無抵押、免息及須按要求償還。

22. 按公平值計入損益的金融資產

21. AMOUNTS DUE FROM/TO JOINT VENTURES AND ASSOCIATES

The amounts due from/to joint ventures and associates are unsecured, interest-free and are repayable on demand.

22. FINANCIAL ASSETS AT FVTPL

	於二零一七年 六月三十日 At 30 June 2017 人民幣千元 RMB'000 (未經審核) (unaudited)	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000 (經審核) (audited)	
持作買賣投資	Held for trading investments	474,608	352,829

於二零一七年六月三十日，按公平值計入損益的金融資產人民幣474,608,000元(二零一六年十二月三十一日：人民幣352,829,000元)指本集團若干於聯交所及深圳證券交易所上市，並於活躍市場報價的公司股本投資。

所有股本投資公平值乃根據其於二零一七年六月三十日在活躍市場中的報價釐定。

於二零一七年六月三十日，本集團抵押於深圳證券交易所上市按公平值計入損益的金融資產人民幣280,625,000元(二零一六年十二月三十一日：人民幣138,392,000元)以擔保本集團獲授銀行及其他借款。

As at 30 June 2017, financial assets at FVTPL of RMB474,608,000 (31 December 2016: RMB352,829,000) represented the Group's equity investments in certain companies listed on the Stock Exchange and Shenzhen Stock Exchange, which are quoted in active markets.

The fair value of all equity investments are based on their quoted prices as of 30 June 2017 in active markets.

As at 30 June 2017, financial assets at FVTPL listed at Shenzhen Stock Exchange of RMB280,625,000 (31 December 2016: RMB138,392,000) was pledged to secure bank and other borrowings of the Group.

簡明綜合財務報表附註

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

23. 應付賬款及其他應付款項以及應計開支

23. ACCOUNTS AND OTHER PAYABLES, AND ACCRUED CHARGES

		於二零一七年 六月三十日 At 30 June 2017 人民幣千元 RMB'000 (未經審核) (unaudited)	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000 (經審核) (audited)
應付賬款	Accounts payables	3,692,929	3,737,989
其他應付款項及應計開支(附註)	Other payables and accrued charges (note)	13,037,144	4,116,338
		16,730,073	7,854,327

附註：其他應付款項主要包括就潛在物業發展項目已收的臨時付款。

Note: Other payables mainly includes temporary payments received for potential property development projects.

有關建設的貿易應付賬款及應計開支包括建造成本及其他項目相關開支，該等款項乃根據本集團計量的項目進度支付。

Accounts payables and accrued expenditure on construction comprise construction costs and other project-related expenses which are payable based on project progress measured by the Group.

貿易應付款項的平均信貸期為60日。本集團已制定財務風險管理政策，以確保所有應付款項均於信貸期限內償付。

The average credit period of trade payables is 60 days. The Group has financial risk management policies in place to ensure that all payables are within the credit timeframe.

以下為於報告期末按發票日期編製的貿易應付賬款賬齡分析：

The following is an aged analysis of accounts payables, based on the invoice date, at the end of the reporting period:

		於二零一七年 六月三十日 At 30 June 2017 人民幣千元 RMB'000 (未經審核) (unaudited)	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000 (經審核) (audited)
於60日內	Within 60 days	1,189,642	1,326,681
61至180日	61–180 days	848,759	631,624
181至365日	181–365 days	1,045,556	1,077,546
1年以上	Over 1 year	608,972	702,138
		3,692,929	3,737,989

其他應付款項及應計開支主要指應計貸款利息以及就招標及執行施工合同自承包商收取的各類按金。

Other payables and accrued charges mainly represent accrued loan interest, various deposits received from contractors in relation to tendering and execution of construction contracts.

24. 銀行及其他借款

24. BANK AND OTHER BORROWINGS

		於二零一七年 六月三十日 At 30 June 2017 人民幣千元 RMB'000 (未經審核) (unaudited)	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000 (經審核) (audited)
有抵押銀行貸款	Bank loans, secured	12,645,425	7,078,339
雙邊貸款	Bilateral loans	1,248,933	1,305,723
銀團貸款	Syndicated loans	11,264,581	5,182,585
		25,158,939	13,566,647

於各報告期末的若干銀行及其他借款以附註30所載抵押資產及若干附屬公司的部份股權擔保。

Certain bank and other borrowings as at the end of each reporting period were secured by the pledge of assets set out in note 30 and certain equity interest in certain subsidiaries.

附註：借款須按以下償還：

Note: The borrowings are repayable:

		於二零一七年 六月三十日 At 30 June 2017 人民幣千元 RMB'000 (未經審核) (unaudited)	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000 (經審核) (audited)
一年內或按要求	Within one year or on demand	4,984,163	2,367,536
一年以上，但不超過兩年	More than one year, but not exceeding two years	6,213,486	4,279,591
兩年以上，但不超過三年	More than two years, but not exceeding three years	9,294,924	5,501,963
三年以上，但不超過四年	More than three years, but not exceeding four years	2,378,811	532,227
四年以上，但不超過五年	More than four years, but not exceeding five years	1,471,439	-
五年以上	More than five years	816,116	885,330
		25,158,939	13,566,647
減：流動負債項下所示一年內到期金額	Less: Amounts due within one year shown under current liabilities	(4,984,163)	(2,367,536)
一年後到期金額	Amounts due after one year	20,174,776	11,199,111

於本期間，本集團取得新銀行貸款人民幣13,149,220,000元（截至二零一六年六月三十日止六個月：人民幣7,026,831,000元），並償還銀行貸款人民幣5,941,984,000元（截至二零一六年六月三十日止六個月：人民幣4,908,612,000元）。

During the current period, the Group obtained new bank loans amounting to RMB13,149,220,000 (six months ended 30 June 2016: RMB7,026,831,000) and repaid bank loans of RMB5,941,984,000 (six months ended 30 June 2016: RMB4,908,612,000).

於二零一七年六月三十日，約人民幣2,096,402,000元（二零一六年十二月三十一日：人民幣1,880,490,000元）的定息借款按介乎4.79%至9%的年利率計息（二零一六年十二月三十一日：4.79%至9%）。於二零一七年六月三十日，餘下借款按浮動利率安排，實際年利率介乎1.15%至6.65%（二零一六年十二月三十一日：1.5%至6.7%）。

The fixed rate borrowings amounted to approximately RMB2,096,402,000 (31 December 2016: RMB1,880,490,000) carry interest ranging from 4.79% to 9% (31 December 2016: 4.79% to 9%) per annum at 30 June 2017. The remaining borrowings are arranged at variable rate with effective interest rates ranging from 1.15% to 6.65% (31 December 2016: 1.5% to 6.7%) per annum at 30 June 2017.

簡明綜合財務報表附註

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

25. 股本

25. SHARE CAPITAL

		每股面值 0.10港元的 普通股股份數目 Number of ordinary shares of par value HK\$0.10 each 千股 '000	面值 Nominal value 千港元 HK\$'000
每股面值0.10港元的股份：	Shares of HK\$0.10 each		
法定股本：	Authorised:		
於二零一七年一月一日及 二零一七年六月三十日	At 1 January 2017 and 30 June 2017	10,000,000	1,000,000
已發行及繳足股本：	Issued and fully paid:		
於二零一七年一月一日	At 1 January 2017	6,745,053	674,505
於行使購股權後發行(附註a)	Issued upon exercise of share options (note a)	72,315	7,232
作為以股代息發行(附註b)	Issued as scrip dividend (note b)	1,765	176
於二零一七年六月三十日	At 30 June 2017	6,819,133	681,913
於簡明綜合財務報表列示為：	Shown in the condensed consolidated financial statements as:		
於二零一七年六月三十日	At 30 June 2017	相當於人民幣千元 RMB'000 equivalent	549,345
於二零一六年十二月三十一日	At 31 December 2016	相當於人民幣千元 RMB'000 equivalent	542,797

附註：

Notes:

- | | |
|--|---|
| <p>(a) 截至二零一七年六月三十日止六個月，本公司於行使購股權後發行約72,315,000股每股面值0.10港元的普通股。於該期間的購股權行使價介乎1.55港元至1.77港元。新普通股與當時現有股份於各方面享有同等地位。</p> | <p>(a) During the six months ended 30 June 2017, the Company issued approximately 72,315,000 ordinary shares of HK\$0.10 each upon exercise of share options. The exercise price of the share options during the period ranging from HK\$1.55 to HK\$1.77. The new ordinary shares rank pari passu with the then existing shares in all respects.</p> |
| <p>(b) 截至二零一七年六月三十日止六個月，本公司按每股3.28港元發行約1,765,000股每股面值0.10港元的普通股作為以股代息。</p> | <p>(b) During the six months ended 30 June 2017, approximately 1,765,000 ordinary shares of HK\$0.10 each in the Company were issued at HK\$3.28 per share as scrip dividend.</p> |

26. 優先票據

26. SENIOR NOTES

		於二零一七年 六月三十日 At 30 June 2017 人民幣千元 RMB'000 (未經審核) (unaudited)	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000 (經審核) (audited)
以美元計值的優先票據	Senior notes denominated in US\$		
二零一九年到期優先票據	Senior notes due in 2019	–	2,890,449
二零二零年到期優先票據	Senior notes due in 2020	2,707,773	2,792,562
二零二二年到期優先票據	Senior notes due in 2022	1,916,025	–
		4,623,798	5,683,011

於二零一七年二月十六日，本公司悉數贖回二零一九年到期優先票據，贖回價相當於本金額104.438%另加應計及未付利息，並因提早贖回優先票據產生虧損人民幣128,288,000元。

On 16 February 2017, the Company fully redeemed the senior notes due in 2019 at a redemption price equal to 104.438% of the principal amount plus the accrued and unpaid interest and incurred loss on early redemption of senior notes amounted to RMB128,288,000.

於二零一七年一月二十四日，本公司發行面值總額達285,000,000美元有擔保定息優先票據（「二零二二年到期票據」），以年利率5.5厘的定息計息（每半年期末支付利息），並將於二零二二年一月二十四日悉數償還。

On 24 January 2017, the Company issued guaranteed fixed rate senior notes with aggregate nominal value of US\$285,000,000 (the “2022 due Notes”) which carry fixed interest of 5.5% per annum (interest payable semi-annually in arrears) and will be fully repayable by 24 January 2022.

就二零二二年到期票據而言，本公司於二零二零年一月二十四日前隨時及不時，可運用出售其股本發售內普通證券的所得款項現金淨額，按二零二二年到期票據本金額105.5%的贖回價，另加計至（惟不包括）贖回日期的應計及未付利息（如有），贖回本金總額最多35%的二零二二年到期票據（須受若干條件限制）。此外，本公司於二零一八年六月五日前隨時及不時，可按相當於二零二二年到期票據本金額100%的贖回價，以及計至（惟不包括）贖回日期的應計及未付利息（如有），選擇贖回全部而非部份二零二二年到期票據。

For the 2022 due Notes, at any time and from time to time prior to 24 January 2020, the Company may redeem up to 35% of the aggregate principal amount of the 2022 due Notes at a redemption price of 105.5% of the principal amount of the 2022 due Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date, with the net cash proceeds from sales of its common stock in an equity offering, subject to certain conditions. In addition, at any time and from time to time prior to 5 June 2018, the Company may at its option redeem the 2022 due Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2022 due Notes as of, and accrued and unpaid interest, if any, to (but not including) the redemption date.

簡明綜合財務報表附註

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

26. 優先票據(續)

26. SENIOR NOTES (Continued)

期間	Period	贖回價 Redemption price
二零二零年	2020	102.750%
二零二一年	2021	101.375%

董事認為，於初步確認及報告期末，提早贖回購股權的公平值並不重大。

In the opinion of directors, the fair values of the early redemption options are insignificant at initial recognition and the end of the reporting period.

經參考聯交所所報市價，所有優先票據於二零一七年六月三十日的公平值總額約達人民幣4,859,033,000元(二零一六年十二月三十一日：人民幣5,920,209,000元)。

The aggregated fair value of all the senior notes at 30 June 2017 with reference to the quoted market price available on the Stock Exchange amounted to approximately RMB4,859,033,000 (31 December 2016: RMB5,920,209,000).

27. 公司債券

27. CORPORATE BONDS

		於二零一七年 六月三十日 At 30 June 2017 人民幣千元 RMB'000 (未經審核) (unaudited)	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000 (經審核) (audited)
以人民幣計值的公司債券	Corporate bonds denominated in RMB		
二零一八年到期的公司債券	Corporate bonds due in 2018	1,529,558	2,088,970
二零二零年到期的公司債券	Corporate bonds due in 2020	4,125,979	4,023,949
二零二一年到期的公司債券	Corporate bonds due in 2021	4,118,567	4,028,549
		9,774,104	10,141,468
減：計入流動負債內的一年內到期金額	Less: amounts due within one year included in current liabilities	(1,529,558)	(2,088,970)
計入非流動負債內的一年後到期金額	Amounts due after one year included in non-current liabilities	8,244,546	8,052,498

27. 公司債券(續)

於二零一七年一月十九日，持有人贖回二零一八年到期的非公開發行公司債券，贖回價為人民幣500,000,000元。概無產生收益或虧損。

董事認為，於初步確認及報告期末，提早贖回有關公司債券的購股權公平值並不重大。

經參考上海證券交易所所報市價後，二零一八年到期的公司債券、二零二零年到期的公司債券及二零二一年到期的公司債券公平值總額約達人民幣9,492,015,000元(二零一六年十二月三十一日：人民幣9,884,456,000元)。

28. 收購附屬公司

截至二零一七年六月三十日止六個月

(a) 透過視為收購一間附屬公司收購資產及負債

由於Coastwise Limited(「Coastwise」)及其附屬公司(「Coastwise集團」)所有戰略融資及經營決策須獲其董事會全體董事一致同意批准，故其已作為本集團擁有50%權益的合營企業列賬。截至二零一七年六月三十日止六個月，Coastwise的合營企業夥伴訂立補充協議(「補充協議」)，據此，合營企業夥伴同意就Coastwise的董事會成員組成修訂及補充合作框架協議。透過簽立補充協議，所有戰略融資及經營決策必須由董事會簡單大多數成員批准，當中四名董事及三名董事分別由本集團及另一合營企業夥伴提名。由於本集團取得Coastwise的實際投票控制權，可管理Coastwise的相關活動，故Coastwise成為本集團的附屬公司。

27. CORPORATE BONDS (Continued)

On 19 January 2017, the holders redeemed the non-public corporate bonds due 2018 at a redemption price of RMB500,000,000. No gain or loss occurred.

In the opinion of directors, the fair values of the early redemption options related to the corporate bonds are insignificant at initial recognition and the end of the reporting period.

The aggregated fair values of Corporate bonds due in 2018, Corporate bonds due in 2020, and Corporate bonds due in 2021 with reference to the quoted market price available on the Shanghai Stock Exchange amounted to approximately RMB9,492,015,000 (31 December 2016: RMB9,884,456,000).

28. ACQUISITION OF SUBSIDIARIES

For the six months ended 30 June 2017

(a) Acquisition of assets and liabilities through deemed acquisition of a subsidiary

Coastwise Limited ("Coastwise") and its subsidiaries (the "Coastwise Group") was accounted for as a 50% interests joint venture of the group as all of the strategic financial and operating decisions required approval by unanimous consent of all of its directors of the board of directors. During the six months ended 30 June 2017, the joint venture partners of Coastwise entered into a supplemental agreement ("the Supplemental Agreement") pursuant to which the joint venture partners agreed to amend and supplement the cooperation framework agreement with respect to the composition of the board of directors of Coastwise. By execution of the Supplemental Agreement, all of the strategic financial and operating decisions required approved by simple majority of the board of directors, of which four directors and three directors are to be nominated by the Group and the other joint venture partner, respectively. Since the Group obtained effective control of voting power to govern the relevant activities of Coastwise, Coastwise became a subsidiary of the Group.

簡明綜合財務報表附註

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

28. 收購附屬公司(續)

截至二零一七年六月三十日止六個月(續)

(a) 透過視為收購一間附屬公司收購資產及負債(續)

由於Coastwise集團主要持有之物業並無執行適用於該等物業之重大程序，故此上述交易按透過視為收購附屬公司入賬為收購資產及負債。有關所收購資產及所承擔負債的詳情如下：

28. ACQUISITION OF SUBSIDIARIES (Continued)

For the six months ended 30 June 2017 (Continued)

(a) Acquisition of assets and liabilities through deemed acquisition of a subsidiary (Continued)

The above transaction is accounted for as acquisition of assets and liabilities through deemed acquisition of subsidiaries because the Coastwise Group mainly holds properties without significant processes applied to the properties. Details of the assets acquired and liabilities assumed are as below:

		人民幣千元 RMB'000
物業、廠房及設備	Property, plant and equipment	114
投資物業	Investment property	5,874,000
持作出售物業	Properties held for sale	738,635
擬作出售的開發中物業	Properties under development for sale	2,531,201
應收賬款及其他應收款項、按金及預付款項	Accounts and other receivables, deposits and prepayments	111,357
應收本集團款項	Amount due from the Group	1,982,574
應收一名非控股股東款項	Amount due from a non-controlling shareholder	1,961,488
可收回稅項	Taxation recoverable	236,918
銀行結餘及現金	Bank balances and cash	1,600,539
應付賬款及其他應付款項以及應計開支	Accounts and other payables, and accrued charges	(432,743)
已收物業銷售按金	Deposit received from property sales	(2,587,255)
應付稅項	Taxation payable	(157,719)
遞延稅項負債	Deferred taxation liabilities	(803,698)
銀行及其他借款(於一年內到期)	Bank and other borrowings – due within one year	(3,464,469)
		7,590,942
已轉撥代價，以合營企業的權益支付	Consideration transferred, satisfied by interest in a joint venture	(3,795,471)
加：非控股權益	Add: Non-controlling interests	(3,795,471)
減：所收購的資產淨值	Less: Net assets acquired	7,590,942
		–
		人民幣千元 RMB'000
現金流入淨額：	Net cash inflow:	
所收購的銀行結餘及現金	Bank balances and cash acquired	1,600,539

28. 收購附屬公司(續)

截至二零一七年六月三十日止六個月(續)

(b) 透過收購附屬公司收購資產及負債

- (i) 於截至二零一七年六月三十日止六個月，本集團透過以下方式間接收購蘇州旭嘉置業有限公司(「蘇州旭嘉」)的全部股本權益：(i)收購旭皇有限公司(「旭皇」，其為本集團擁有25%權益的聯營公司，其擁有蘇州旭嘉50%股本權益)的額外75%股本權益；及(ii)收購蘇州旭盈投資諮詢有限公司(「蘇州旭盈」，其持有蘇州旭嘉另外50%股本權益)的全部股本權益，合共總代價為人民幣128,211,000元。旭皇及蘇州旭盈為投資控股公司，蘇州旭嘉則從事房地產開發業務。

上述收購事項完成後，本集團取得100%實際投票控制權，可管理旭皇、蘇州旭嘉及蘇州旭盈的相關活動。因此，該等公司其後作為本集團附屬公司入賬。

由於該等公司主要持有之物業並無執行適用於該等物業之重大程序，故此上述交易按透過收購附屬公司的資產及負債入賬。有關所收購資產及所承擔負債詳情如下：

28. ACQUISITION OF SUBSIDIARIES (Continued)

For the six months ended 30 June 2017 (Continued)

(b) Acquisitions of assets and liabilities through acquisitions of subsidiaries

- (i) During the six months ended 30 June 2017, the Group indirectly acquired 100% equity interest of Suzhou Xujia Property Co., Ltd (“Suzhou Xujia”) through (i) the acquisition of additional 75% equity interest of Xu Huang Co., Limited (“Xu Huang”), which was the Group’s owned 25% associate and had 50% equity interest in Suzhou Xujia; and (ii) the acquisition of 100% equity interest of Suzhou Xuying Investment Advisory Co., Ltd (“Suzhou Xuying”), which held another 50% equity interest in Suzhou Xujia, at a total consideration of RMB128,211,000. Xu Huang and Suzhou Xuying are investment holding companies and Suzhou Xujia is engaged in property development.

Upon the completion of the acquisitions mentioned above, the Group has 100% effective control of voting power to govern the relevant activities of Xu Huang, Suzhou Xujia, and Suzhou Xuying. Accordingly, they were accounted for as subsidiaries of the Group thereafter.

The above transaction is accounted for as acquisition of assets and liabilities through acquisition of subsidiaries because these companies mainly hold properties without significant processes applied to the properties. Details of the assets acquired and liabilities assumed are as below:

所收購資產淨值：	Net assets acquired:	
物業、廠房及設備	Property, plant and equipment	344
擬作出售的開發中物業	Properties under development for sale	2,240,718
其他應收款項	Other receivables	172,269
可收回稅項	Taxation recoverable	226,995
銀行結餘及現金	Bank balances and cash	15,407
應付款項及應計費用	Accounts payable and accrued charges	(3,418)
其他應付款項	Other payable	(346,857)
本集團應收款項	Amount due to the Group	(1,573,247)
銀行及其他借款－於一年內到期	Bank and other borrowings – due within one year	(604,000)
		128,211
		人民幣千元 RMB'000
支付代價方式：	Consideration satisfied by:	
現金代價	Cash consideration	128,211
收購產生的現金流入淨額：	Net cash inflow arising on acquisition:	
期內已付現金代價	Cash consideration paid during the period	(128,211)
所收購的銀行結餘及現金	Bank balances and cash acquired	15,407
		(112,804)

簡明綜合財務報表附註

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

28. 收購附屬公司(續)

截至二零一七年六月三十日止六個月(續)

(b) 透過收購附屬公司收購資產及負債(續)

- (ii) 截至二零一七年六月三十日止期間，本集團以代價人民幣923,381,000元收購裕恩發展有限公司(「裕恩」)100%股本權益，並以代價人民幣489,939,000元向本集團轉讓裕恩一項股東貸款。裕恩從事房地產開發業務，且目前持有已完成待售物業。

上述收購完成後，本集團取得100%實際投票控制權，可管理裕恩的相關活動，該公司其後作為本集團附屬公司入賬。

由於本公司主要持有之物業並無執行適用於該等物業之重大程序，上述交易按透過收購附屬公司的資產及負債入賬。有關所收購資產及所承擔負債詳情如下：

		人民幣千元 RMB'000
持作出售物業	Properties held for sale	1,413,172
應收賬款及其他應收款項、按金及預付款項	Accounts and other receivables, deposits and prepayments	119
銀行結餘及現金	Bank balances and cash	56
應付賬款及應計開支	Accounts payables and accrued charges	(27)
股東貸款	Shareholder's loans	(489,939)
		923,381
轉讓予本集團的股東貸款	Shareholder's loans assigned to the Group	489,939
		1,413,320

		人民幣千元 RMB'000
支付代價方式：	Consideration satisfied by:	
現金	Cash	1,271,273
收購股本權益的按金	Deposits for acquisition of equity interests	142,047
		1,413,320
收購時產生的現金流出淨額：	Net cash outflow arising on the acquisitions:	
年內已付現金代價	Cash consideration paid during the year	(1,271,273)
已收購銀行結餘及現金	Bank balances and cash acquired	56
		(1,271,217)

28. ACQUISITION OF SUBSIDIARIES (Continued)

For the six months ended 30 June 2017 (Continued)

(b) Acquisitions of assets and liabilities through acquisitions of subsidiaries (Continued)

- (ii) During the period ended 30 June 2017, the Group acquired 100% equity interests of Grace Wealth Development Limited. ("Grace Wealth") at a consideration of RMB923,381,000 and a shareholder's loan of Grace Wealth was assigned to the Group at a consideration of RMB489,939,000. Grace Wealth is engaged in property development and holding completed property for sale.

Upon the completion of the acquisition mentioned above, the Group has 100% effective control the voting power to govern the relevant activities of Grace Wealth, accordingly it was accounted for as a subsidiary of the Group thereafter.

The above transaction is accounted for as acquisition of assets and liabilities through acquisition of a subsidiary because the company mainly holds properties without significant processes applied to the properties. Details of the assets acquired and liabilities assumed are as below:

28. 收購附屬公司(續)

截至二零一七年六月三十日止六個月(續)

(b) 透過收購附屬公司收購資產及負債(續)

(iii) 截至二零一七年六月三十日止期間，本集團以代價人民幣200,000,000元收購蘇州市龍盈泰投資有限公司(「蘇州市龍盈泰」)100%股本權益，並以代價人民幣225,334,000元向本集團轉讓蘇州市龍盈泰一項股東貸款。蘇州市龍盈泰持有一幅可用作房地產開發的地塊。

(iv) 截至二零一七年六月三十日止期間，本集團以代價人民幣100,000,000元收購合肥盛展房地產開發有限公司(「合肥盛展」)100%股本權益。合肥盛展持有一幅可用作房地產開發的地塊。

(v) 截至二零一七年六月三十日止期間，本集團以代價人民幣60,000,000元收購安徽乾泰房地產開發有限公司(「安徽乾泰」)30%股本權益。根據安徽乾泰的組織章程大綱及細則，所有戰略融資及經營決策必須由董事會簡單大多數成員批准，當中四名董事及三名董事分別由本集團及其他股東提名。由於本集團取得安徽乾泰的實際控制權，故安徽乾泰已成為本公司的附屬公司。安徽乾泰持有一幅可用作房地產開發的地塊。

(vi) 截至二零一七年六月三十日止期間，本集團以代價人民幣473,809元收購東萬投資有限公司(「東萬」)100%股本權益。東萬目前持有已完成待售物業。

(vii) 截至二零一七年六月三十日止期間，本集團以代價人民幣5,850,914元收購豐萬投資有限公司(「豐萬」)100%股本權益，並以代價人民幣220,000,000元向本集團轉讓豐萬一項股東貸款。豐萬目前持有已完成待售物業。

於上述收購事項(iii)至(vii)完成後，本集團持有蘇州市龍盈泰、合肥盛展、東萬及豐萬全部股本權益，並持有安徽乾泰30%股本權益。因此，該等公司於其後成為本集團的附屬公司。

28. ACQUISITION OF SUBSIDIARIES (Continued)

For the six months ended 30 June 2017 (Continued)

(b) Acquisitions of assets and liabilities through acquisitions of subsidiaries (Continued)

(iii) During the period ended 30 June 2017, the Group acquired 100% equity interests Suzhou Longyingtai Investment Co., Ltd. (蘇州市龍盈泰投資有限公司) (“Suzhou Longyingtai”) at a consideration of RMB200,000,000 and a shareholder’s loan of Suzhou Longyingtai was assigned to the Group at a consideration of RMB225,334,000. Suzhou Longyingtai is holding a piece of land for property development.

(iv) During the period ended 30 June 2017, the Group acquired 100% equity interests of Hefei Shengzhan Property Development Co., Ltd. (合肥盛展房地產開發有限公司) (“Hefei Shengzhan”) at a consideration of RMB100,000,000. Hefei Shengzhan is holding a piece of land for property development.

(v) During the period ended 30 June 2017, the Group acquired 30% equity interests of Anhui Qiantai Property Co., Ltd. (安徽乾泰房地產開發有限公司) (“Anhui Qiantai”) at a consideration of RMB60,000,000. According to the memorandum and association of Anhui Qiantai, all of the strategic financial and operating decisions must be approved by simple majority of the board of directors, of which four directors and three directors are to be nominated by the Group and the other shareholders, respectively. Since the Group obtained effective control over Anhui Qiantai, Anhui Qiantai became a subsidiary of the Company. Anhui Qiantai is holding a piece of land for property development.

(vi) During the period ended 30 June 2017, the Group acquired 100% equity interests of Top Media Investment Limited. (“Top Media”) at a consideration of RMB473,809. Top Media is holding completed property for sale.

(vii) During the period ended 30 June 2017, the Group acquired 100% equity interests of Full Metro Investment Limited. (“Full Metro”) at a consideration of RMB5,850,914 and a shareholder’s loan of Full Metro was assigned to the Group at a consideration RMB220,000,000. Full Metro is holding completed property for sale.

Upon the completion of the acquisitions mentioned from (iii) to (vii), the Group holds 100% equity interests in Suzhou Longyingtai, Hefei Shengzhan, Top Media and Full Metro and hold 30% equity interests in Anhui Qiantai so they become subsidiaries of the Group thereafter.

簡明綜合財務報表附註

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

28. 收購附屬公司(續)

截至二零一七年六月三十日止六個月(續)

(b) 透過收購附屬公司收購資產及負債
(續)

上述交易(iii)至(vii)按透過收購附屬公司的資產及負債入賬。有關所收購資產及所承擔負債詳情如下：

28. ACQUISITION OF SUBSIDIARIES (Continued)

For the six months ended 30 June 2017 (Continued)

(b) Acquisitions of assets and liabilities through acquisitions of subsidiaries (Continued)

The above transactions (iii) to (vii) are accounted for as acquisition of assets and liabilities through acquisition of subsidiaries. Details of the assets acquired and liabilities assumed are as below:

		人民幣千元 RMB'000
物業、廠房及設備	Property, plant and equipment	18
擬作出售的開發中物業	Properties under development for sale	2,878,002
持作出售物業	Properties held for sale	788,360
應收賬款及其他應收款項、按金及預付款項	Accounts and other receivables, deposits and prepayments	192,029
銀行結餘及現金	Bank balances and cash	18,587
應付賬款及應計開支	Accounts payables and accrued charges	(176,378)
本集團應收款項	Amount due to the Group	(990,100)
應付一名非控股股東款項	Amount due to a non-controlling shareholder	(1,196,301)
應付稅項	Tax payable	(534)
銀行及其他借款	Bank and other borrowings	(562,658)
非控股權益	Non-controlling interest	(139,365)
股東貸款	Shareholders' loans	(445,334)
		366,326
轉讓予本集團的股東貸款	Shareholders' loans assigned to the Group	445,334
		811,660
		人民幣千元 RMB'000
支付代價方式：	Consideration satisfied by:	
現金	Cash	561,660
收購股權的按金	Deposits for acquisition of equity interests	250,000
		811,660
收購時產生的現金流出淨額：	Net cash outflow arising on the acquisitions:	
年內已付現金代價	Cash consideration paid during the year	(561,660)
已收購銀行結餘及現金	Bank balances and cash acquired	18,587
		(543,073)

28. 收購附屬公司(續)

截至二零一六年六月三十日六個月

收購業務

於二零一六年三月十七日，本集團透過收購其控股公司天津旭達房地產資訊諮詢有限公司(「天津旭達」)全部股本權益收購其擁有50%權益的合營企業天津旭科額外50%股本權益，代價為人民幣9,000,000元，乃經參考天津旭達與天津旭科於二零一六年一月十日簽署買賣協議時的資產淨值釐定。天津旭達為投資控股公司，天津旭科則從事房地產開發業務。

於上述收購事項在二零一六年三月十七日完成後，本集團取得天津旭達及天津旭科100%控制權，該兩間公司其後作為本集團附屬公司入賬。於收購時，本公司董事認為該項收購構成一項業務收購，此乃由於天津旭科持有開發中物業並已開始預售有關物業單位。因此，該項交易以購買會計法列賬。

所收購資產淨值詳情如下：

28. ACQUISITION OF SUBSIDIARIES (Continued)

For the six months ended 30 June 2016

Acquisition of business

On 17 March 2016, the Group acquired additional 50% equity interest of its 50% owned joint venture, Tianjin Xuke through the acquisition of the 100% equity interests of its holding company, Tianjin Xuda Property Information Consultancy Co., Ltd. (天津旭達房地產資訊諮詢有限公司) (“Tianjin Xuda”), at a consideration of RMB9,000,000, which was determined with reference to the net asset value of Tianjin Xuda and Tianjin Xuke at the time when the sales and purchase agreement was signed on 10 January 2016. Tianjin Xuda is an investment holding company and Tianjin Xuke is engaged in property development.

Upon the completion of the acquisition mentioned above on 17 March 2016, the Group obtained 100% control over Tianjin Xuda and Tianjin Xuke, which was accounted for as subsidiaries of the Group thereafter. At the time of acquisition, the directors of the Company are of the view that the acquisition constitutes a business acquisition as Tianjin Xuke held properties under development and has commenced pre-sale of the property units. The transaction has been accounted for using the purchase method accordingly.

Details of the net assets acquired are as follows:

		人民幣千元 RMB'000
支付代價方式：	Consideration satisfied by:	
應付現金代價(計入其他應付款項)	Cash consideration payable (included in other payables)	9,000
已收購天津旭達及天津旭科的可識別資產淨值公平值：	Fair value of net identifiable assets of Tianjin Xuda and Tianjin Xuke acquired:	
應收一間合營企業款項	Amount due from a joint venture	13,474
銀行結餘及現金	Bank balances and cash	213,770
擬作出售的開發中物業	Properties under development for sale	993,000
應收賬款及其他應收款項、按金及預付款項	Accounts and other receivables, deposits and prepayments	358,376
可收回稅項	Taxation recoverable	22,738
應付賬款及應計開支	Accounts payables and accrued charges	(118,590)
已收物業銷售按金	Deposits received from property sales	(329,640)
銀行及其他借款	Bank and other borrowings	(348,000)
遞延稅項負債	Deferred taxation liabilities	(25,521)
本集團應收款項	Amount due to the Group	(353,683)
		425,924

簡明綜合財務報表附註

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

28. 收購附屬公司(續)

截至二零一六年六月三十日六個月(續)

收購業務(續)

已收購公平值人民幣108,374,000元的應收賬款及其他應收款項與其合約總額相若。概無預期無法收取的合約現金流量。

28. ACQUISITION OF SUBSIDIARIES (Continued)

For the six months ended 30 June 2016 (Continued)

Acquisition of business (Continued)

The accounts and other receivables acquired with a fair value of RMB108,374,000 approximate its gross contractual amount. There was no contracted cash flows not expected to be collected.

		人民幣千元 RMB'000
應付代價	Consideration payable	9,000
加：按公平值計量的先前所持權益 (指於天津旭科的權益)	Add: Previously held interest represented by interest in Tianjin Xuke at fair value	383,057
減：所收購的資產淨值	Less: Net assets acquired	(425,924)
業務合併收益(附註)	Gain from business combinations (note)	(33,867)

附註：業務合併收益主要指天津旭科於完成收購日期擬作出售的開發中物業的公平值增幅。

Note: Gain from business combination mainly represented the fair value increment of the properties under development for sale held by Tianjian Xuke at the date of completion of the acquisition.

		人民幣千元 RMB'000
本集團所持有天津旭科50%股本權益的 公平值	Fair value of 50% equity interest of Tianjin Xuke held by the Group	383,057
減：本集團所持合營企業的權益	Less: Interest in joint venture held by the Group	(344,774)
重新計量的收益	Gain on remeasurement	38,283

		人民幣千元 RMB'000
收購產生的現金流入淨額： 所收購的銀行結餘及現金	Net cash inflow arising on acquisition: Bank balances and cash acquired	213,770

收購相關成本並不重大，並已在本年度確認為一項開支及計入綜合損益及其他全面收益表的「行政開支」。

Acquisition-related costs were insignificant and have been recognised as an expense in the current year and included in the “administrative expenses” line item in the consolidated statement of profit or loss and other comprehensive income.

截至二零一六年六月三十日止六個月，本集團應佔虧損人民幣3,703,000元計入損益。於報告期間，概無本集團應佔收入。

Included in the profit for the six months ended 30 June 2016 is loss of RMB3,703,000 attributable to the Group. No revenue is attributable to the Group for the reporting period.

倘收購事項於本年初受到影響，則本集團於截至二零一六年六月三十日止六個月的收入總額應為人民幣8,744,121,000元，而截至二零一六年六月三十日止六個月的利潤應為人民幣1,089,571,000元。備考資料僅供說明用途，且未必顯示本集團於年初完成收購時應實際達至的收入及經營業績，亦無意作為未來業績的預測。

Had the acquisition been effected at the beginning of the year, the total amount of revenue of the Group for the six months ended 30 June 2016 would have been RMB8,744,121,000 and the amount of the profit for the six months ended 30 June 2016 would have been RMB1,089,571,000. The pro forma information is for illustrative purpose only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed at the beginning of the year, nor is it intended to be a projection of future results.

29. 出售附屬公司

截至二零一六年六月三十日六個月

(a) 出售一間附屬公司

於二零一七年一月二十六日，本集團與本公司關聯方寧波昌瑞投資有限公司（「寧波昌瑞」）訂立買賣協議，據此，寧波昌瑞同意收購本集團間接全資附屬公司上海旭備實業有限公司（「上海旭備」）的全部已發行股本，代價為人民幣373,955,000元，包括現金代價人民幣1,000,000元。此外，本集團墊付予上海旭備的股東貸款以代價人民幣372,955,000元轉讓予寧波昌瑞。

上述交易按出售一間附屬公司入賬。有關出售資產淨值詳情概述如下：

29. DISPOSAL OF SUBSIDIARIES

For the six months ended 30 June 2016

(a) Disposal of a subsidiary

On 26 January 2017, the Group and Ningbo Changrui Investments Co., Ltd. ("Ningbo Changrui"), a related party of the Company, entered into a sale and purchase agreement whereby Ningbo Changrui agreed to acquire the entire issued share capital of Shanghai Xubei Enterprise Co., Ltd ("Shanghai Xubei"), an indirect wholly owned subsidiary of the Group at a consideration of RMB373,955,000 which comprised of cash consideration of RMB1,000,000. In addition, the shareholder's loan advanced by the Group to Shanghai Xubei was assigned to Ningbo Changrui at a consideration of RMB372,955,000.

The above transaction is accounted for as disposal of a subsidiary. Details of the net assets disposed of are summarised below:

		人民幣千元 RMB'000
支付代價方式：	Consideration satisfied by:	
現金	Cash	1,000
就失去控制權的資產及負債分析：	Analysis of assets and liabilities over which control was lost:	
其他應收款項	Other receivables	373,950
銀行結餘及現金	Bank balances and cash	111
應付本集團股東貸款	Shareholder's loan due to the Group	(372,955)
出售的資產淨值	Net assets disposed of	1,106
出售一間附屬公司的虧損：	Loss on disposal of a subsidiary:	
現金代價	Cash consideration	1,000
出售的資產淨值	Net assets disposed of	(1,106)
		(106)
出售產生的現金流入淨額：	Net cash inflow arising on disposal:	
現金代價	Cash consideration	1,000
轉讓應付本集團股東貸款的代價	Consideration for assignment of shareholder's loan due to the Group	372,955
出售的銀行結餘及現金	Bank balances and cash disposed of	(111)
		373,844

簡明綜合財務報表附註

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

29. 出售附屬公司(續)

截至二零一七年六月三十日六個月(續)

(b) 出售附屬公司部份權益導致失去控制權

(i) 截至二零一七年六月三十日止六個月，本集團向一名獨立第三方出售其附屬公司上海旭技實業有限公司(「上海旭技」)的75%股本權益，代價為人民幣750,000元。此項交易按出售一間附屬公司部份權益導致失去控制權入賬。上海旭技從事房地產開發業務。

(ii) 截至二零一七年六月三十日止期間，本集團向一名獨立第三方出售其附屬公司上海旭沃實業有限公司(「上海旭沃」)的50%股本權益，代價為人民幣500,000元。此項交易按出售一間附屬公司部份權益導致失去控制權入賬。上海旭沃從事房地產開發業務。

29. DISPOSAL OF SUBSIDIARIES (Continued)

For the six months ended 30 June 2017 (Continued)

(b) *Disposal of partial interest in subsidiaries resulting in loss of control*

(i) During the six months ended 30 June 2017, the Group disposed of 75% equity interest in its subsidiary, Shanghai Xuji Industry Co., Ltd. ("Shanghai Xuji") to an independent third party at a consideration of RMB750,000. This transaction was accounted for as disposal of partial interest in a subsidiary result in loss of control. Shanghai Xuji was engaged in property development.

(ii) During the period ended 30 June 2017, the Group disposed of 50% equity interest in its subsidiary, Shanghai Xuwo Industry Co., Ltd. ("Shanghai Xuwo") to an independent third party at a consideration of RMB500,000. This transaction was accounted for as disposal of partial interest in a subsidiary resulting in loss of control. Shanghai Xuwo was engaged in property development.

29. 出售附屬公司(續)

截至二零一七年六月三十日六個月(續)

上述交易按出售附屬公司部份權益導致失去控制權入賬。有關上述交易出售資產淨值詳情概述如下：

29. DISPOSAL OF SUBSIDIARIES (Continued)

For the six months ended 30 June 2017 (Continued)

The above transactions are accounted for as disposal of partial interest in subsidiaries. Details of the net assets disposed of in respect of the above transactions are summarised below:

		人民幣千元 RMB'000
支付代價方式：	Consideration satisfied by:	
現金	Cash	1,250
就失去控制權的資產及負債的分析：	Analysis of assets and liabilities over which control was lost:	
物業、廠房及設備	Property, plant and equipment	31
擬作出售的開發中物業	Properties under development for sale	868,346
其他應收款項	Other receivables	5,429
銀行結餘及現金	Bank balances and cash	194,931
應付賬款及應計開支	Accounts payable and accrued charges	(20,867)
本集團應收款項	Amounts due to the Group	(386,146)
其他應付款項	Other payables	(361,421)
銀行借款	Bank borrowing	(300,000)
出售的資產淨值	Net assets disposed of	303
出售附屬公司的收益：	Gain on disposal of subsidiaries:	
現金代價	Cash consideration	1,250
保留的股本權益的公平值	Fair value of the retained equity interest	750
出售的資產淨值	Net assets disposed of	(303)
出售收益	Gain on disposal	1,697
出售產生的現金流出淨額：	Net cash outflow arising on disposal:	
現金代價	Cash consideration	1,250
出售的銀行結餘及現金	Bank balances and cash disposed of	(194,931)
		(193,681)

29. 出售附屬公司(續)

截至二零一六年六月三十日止六個月

視作出售附屬公司

- (i) 於二零一六年三月十七日，上海旭梭實業有限公司(「上海旭梭」)(為本集團的前全資附屬公司)的實繳股本由人民幣1,000,000元增加至人民幣10,000,000元。本集團及上海旭梭兩名獨立股東分別注資人民幣2,400,000元、人民幣3,300,000元及人民幣3,300,000元。

注資後，本集團及兩名獨立股東分別持有上海旭梭34%、33%及33%股本權益。上海旭梭的經修訂組織章程大綱及細則訂明上海旭梭董事會包括五名董事，其中三名董事及兩名董事分別由本集團及兩名獨立股東委任，且所有戰略融資及經營決策須由全體董事批准。

經考慮上述事實及情況後，本公司董事認為，本集團於上海旭梭並無控制權，因此，自二零一六年三月十七日起，本集團將於上海旭梭的權益分類為合營企業的權益。

- (ii) 於二零一六年三月九日，蘇州凱合投資諮詢有限公司(「蘇州凱合」)(為本集團的前全資附屬公司)的實繳股本由人民幣500,000元增加至人民幣10,000,000元。本集團及蘇州凱合兩名獨立股東分別注資人民幣2,900,000元、人民幣3,300,000元及人民幣3,300,000元。

注資後，本集團及兩名獨立股東分別持有蘇州凱合34%、33%及33%股本權益。上海旭梭的經修訂組織章程大綱及細則訂明蘇州凱合董事會包括五名董事，其中三名董事及兩名董事分別由本集團及兩名獨立股東委任，且所有戰略融資及經營決策由全體董事批准。

29. DISPOSAL OF SUBSIDIARIES (Continued)

For the six months ended 30 June 2016

Deemed disposal of subsidiaries

- (i) On 17 March 2016, Shanghai Xusuo Industry Co., Ltd. (上海旭梭實業有限公司) ("Shanghai Xusuo"), a previously wholly-owned subsidiary of the Group, increased its paid up capital from RMB1,000,000 to RMB10,000,000. The Group and the two independent shareholders of Shanghai Xusuo contributed RMB2,400,000, RMB3,300,000 and RMB3,300,000 respectively, for the capital injection.

After the capital injections, the Group and the two independent shareholders held 34%, 33% and 33% equity interest of Shanghai Xusuo, respectively. The revised Memorandum and Articles of Association of Shanghai Xusuo has stipulated that the board of directors of Shanghai Xusuo comprises of five directors, of which three directors and two directors were appointed by the Group and the two independent shareholders respectively, and all the strategic financial and operating decisions are approved by all the directors.

After considering the above fact and circumstances, the directors of the Company conclude that the Group does not have the power of control over Shanghai Xusuo, therefore the Group classified interest in Shanghai Xusuo as interest in a joint venture since 17 March 2016.

- (ii) On 9 March 2016, Suzhou Kaihe Investment Consultancy Co., Ltd. (蘇州凱合投資諮詢有限公司) ("Suzhou Kaihe"), a previously wholly-owned subsidiary of the Group, increased its paid up capital from RMB500,000 to RMB10,000,000. The Group and the two independent shareholders of Suzhou Kaihe contributed RMB2,900,000, RMB3,300,000 and RMB3,300,000, respectively, for the capital injection.

After the capital injections, the Group and the two independent shareholders held 34%, 33% and 33% equity interest of Suzhou Kaihe, respectively. The revised Memorandum and Articles of Association of Shanghai Xusuo has stipulated that the board of directors of Suzhou Kaihe comprises of five directors, of which three directors and two directors were appointed by the Group and the two independent shareholders, respectively, and all the strategic financial and operating decisions are approved by all the directors.

29. 出售附屬公司(續)

截至二零一六年六月三十日止六個月(續)

視作出售附屬公司(續)

(ii) (續)

經考慮上述事實及情況後，本公司董事認為，本集團於蘇州凱合並無控制權，因此，自二零一六年三月九日起，本集團將於蘇州凱合的權益分類為於合營企業的權益。

上述交易完成後，本集團失去上海旭梭及蘇州凱合的控制權，而上海旭梭及蘇州凱合的34%股本權益被分類為合營企業權益。

上述交易按出售附屬公司入賬。有關上述交易出售的資產淨值詳情概述如下：

29. DISPOSAL OF SUBSIDIARIES (Continued)

For the six months ended 30 June 2016 (Continued)

Deemed disposal of subsidiaries (Continued)

(ii) (Continued)

After considering the above fact and circumstances, the directors of the Company conclude that the Group does not have the power of control over Suzhou Kaihe, therefore the Group classified interest in Suzhou Kaihe as interest in a joint venture since 9 March 2016.

Upon completion of the aforesaid transactions, the Group lost control over Shanghai Xusuo and Suzhou Kaihe and the 34% equity interests of Shanghai Xusuo and Suzhou Kaihe are classified as interests in joint ventures.

The above transactions are accounted for as disposal of subsidiaries. Details of the net assets disposed of in respect of the above transactions are summarised below:

		人民幣千元 RMB'000
就失去控制權的資產及負債分析：	Analysis of assets and liabilities over which control was lost:	
持作出售物業土地使用權按金	Deposits for land use rights for properties held sale	618,000
銀行結餘及現金	Bank balances and cash	249
應付本集團附屬公司款項	Amounts due to the subsidiaries of the Group	(616,315)
其他應付款項	Other payables	(114)
出售的資產淨值	Net assets disposed of	1,820
出售附屬公司的虧損：	Loss on disposal of subsidiaries:	
於合營企業的權益	Interests in joint ventures	6,909
本集團注資上海旭梭及蘇州凱合	Capital contributions to Shanghai Xusuo and Suzhou Kaihe from the Group	(5,300)
出售的資產淨值	Net assets disposed of	(1,820)
		(211)
出售時產生的現金流出淨額：	Net cash outflow arising on disposal:	
本集團注資上海旭梭及蘇州凱合	Capital contributions to Shanghai Xusuo and Suzhou Kaihe from the Group	(5,300)
出售的銀行結餘及現金	Bank balances and cash disposed of	(249)
		(5,549)

簡明綜合財務報表附註

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30. 抵押資產

下列資產於報告期末予以抵押以擔保本集團獲授若干銀行及其他融資：

30. PLEDGE OF ASSETS

The following assets were pledged to secure certain banking and other facilities granted to the Group at the end of the reporting period:

		於二零一七年 六月三十日 At 30 June 2017 人民幣千元 RMB'000 (未經審核) (unaudited)	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000 (經審核) (audited)
投資物業	Investment properties	5,517,000	5,560,000
擬作出售的開發中物業	Properties under development for sale	15,613,523	9,247,319
持作出售物業	Properties held for sale	3,177,769	2,828,419
已質押銀行存款	Pledged bank deposits	758,807	348,855
按公平值計入損益的金融資產	Financial assets at FVTPL	280,625	138,392
		25,347,724	18,122,985

附註：本集團於持有若干已抵押擬作出售的開發中物業的若干附屬公司(包括上述公司)股本權益已予以抵押，以擔保本集團獲授若干銀行融資。

Note: The Group's equity interests in certain subsidiaries, which hold certain pledged properties under development for sale included above, have been pledged to secure certain banking facilities granted to the Group.

31. 承擔

於報告期末，本集團有下列承擔：

31. COMMITMENTS

At the end of the reporting period, the Group had the following commitments:

		於二零一七年 六月三十日 At 30 June 2017 人民幣千元 RMB'000 (未經審核) (unaudited)	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000 (經審核) (audited)
已訂約但未於簡明綜合財務報表內撥備的有關收購土地使用權的開支	Expenditure in respect of acquisition of land use rights contracted but not provided for in the condensed consolidated financial statements	9,438,477	5,935,920
已訂約但未於簡明綜合財務報表內撥備的有關收購股本權益的開支	Expenditure in respect of acquisition of equity interests contracted for but not provided for in the condensed consolidated financial statements	271,536	1,720,547
		9,710,013	7,656,467

32. 或然負債

- (i) 本集團於二零一七年六月三十日就授予本集團已開發物業買家的按揭銀行貸款提供約人民幣7,792,551,000元(二零一六年十二月三十一日：人民幣7,644,577,000元)的擔保。本公司董事認為，本集團該等財務擔保合約的公平值於初步確認時並非重大，且本公司董事認為，有關訂約方違約的可能性極小，故於訂立擔保合約時及於二零一七年六月三十日的簡明綜合財務狀況表內概無確認價值。
- (ii) 本公司對這類開發該等項目的合營企業及聯營公司於境外及境內銀行貸款所產生尚未履行的責任，按其各自持股比例向若干銀行提供擔保。於二零一七年六月三十日，本集團就這類合營企業產生的貸款提供的應佔擔保合共約人民幣2,509,100,000元(二零一六年十二月三十一日：人民幣3,573,992,000元)。

本公司董事認為，本集團於該等財務擔保合約的公平值於初步確認時並不重大，且本公司董事認為有關訂約方違約的可能性極小，故於訂立擔保合約及於二零一七年六月三十日的簡明綜合財務狀況表內概無確認價值。

32. CONTINGENT LIABILITIES

- (i) The Group provided guarantees amounting to approximately RMB7,792,551,000 (31 December 2016: RMB7,644,577,000) as at 30 June 2017 in respect of mortgage bank loans granted to purchasers of the Group's developed properties. In the opinion of the directors of the Company, the fair values of these financial guarantee contracts of the Group are insignificant at initial recognition and the directors of the Company consider that the possibility of the default of the parties involved is remote, accordingly, no value has been recognised at the inception of the guarantee contracts and on the condensed consolidated statement of financial position as at 30 June 2017.
- (ii) The Company provided guarantees on several banks covering its respective equity shares of outstanding obligations under the offshore and onshore bank loan incurred by the joint venture and associate companies developing these projects. As at 30 June 2017, the Group's aggregate share of such guarantees provided in respect of loans incurred by these joint ventures amounted to approximately RMB2,509,100,000 (31 December 2016: RMB3,573,992,000).

In the opinion of the directors of the Company, the fair values of these financial guarantee contracts of the Group are insignificant at initial recognition and the directors of the Company consider that the possibility of the default of the parties involved is remote, accordingly, no value has been recognised at the inception of the guarantee contracts and on the condensed consolidated financial position as at 30 June 2017.

簡明綜合財務報表附註

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

33. 以股份支付的交易

下表披露本集團僱員持有的本公司購股權變動：

33. SHARE-BASED PAYMENT TRANSACTION

The table below discloses movements of the Company's share options held by the Group's employees:

		根據購股權 計劃的購股權 數目 Number of share options under share option scheme
於二零一七年一月一日尚未行使	Outstanding as at 1 January 2017	447,493,939
期內已行使	Exercised during the period	(72,315,302)
於二零一七年六月三十日尚未行使	Outstanding as at 30 June 2017	375,178,637

就於本期間行使的購股權而言，行使當日的加權平均股價為1.64港元。

In respect of the share options exercised during the period, the weighted average share price at the dates of exercise is HK\$1.64.

本集團於截至二零一七年六月三十日止六個月就本公司向本集團僱員授出的購股權確認開支為人民幣10,131,000元(截至二零一六年六月三十日止六個月：人民幣23,985,000元)。因此，該等購股權金額已於購股權儲備中入賬。

The Group recognised expenses of RMB10,131,000 for the six months ended 30 June 2017 (six months ended 30 June 2016: RMB23,985,000) in relation to share options granted to the Group's employees by the Company. Accordingly, the amount for share options was credited to share option reserve.

34. 關聯方披露

除附註20及21所載關聯方結餘外，本集團於期內與其關聯方進行以下重大交易：

(a) 來自一間關聯公司的租金收入：

34. RELATED PARTY DISCLOSURES

Apart from the balances with related parties set out in notes 20 and 21, the Group entered into the following significant transactions with its related parties during the period:

(a) Rental income from a related company

		截至六月三十日止六個月 Six months ended 30 June	
		二零一七年 2017	二零一六年 2016
		人民幣千元 RMB'000	人民幣千元 RMB'000
		(未經審核) (unaudited)	(未經審核) (unaudited)
上海建浦投資管理有限公司 (「上海建浦」)(由林中先生、 林偉先生及林峰先生控制的公司)	Shanghai Jianpu Investment Management Co. Ltd. (上海建浦投資管理有限公司) ("Shanghai Jianpu") (company controlled by Mr. Lin Zhong, Mr. Lin Wei and Mr. Lin Feng, directors of the company)	1,143	1,190

(b) 來自合營企業及聯營公司的項目管理費收入

(b) Project management fee income from joint ventures and associates

		截至六月三十日止六個月 Six months ended 30 June	
		二零一七年 2017	二零一六年 2016
		人民幣千元 RMB'000	人民幣千元 RMB'000
		(未經審核) (unaudited)	(未經審核) (unaudited)
來自合營企業的項目管理費收入	Project management fee income from joint ventures	233,012	95,018
來自聯營公司的項目管理費收入	Project management fee income from associates	108,755	25,947

簡明綜合財務報表附註

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

34. 關聯方披露(續)

(c) 向一間聯營公司支付的物業管理開支

34. RELATED PARTY DISCLOSURES (Continued)

(c) Property management expense to an associate company

		截至六月三十日止六個月 Six months ended 30 June	
		二零一七年 2017	二零一六年 2016
		人民幣千元 RMB'000	人民幣千元 RMB'000
		(未經審核) (unaudited)	(未經審核) (unaudited)
向上海永升(一間聯營公司)支付的物業管理開支	Property management expense to Shanghai Yongsheng (an associate company)	82,493	–

(d) 向本公司一名董事、本公司董事的一名聯繫人士及關聯公司預售物業收取的按金：

(d) Deposit received from pre-sale of properties to a director of the Company, an associate of the directors of the Company and related companies:

		於二零一七年 六月三十日 At 30 June 2017	於二零一六年 十二月三十一日 At 31 December 2016
		人民幣千元 RMB'000	人民幣千元 RMB'000
		(未經審核) (unaudited)	(經審核) (audited)
林峰先生(附註i)	Mr. Lin Feng (note i)	–	2,815
林偉先生(附註ii)	Mr. Lin Wei (note ii)	1,000	1,000

附註：

- (i) 於截至二零一六年十二月三十一日止年度，本公司一間附屬公司與林峰先生就以總代價人民幣39,152,000元出售物業訂立兩份買賣協議。
- (ii) 於截至二零一六年十二月三十一日止年度，本公司一間附屬公司與林偉先生就以總代價人民幣29,069,000元出售一項物業訂立買賣協議。

Notes:

- (i) During the year ended 31 December 2016, a subsidiary of the Company entered into two sales and purchase agreements with Mr. Lin Feng in respect of the sales of properties at a total consideration of RMB39,152,000.
- (ii) During the year ended 31 December 2016, a subsidiary of the Company entered into a sales and purchase agreement with Mr. Lin Wei in respect of the sales of a property at a consideration of RMB29,069,000.

34. 關聯方披露(續)

(e) 應收(付)合營企業及聯營公司款項

34. RELATED PARTY DISCLOSURES (Continued)

(e) Amounts due from (to) joint ventures and associates

		於二零一七年 六月三十日 At 30 June 2017 人民幣千元 RMB'000 (未經審核) (unaudited)	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000 (經審核) (audited)
應收合營企業款項	Amounts due from joint ventures	4,090,231	2,801,445
應收聯營公司款項	Amounts due from associates	2,407,061	1,819,487
		6,497,292	4,620,932
應付合營企業款項	Amounts due to joint ventures	3,009,878	8,023,842
應付聯營公司款項	Amounts due to associates	7,088,235	6,395,599
		10,098,113	14,419,441

(f) 於截至二零一七年六月三十日止期間，本集團向寧波昌瑞(一間由林偉先生及林峰先生共同實益擁有的公司)出售於附屬公司上海旭備的全部股本權益。詳情載於附註29(a)。

(f) During the period ended 30 June 2017, the Group disposed of its 100% equity interest in its subsidiary, Shanghai Xubei to Ningbo Changrui, a company jointly beneficially owned by Mr. Lin Wei and Mr. Lin Feng. Details are set out in note 29(a).

35. 金融工具的公平值計量

按經常性基準以公平值計量的本集團金融資產及負債的公平值

本集團的部份金融資產及負債按於各報告期末的公平值釐定。下表提供有關如何釐定該等金融資產及負債公平值的資料(特別是所用的估值方法及輸入數據)，以及根據公平值計量輸入數據的可觀察程度而將公平值計量分類到所屬公平值架構級別(第一級至第三級)。

- 第一級公平值計量乃根據相同資產或負債於活躍市場中所報價格(未經調整)得出；

35. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value of the Group's financial assets and liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities;

簡明綜合財務報表附註

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

35. 金融工具的公平值計量(續)

- 第二級公平值計量乃除第一級計入的報價外，根據資產或負債可直接(即價格)或間接(即自價格衍生)觀察的輸入數據得出；及
- 第三級公平值計量乃指由包含非依據可觀察市場資料的資產或負債輸入數據(不可觀察輸入數據)的估價技術得出。

35. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

		於以下日期的公平值			
		Fair value as at			
		二零一六年			
		二零一七年	十二月	公平值	估值技術及
		六月三十日	三十一日	等級	主要輸入數據
					Valuation techniques
		30 June	31 December	Fair value	and key
		2017	2016	hierarchy	inputs
		人民幣千元	人民幣千元		
		RMB'000	RMB'000		
金融資產	Financial assets				
可供出售投資 — 未上市私募基金	Available-for-sale investments — unlisted private fund	資產— 606,819 Assets— 606,819	不適用 N/A	第二級 Level 2	基金經理提供的所報買入價 Quoted bid prices provided by fund manager
作為衍生金融工具的 外幣遠期合約	Foreign currency forward contracts as derivative financial instruments	資產— 25,916 Assets— 25,916	資產— 314,768 Assets— 314,768	第二級 Level 2	貼現現金流量。未來現金流量根據遠期利率(從報告期末可觀察的遠期利率)及合同利率進行估計，以反映各交易對手信用風險的利率折現。 Discounted cash flow. Future cash flows are estimated based on forward interest rates (from observable forward interest rates at the end of the reporting period) and the contracted interest rates, discounted at a rate that reflects the credit risk of various counterparties.

35. 金融工具的公平值計量(續)

35. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

		於以下日期的公平值			
		Fair value as at			
		二零一六年			
		二零一七年	十二月	公平值	估值技術及
		六月三十日	三十一日	等級	主要輸入數據
					Valuation
					techniques
		30 June	31 December	Fair value	and key
		2017	2016	hierarchy	inputs
		人民幣千元	人民幣千元		
		RMB'000	RMB'000		
金融資產	Financial assets				
分類為按公平值計入損益的金融資產的上市股份投資	Investments in listed shares classified as financial assets at FVTPL	資產 – 416,686 57,922 474,608	資產 – 283,589 69,240 352,829	第一級 Level 1	活躍市場所報買入價 Quoted bid prices in an active market
– 在香港上市	– listed in HK	416,686	283,589		
– 在中國上市	– listed in the PRC	57,922	69,240		
		474,608	352,829		
分類為按公平值計入損益的金融資產的物業項目投資	Investments in property projects classified as financial assets at FVTPL	資產 – 713,086 713,086	資產 – 529,225 529,225	第三級 Level 3	折現現金流量。未來現金流量根據預期回報及合同投資成本進行估計，以反映各物業項目的內部回報率的利率折現。 Discounted cash flow. Future cash flows are estimated based on expected return, and the contracted investment costs, discounted at a rate that reflects the internal rate of return of varies property projects.

除分別於附註26及27所披露具有公平值的優先票據及公司債券外，本集團管理層認為，簡明綜合財務報表中以攤銷成本入賬的其他金融資產及金融負債賬面值與其於報告期末的公平值相若。

本集團以攤銷成本入賬的金融資產及金融負債公平值乃根據按照折現現金流量分析建立的公認定價模式釐定。

Except for the senior notes and corporate bonds with fair value as disclosed in notes 26 and 27, respectively, the management of the Group consider that the carrying amounts of the other financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values at the end of the reporting period.

The fair value of financial assets and financial liabilities of the Group recorded at amortised cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

簡明綜合財務報表附註

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

36. 報告期末後事項

於二零一七年七月二十七日，本公司宣佈訂立認購協議，向中國平安人壽保險股份有限公司每股3.50港元發行545,000,000股新股及於二零一七年七月二十八日，本公司就涉及以每股3.82港元進一步發行135,000,000股新股另行訂立一份配售及先舊後新認購協議。本集團合共獲得融資總額2,423,200,000港元。

37. 批准未經審核的中期簡明綜合財務報表

該等未經審核的中期簡明綜合財務報表已於二零一七年八月九日獲本公司董事會批准。

36. EVENTS AFTER THE END OF THE REPORTING PERIOD

On 27 July 2017, the Company announced that it entered into a subscription agreement to issue 545,000,000 new shares at HK\$3.50 per share to Ping An Life Insurance Company of China, Ltd and on 28 July 2017, the Company further entered into a placing and top-up subscription agreement involving further issue of 135,000,000 new shares at HK\$3.82 per share. The Group received gross proceeds of HK\$2,423,200,000 in aggregate.

37. APPROVAL OF THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These unaudited interim condensed consolidated financial statements were approved by the Board of the Company on 9 August 2017.

獨立核數師報告

INDEPENDENT AUDITOR'S REPORT

Deloitte.

德勤

致旭輝控股(集團)有限公司各股東
(於開曼群島註冊成立的有限公司)

TO THE MEMBERS OF CIFI HOLDINGS (GROUP) CO. LTD.
(incorporated in the Cayman Islands with limited liability)

意見

本核數師(以下簡稱「吾等」)已審計載列於第129至295頁旭輝控股(集團)有限公司(「貴公司」)及其附屬公司(合稱「貴集團」)的綜合財務報表，此綜合財務報表包括於二零一六年十二月三十一日的綜合財務狀況表、截至該日止年度的綜合損益及其他全面收益表、綜合股本權益變動表、綜合現金流量表以及綜合財務報表附註，包括主要會計政策概要。

吾等認為，該等綜合財務報表均已按照國際財務報告準則(「國際財務報告準則」)的規定真實而中肯地反映 貴集團於二零一六年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現和綜合現金流量，並已按照香港公司條例的披露規定妥為編製。

意見的基礎

吾等已根據香港會計師公會(「香港會計師公會」)頒布的香港審計準則(「香港審計準則」)進行審核。吾等於該等準則下承擔的責任已在本報告「核數師就審核綜合財務報表須承擔的責任」部分中作進一步闡述。根據香港會計師公會頒布的專業會計師道德守則(以下簡稱「守則」)，吾等獨立於 貴集團，並已履行守則中的其他專業道德責任。吾等相信，吾等所獲得的審計憑證充足及適當地為吾等的審計意見提供基礎。

OPINION

We have audited the consolidated financial statements of CIFI Holdings (Group) Co. Ltd. (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 129 to 295, which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

BASIS FOR OPINION

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

關鍵審計事項

關鍵事項是根據吾等的專業判斷，認為對本期綜合財務報表最為重要的事項。這些事項是在吾等審計整體綜合財務報表及出具意見時進行處理的。吾等不會對這些事項提供單獨的意見。

KEY AUDIT MATTERS

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

關鍵審核事項 Key audit matters	吾等於審核中處理關鍵審核事項的方法 How our audit addressed the key audit matters
投資物業估值 Valuation of investment properties	
<p>由於管理層釐定公平值時須作出判斷，吾等將投資物業估值釐定為關鍵審核事項。</p> <p>貴集團的投資物業指位於中華人民共和國（「中國」）的購物商場及辦公室單位，於二零一六年十二月三十一日的賬面值為人民幣5,773,000,000元（佔貴集團總資產的6.5%）。投資物業公平值變動人民幣100,000,000元已於截至該日止年度的綜合損益及其他全面收益表內確認。</p> <p>貴集團所有投資物業均根據與貴集團並無關連的獨立合資格專業估值師（「估值師」）進行的估值按公平值列賬。估值所使用估值方法及重大無法觀察輸入數據的詳情於綜合財務報表附註14內披露。已竣工投資物業估值依賴若干重大無法觀察輸入數據其包括管理層判斷，包括租期收益率、復歸收益率及市場單位租金。</p> <p>We identified the valuation of investment properties as a key audit matter due to the management's judgements associated with determining the fair value.</p> <p>The investment properties of the Group represented shopping malls and office units located in the People's Republic of China (the "PRC") and carried at RMB5,773 million as at 31 December 2016, which represented 6.5% of the Group's total assets. Change in fair value of investment properties of RMB100 million was recognised in the consolidated statement of profit or loss and other comprehensive income for the year then ended.</p> <p>All of the Group's investment properties are stated at fair value based on valuations performed by independent qualified professional valuers not connected with the Group (the "Valuers"). Details of the valuation techniques and significant unobservable inputs used in the valuations are disclosed in note 14 in the consolidated financial statements. The valuations of the completed investment properties are dependent on certain significant unobservable inputs which involve management's judgements, including term yield, reversionary yield and market unit rental.</p>	<p>吾等評估投資物業估值適當性的程序包括：</p> <ul style="list-style-type: none">• 評估估值師的資歷、能力和客觀性；• 透過比較貴集團及市場的特定資料，瞭解估值師所用的估值技術及重大不可觀察輸入數據的合理性；• 透過按抽樣形式將租金細節與相應現有租賃協議比較，評估估值師所提供資料的完整性；及• 重新對重大無法觀察輸入數據進行敏感度分析，以評估其浮動對投資物業公平值的影響。 <p>Our procedures in relation to assessing the appropriateness of the valuation of the investment properties included:</p> <ul style="list-style-type: none">• Evaluating the Valuers' competence, capabilities and objectivity;• Obtaining an understanding from the Valuers about the valuation techniques and reasonableness of the significant unobservable inputs used by the Valuers by comparing to specific information of the Group and market;• Assessing the integrity of information provided by the Valuers by comparing details of rentals on a sample basis to the respective underlying existing lease agreements; and• Reperforming sensitivity analysis on the significant unobservable inputs to evaluate the fluctuations of their impacts on the fair values of the investment properties.

關鍵審核事項
Key audit matters

吾等於審核中處理關鍵審核事項的方法
How our audit addressed the key audit matters

擬作出售的開發中物業／持作出售物業的估值

Valuation of properties under development for sales and properties held for sales

由於可變現淨值(「可變現淨值」)涉及重大判斷及評估擬作出售的開發中物業(「擬作出售的開發中物業」)未來的完工成本，故吾等將 貴集團擬作出售的開發中物業及持作出售物業(「持作出售物業」)的估值釐定為關鍵審核事項。

誠如財務狀況報表所披露， 貴集團於二零一六年十二月三十一日擁有擬作出售的開發中物業人民幣21,254,000,000元及持作出售物業人民幣6,829,000,000元(「物業」)，全部位於中國。

誠如綜合財務報表附註4所披露， 貴集團管理層藉參考物業估計市價釐定其可變現淨值，其中考慮多項因素，包括同一項目中同類物業或類似物業所達致的近期價格及中國房地產的當前及預期市況，以及按當時市況銷售物業所產生成本。

倘物業可變現淨值低於其賬面值，則將物業賬面值將減至其可變現淨值。

根據管理層對該等物業的可變現淨值分析，概無撇賬需求。

We identified the valuation of the Group's properties under development for sales (the "PUD") and properties held for sales (the "PFS") as a key audit matter due to the significant judgements involved in the net realisable value ("NRV") and the estimation of future costs to completion of the PUD.

As disclosed in the statement of financial position, the Group had PUD of RMB21,254 million and PFS of RMB6,829 million (the "Properties") as at 31 December 2016, all of which are situated in the PRC.

As disclosed in note 4 to the consolidated financial statements, the management of the Group determined the NRV of the Properties by reference to the estimated market prices of the Properties, which takes into account a number of factors including recent prices achieved for similar property types in the same project or by similar properties, and the prevailing and forecasted real estate market conditions in the PRC and the costs to be incurred in selling the properties based in prevailing market conditions.

If the NRV of the Properties are found to be lower than their carrying amounts, the carrying amounts of the Properties are reduced to their NRV.

Based on management's analysis of the NRV of the Properties, no write-downs were considered to be necessary.

吾等評估擬作出售的開發中物業及持作出售物業估值適當性的程序包括：

- 根據吾等對 貴集團業務及中國房地產行業的瞭解，透過將可變現淨值與相同項目或可資比較物業所達至最近期市價比較，評估管理層按抽樣形式釐定物業可變現淨值的合理性；及
- 透過評估管理層於過往期間所用估計流程的有效性核實管理層估計擬作出售的開發中物業完工成本時所用的開發中物業項目總預算成本評估，以釐定管理層方面是否有可能偏頗及評估支持管理層估計的判斷與假設的合理性。

Our procedures in relation to assessing the appropriateness of the valuation of the PUD and PFS included:

- Assessing the reasonableness of the NRV of the Properties that determined by management on a sample basis, by comparing the NRV to the latest market prices achieved in the same projects or by comparable properties, in accordance with our understanding of the Group's business and the real estate industry in the PRC; and
- Challenging the estimation of the total budget cost of the properties project under development used by managements in estimating the cost to completion of the PUD by evaluating the effectiveness of management's prior period estimation process to determine whether there is an indication of a possible bias on the part of management and to evaluate the reasonableness of judgements and assumptions supporting management estimates.

關鍵審核事項 Key audit matters	吾等於審核中處理關鍵審核事項的方法 How our audit addressed the key audit matters
<p>銷售物業已確認收入 Revenue recognised from sales of properties</p> <p>由於收入確認於數量上對綜合損益及其他全面收入表而言屬重大且於釐定銷售物業收入的適當確認點時涉及判斷，因此吾等將其釐定為關鍵審核事項。</p> <p>誠如綜合財務報表附註3所披露，銷售物業的收入達到以下所披露的五項標準後予以確認：</p> <ul style="list-style-type: none"> 物業擁有權的重大風險及回報已轉移予買方； 並無保留一般與擁有權有關的持續管理權或對物業的實際控制權； 收入金額能夠可靠地計量； 與交易相關的經濟利益很可能流入 貴集團；及 有關交易所產生或將予產生的成本能夠可靠地計量。 <p>誠如綜合財務報表附註5所披露，截至二零一六年十二月三十一日止年度，貴集團確認銷售物業收入人民幣20,713,000,000元。</p> <p>We identified revenue recognised from sales of properties as a key audit matter as it is quantitatively significant to the consolidated statement of profit or loss and other comprehensive income and there is judgement involved in determining the appropriate point at which to recognise revenue from sales of properties.</p> <p>As disclosed in note 3 to the consolidated financial statements, revenue from sales of properties is recognised when all of the below five criteria are satisfied:</p> <ul style="list-style-type: none"> the significant risks and rewards of ownership of the properties are transferred to buyers; neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the properties are retained; the amount of revenue can be measured reliably; it is probable that the economic benefits associated with the transaction will flow to the Group; and the costs incurred or to be incurred in respect of the transaction can be measured reliably. <p>The Group recognised revenue of RMB20,713 million from sales of properties for the year ended 31 December, 2016 as disclosed in note 5 in the consolidated financial statements.</p>	<p>吾等有關評估釐定銷售物業收入的適當確認點所涉及判斷的程序包括：</p> <ul style="list-style-type: none"> 瞭解並測試管理層對向買方交付物業程序的控制；及 以抽樣基準審閱買賣協議中列明的條款，並取得 貴集團向買家發出的交付通知以評估是否達到綜合財務報表附註3「收入確認」披露的所有標準。 <p>Our procedures in relation to revenue recognised from sales of properties included:</p> <ul style="list-style-type: none"> Obtaining an understanding of and testing the management's control over the process of properties delivery to buyers; and Assessing the terms stated in the sales and purchase agreements, on a sample basis, and obtaining the delivery notices issued by the Group to the buyers to assess whether all the criteria as disclosed in note 3 "Revenue recognition" to the consolidated financial statements are satisfied.

關鍵審核事項
Key audit matters

吾等於審核中處理關鍵審核事項的方法
How our audit addressed the key audit matters

土地增值稅計算的準確性
Accuracy of land appreciation tax calculations

由於估計 貴集團就各物業開發項目應付土地增值稅金額時須作出主要判斷，因此吾等將中國土地增值稅計算的準確性釐定為關鍵審核事項。

當物業交付予買家且確認收入時將產生中國土地增值稅。誠如綜合財務報表附註9所披露，截至二零一六年十二月三十一日止年度，於綜合損益及其他全面收入表確認土地增值稅人民幣602百萬元。誠如綜合財務報表附註4所披露，土地增值稅的計算與所使用根據土地增值金額釐定的比率的適當性高度相關。土地增值金額由估計銷售收入所得減去相關可扣除支出(包括土地成本及估計建造成本)釐定。

We identified the accuracy of land appreciation tax (LAT) calculations in the PRC as a key audit matter since significant judgement is required in estimating the amount of LAT to be paid by the Group within each of the property development projects.

LAT arises in the PRC when properties are delivered to the buyers and revenue is recognised. As disclosed in note 9 to the consolidated financial statements, LAT amounted to RMB602 million is recognised in the consolidated statement of profit or loss and other comprehensive income for the year ended December 31, 2016. As disclosed in note 4 to the consolidated financial statements, the LAT calculations are highly dependent on the appropriateness of the rates used, which are determined by the amount of the land appreciation. The amount of the land appreciation is determined by subtracting the related deductible expenditures, including the cost of land and estimated construction costs, from the estimates of sales revenue.

吾等有關土地增值稅計算準確性的程序包括：

- 比較可扣除支出及最近期項目產生的預算成本，評估土地增值稅計算所使用數據的合理性；
- 透過比較管理層於過往期間所作出的判斷與實際結果，評估彼等於估計土地增值金額及土地增值稅費用率時所採用的判斷；及
- 委任本所稅務專家對各物業開發項目評估土地增值金額的準確性，並與中國國家稅務總局所公佈土地增值稅費用率進行比較，以評估各物業開發項目所使用土地增值稅費用率的合理性。

Our procedures in relation to the accuracy of LAT calculations included:

- Assessing the reasonableness of the input used in the LAT calculation by comparing the related deductible expenditure with the latest budgeted cost incurred for the project;
- Assessing the judgement adopted by the management in estimating the land appreciation amount and the LAT charge rate by comparing their judgements made in previous periods to actual results; and
- Involving our tax experts to assess the accuracy of the land appreciation amount for each of the property development projects, and to assess the reasonableness of the LAT charge rate used for each of the property development projects by comparing it to the LAT charge rate announced by the State Administration of Taxation in the PRC.

獨立核數師報告

INDEPENDENT AUDITOR'S REPORT

其他信息

貴公司董事需對其他信息負責。其他信息包括年度報告書內的所有信息，但不包括綜合財務報表及吾等就此發出的核數師報告。

吾等對綜合財務報表的意見並不涵蓋其他信息，吾等亦不對其他信息發表任何形式的審計結論。

就吾等對綜合財務報表的審計而言，吾等的責任是閱讀其他信息，從而考慮其他信息是否與綜合財務報表或吾等在審計過程中所瞭解的情況存在重大不符，或似存在重大錯誤陳述。基於吾等已執行的工作，倘吾等認為該其他信息存在重大錯誤陳述，則吾等需要報告該事實。吾等就此並無須報告事項。

董事及管治層就綜合財務報表須承擔的責任

貴公司董事須負責根據國際財務報告準則及香港公司條例擬備真實且中肯的綜合財務報表，並對其認為為使財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

管治層須負責監督貴集團的財務報告過程。

OTHER INFORMATION

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

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

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

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

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

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

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

核數師就審核綜合財務報表須承擔的責任

吾等的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得的合理保證，並根據協定的委聘條款僅向閣下(作為整體)出具包括吾等意見的核數師報告，除此之外本報告別無其他目的。吾等不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照香港審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引致，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴綜合財務報表作出的經濟決定，則有關錯誤陳述可被視作重大。

根據香港審計準則進行審計的過程中，吾等運用了專業判斷，保持了專業懷疑態度。吾等亦：

- 識別和評估由於欺詐或錯誤而導致重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部監控之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致重大錯誤陳述的風險。
- 了解與審計相關的內部監控，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及所作會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴公司的持續經營能力產生重大疑慮。如果吾等認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關披露不足，則吾等應當發表非無保留意見。吾等的結論乃基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

獨立核數師報告

INDEPENDENT AUDITOR'S REPORT

- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映有關交易和事項。
- 就 貴集團內實體或業務活動的財務資料獲取充分、適當的審核憑證，以對綜合財務報表發表意見。吾等負責指導、監督和執行 貴集團的審核。吾等對審核意見承擔全部責任。
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

除其他事項外，吾等與管治層溝通了計劃的審計範圍、時間安排及重大審計發現等，包括吾等於審計中識別出內部控制的任何重大缺陷。

吾等還向管治層提交聲明，說明吾等已符合有關獨立性的相關職業道德要求，並與他們溝通有合理地被認為會影響吾等獨立性的關係及其他事項，以及在適用的情況下，相關的防範措施。

從與管治層溝通的事項中，吾等確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審核事項。吾等在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在吾等報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

本獨立核數師報告的審核項目合夥人為羅遠江。

德勤•關黃陳方會計師行
執業會計師
香港

二零一七年三月八日

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

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

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

The engagement partner on the audit resulting in the independent auditor's report is Law Yuen Kong.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

8 March 2017

綜合損益及其他全面收益表

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

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

			二零一六年 2016	二零一五年 2015
		附註 NOTES	人民幣千元 RMB'000	人民幣千元 RMB'000
收入	Revenue	5	22,224,447	18,230,788
銷售及服務成本	Cost of sales and services		(16,578,838)	(14,087,196)
毛利	Gross profit		5,645,609	4,143,592
其他收入、收益及虧損	Other income, gains and losses	7	161,834	541,660
投資物業公平值變動	Change in fair value of investment properties		(100,433)	128,100
營銷及市場推廣開支	Selling and marketing expenses		(524,456)	(370,910)
行政開支	Administrative expenses		(878,878)	(607,355)
應佔合營企業業績	Share of results of joint ventures		1,007,416	205,533
應佔聯營公司業績	Share of results of associates		55,324	(32,908)
融資成本	Finance costs	8	(529,651)	(202,885)
除稅前利潤	Profit before taxation		4,836,765	3,804,827
所得稅開支	Income tax expense	9	(1,672,390)	(1,334,039)
年內利潤及全面收入總額	Profit and total comprehensive income for the year	10	3,164,375	2,470,788
以下各項應佔：	Attributable to:			
本公司股東權益	Equity owners of the Company		2,807,549	2,095,464
永久資本工具擁有人	Owners of perpetual capital instruments		–	38,030
其他非控股權益	Other non-controlling interests		356,826	337,294
			356,826	375,324
年內利潤及全面收入總額	Profit and total comprehensive income for the year		3,164,375	2,470,788
每股盈利(人民幣元)：	Earnings per share, in RMB:			
基本	Basic	13	0.42	0.32
攤薄	Diluted	13	0.42	0.32

綜合財務狀況表

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

於二零一六年十二月三十一日 At 31 December 2016

			二零一六年 2016	二零一五年 2015
		附註 NOTES	人民幣千元 RMB'000	人民幣千元 RMB'000
非流動資產	NON-CURRENT ASSETS			
投資物業	Investment properties	14	5,773,100	5,842,300
物業、廠房及設備	Property, plant and equipment	15	75,783	48,604
預付租賃款項	Prepaid lease payments	16	32,742	32,742
於聯營公司的權益	Interests in associates	17	1,334,453	588,620
於合營企業的權益	Interests in joint ventures	18	7,504,466	7,109,797
於房地產項目的投資	Investments in property projects	19	529,225	–
可供出售投資	Available-for-sale investments	20	740,976	54,023
衍生金融工具	Derivative financial instruments	21	314,768	–
遞延稅項資產	Deferred taxation assets	36	319,795	286,753
就收購股權已付的按金	Deposits paid for acquisitions of equity interests	22	622,213	–
長期保證金	Long-term deposit	23	300,000	–
			17,547,521	13,962,839
流動資產	CURRENT ASSETS			
持作出售物業	Properties held for sale	24	6,829,221	6,917,170
擬作出售的開發中物業	Properties under development for sale	25	21,254,355	20,167,382
應收賬款及其他應收款項、 按金及預付款項	Accounts and other receivables, deposits and prepayments	26	9,625,149	5,711,469
應收非控股權益款項	Amounts due from non-controlling interests	27	2,387,678	831,339
應收合營企業及聯營公司的 款項	Amounts due from joint ventures and associates	28	4,620,932	2,593,242
持作出售物業土地使用權按金	Deposits for land use rights for properties held for sale		4,373,075	1,818,236
可收回稅項	Taxation recoverable		812,197	544,851
按公平值計入損益的金融資產	Financial assets at fair value through profit or loss ("FVTPL")	29	352,829	–
已質押銀行存款	Pledged bank deposits	30	348,855	31,500
銀行結餘及現金	Bank balances and cash	30	20,328,397	14,873,736
			70,932,688	53,488,925
流動負債	CURRENT LIABILITIES			
應付賬款及其他應付款項以及 應計開支	Accounts and other payables, and accrued charges	31	7,854,327	7,319,089
已收物業銷售按金	Deposits received from property sales		15,391,289	10,396,275
應付非控股權益款項	Amounts due to non-controlling interests	27	965,649	995,208
應付合營企業及聯營公司的款 項	Amounts due to joint ventures and associates	28	14,419,441	6,895,062
應付稅項	Taxation payable		1,838,829	1,334,245
銀行及其他借款(於一年內到 期)	Bank and other borrowings – due within one year	32	2,367,536	2,793,500
公司債券(於一年內到期)	Corporate bonds – due within one year	34	2,088,970	–
			44,926,041	29,733,379
流動資產淨值	NET CURRENT ASSETS		26,006,647	23,755,546
總資產減流動負債	TOTAL ASSETS LESS CURRENT LIABILITIES		43,554,168	37,718,385

			二零一六年 2016	二零一五年 2015
		附註 NOTES	人民幣千元 RMB'000	人民幣千元 RMB'000
資本及儲備	CAPITAL AND RESERVES			
股本	Share capital	35	542,797	537,157
儲備	Reserves		14,437,365	12,289,940
本公司股東權益 應佔股本權益	Equity attributable to equity owners of the Company		14,980,162	12,827,097
非控股權益	Non-controlling interests		2,302,851	2,456,065
股本權益總額	TOTAL EQUITY		17,283,013	15,283,162
非流動負債	NON-CURRENT LIABILITIES			
銀行及其他借款(於一年後到期)	Bank and other borrowings – due after one year	32	11,199,111	8,864,403
優先票據	Senior notes	33	5,683,011	8,275,958
公司債券(於一年後到期)	Corporate bonds – due after one year	34	8,052,498	4,021,032
遞延稅項負債	Deferred taxation liabilities	36	1,336,535	1,273,830
			26,271,155	22,435,223
			43,554,168	37,718,385

第129至295頁的綜合財務報表已於二零一七年三月八日獲董事會批准及授權刊發，並由下列人士代表簽署：

The consolidated financial statements on pages 129 to 295 were approved and authorised for issue by the Board of directors on 8 March 2017 and are signed on its behalf by:

林中
董事

林峰
董事

LIN ZHONG
DIRECTOR

LIN FENG
DIRECTOR

綜合股本權益變動表

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

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

		本公司股東權益總佔 Attributable to equity owners of the Company											
		股本	股份溢價	特別及 其他儲備	法定 盈餘儲備	購股權儲備	出資儲備	保留利潤	小計	永久 資本工具	非控股權益	小計	總計
		Share capital	Share premium	Special and other reserve	Statutory surplus reserve	Share option reserve	Capital contribution reserve	Retained profits	Subtotal	Perpetual instruments	Non- controlling interests	Subtotal	Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
		(附註c) (Note c)											
於二零一五年一月一日	At 1 January 2015	487,896	826,202	202,284	736,268	98,155	37,468	7,816,776	10,205,049	585,710	792,159	1,377,869	11,582,918
年內利潤及全面收入總額	Profit and total comprehensive income for the year	-	-	-	-	-	-	2,095,464	2,095,464	38,030	337,294	375,324	2,470,788
轉撥至儲備	Appropriations to reserve	-	-	-	108,792	-	-	(108,792)	-	-	-	-	-
非控股權益出資	Capital contributions from non-controlling interests	-	-	-	-	-	-	-	-	-	173,496	173,496	173,496
收購附屬公司(附註37)	Acquisition of subsidiaries (Note 37)	-	-	-	-	-	-	-	-	-	1,166,952	1,166,952	1,166,952
向非控股權益出售附屬公司 部分權益(附註38c)	Disposal of partial interests in subsidiaries to non-controlling interests (Note 38c)	-	-	-	-	-	-	-	-	-	(13,836)	(13,836)	(13,836)
確認以股本權益結算並以 股份付款	Recognition of equity-settled share based payments	-	-	-	-	47,898	1,972	-	49,870	-	-	-	49,870
行使購股權時發行股份 (附註35)	Issue of shares upon exercise of share options (Note 35)	593	11,384	-	-	(2,428)	-	-	9,549	-	-	-	9,549
發行股份以配售股份(附註35)	Issue of shares for share placement (Note 35)	47,280	980,272	-	-	-	-	-	1,027,552	-	-	-	1,027,552
就以股代息發行股份(附註35)	Issue of shares for scrip dividend (Note 35)	10,430	226,538	-	-	-	-	-	236,968	-	-	-	236,968
購回股份時註銷(附註35)	Cancelled upon repurchase of shares (Note 35)	(9,042)	(95,179)	-	-	-	-	-	(104,221)	-	-	-	(104,221)
贖回永久資本工具(附註d)	Redemption of perpetual capital instrument (Note d)	-	-	-	-	-	-	-	-	(585,710)	-	(585,710)	(585,710)
分派予永久資本工具擁有人	Distribution to owners of perpetual capital instruments	-	-	-	-	-	-	-	-	(38,030)	-	(38,030)	(38,030)
已宣派股息(附註12)	Dividend declared (Note 12)	-	(693,134)	-	-	-	-	-	(693,134)	-	-	-	(693,134)
於二零一五年十二月三十一日	At 31 December 2015	537,157	1,256,083	202,284	845,060	143,625	39,440	9,803,448	12,827,097	-	2,456,065	2,456,065	15,283,162
年內利潤及全面收入總額	Profit and total comprehensive income for the year	-	-	-	-	-	-	2,807,549	2,807,549	-	356,826	356,826	3,164,375
轉撥至儲備	Appropriations to reserve	-	-	-	183,864	-	-	(183,864)	-	-	-	-	-
非控股權益出資	Capital contributions from non-controlling interests	-	-	-	-	-	-	-	-	-	64,900	64,900	64,900
收購附屬公司(附註37)	Acquisition of subsidiaries (Note 37)	-	-	-	-	-	-	-	-	-	89,267	89,267	89,267
收購非控股股東附屬公司 額外權益(附註a)	Acquisition of additional interests in subsidiaries from non-controlling interests (Note a)	-	-	19,586	-	-	-	-	19,586	-	(80,164)	(80,164)	(60,578)
向非控股權益出售附屬公司 部分權益(附註b)	Disposal of partial interests in subsidiaries to non-controlling interests (Note b)	-	-	29,858	-	-	-	-	29,858	-	16,142	16,142	46,000
一間附屬公司撤銷註冊	Deregistration of a subsidiary	-	-	-	-	-	-	-	-	-	2,065	2,065	2,065
確認以股本權益結算並以 股份付款	Recognition of equity-settled share based payments	-	-	-	-	47,971	-	-	47,971	-	-	-	47,971
行使購股權時發行股份 (附註35)	Issue of shares upon exercise of share options (Note 35)	4,073	79,708	-	-	(17,846)	-	-	65,935	-	-	-	65,935
就以股代息發行股份(附註35)	Issue of shares for scrip dividend (Note 35)	3,384	56,445	-	-	-	-	-	59,829	-	-	-	59,829
購回股份時註銷(附註35)	Cancelled upon repurchase of shares (Note 35)	(1,817)	(21,517)	-	-	-	-	-	(23,334)	-	-	-	(23,334)
已宣派股息(附註12)	Dividend declared (Note 12)	-	(854,329)	-	-	-	-	-	(854,329)	-	-	-	(854,329)
派發予非控股權益的股息	Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	(602,250)	(602,250)	(602,250)
於二零一六年十二月三十一日	At 31 December 2016	542,797	516,390	251,728	1,028,924	173,750	39,440	12,427,133	14,980,162	-	2,302,851	2,302,851	17,283,013

附註：

a) 於二零一六年三月十日，本集團以代價人民幣27,578,000元向非控股股東收購上海新安亭置業有限公司(「上海新安亭」)39%額外權益。於完成上述收購後，本集團持有上海新安亭90%股本權益。

於二零一六年五月二十三日，本集團以代價人民幣33,000,000元向非控股股東收購湖南物華投資發展有限公司(「湖南物華」)33%額外權益。於完成上述收購後，本集團持有湖南物華全部股本權益。

於收購日期的已付代價與於上海新安亭及湖南物華所收購股權應佔非控股權益賬面值的差額人民幣19,586,000元獲確認為股權。

b) 於二零一六年一月八日，本集團以代價人民幣9,000,000元向非控股股東出售北京德順富興投資有限公司(「北京德順」)45%股權，但並無失去對北京德順的控制權。於出售日期的已收代價與北京德順的已售出權益應佔非控股權益賬面值變動的差額人民幣324,000元獲確認為股權。於上述出售完成後，本集團持有北京德順55%股本權益。

於二零一六年十一月十七日，本集團以代價人民幣37,000,000元向非控股股東出售合肥旭遠房地產開發有限公司(「合肥旭遠」)37%股權，但並無失去對合肥旭遠的控制權。於出售日期的已收代價與合肥旭遠的已售出權益應佔非控股權益賬面值變動的差額人民幣29,534,000元獲確認為股權。於上述出售完成後，本集團持有合肥旭遠63%股本權益。

c) 根據於中國成立的所有附屬公司的組織章程細則，該等附屬公司須轉撥5%至10%除稅後利潤至法定盈餘儲備，直至該儲備達到註冊資本的50%。轉撥至此儲備須於向股本權益持有人分派股息前作出。法定盈餘儲備可用作彌補過往年度的虧損、擴充現時經營的業務或轉換為附屬公司的額外資本。

d) 截至二零一五年十二月三十一日止年度，本集團已購回面值為人民幣585,710,000元的全部永久資本工具。

Notes:

a) On 10 March 2016, the Group acquired additional 39% equity interest in Shanghai Xinanting Property Co., Ltd. (上海新安亭置業有限公司) ("Shanghai Xinanting") from the non-controlling shareholder at a consideration of RMB27,578,000. Upon completion of the aforesaid acquisition, the Group holds 90% equity interest in Shanghai Xinanting.

On 23 May 2016, the Group acquired additional 33% equity interest in Hunan Wuhua Investment Development Co., Ltd. (湖南物華投資發展有限公司) ("Hunan Wuhua") from the non-controlling shareholder at a consideration of RMB33,000,000. Upon completion of the aforesaid acquisition, the Group holds 100% equity interest in Hunan Wuhua.

The differences between the consideration paid and the carrying amount of the non-controlling interests attributable to the acquired interests in Shanghai Xinanting and Hunan Wuhua at the date of acquisition amounted to RMB19,586,000 were recognised in equity.

b) On 8 January 2016, the Group disposed of 45% equity interest in Beijing Deshun Fuxing Investment Co., Ltd. (北京德順富興投資有限公司) ("Beijing Deshun") to the non-controlling shareholder at a consideration of RMB9,000,000, without loss of control over Beijing Deshun. The difference between the consideration received and the change in the carrying amount of the non-controlling interest attributable to the disposed interest in Beijing Deshun at the date of disposal amounted to RMB324,000 was recognised in equity. Upon completion of the aforesaid disposal, the Group holds 55% equity interest in Beijing Deshun.

On 17 November 2016, the Group disposed of 37% equity interest in Hefei Xuyuan Property Development Co., Ltd. (合肥旭遠房地產開發有限公司) ("Hefei Xuyuan") to the non-controlling shareholder at a consideration of RMB37,000,000, without loss of control over Hefei Xuyuan. The difference between the consideration received and the change in the carrying amount of the non-controlling interest attributable to the disposed interest in Hefei Xuyuan at the date of disposal amounted to RMB29,534,000 was recognised in equity. Upon completion of the aforesaid disposal, the Group holds 63% equity interest in Hefei Xuyuan.

c) In accordance with the Articles of Association of all subsidiaries established in the PRC, those subsidiaries are required to transfer 5% to 10% of the profit after taxation to the statutory surplus reserve until the reserve reaches 50% of the registered capital. Transfer to reserve must be made before the distribution of dividends to equity holders. The statutory surplus reserve can be used to make up for previous years' losses, expand the existing operations or convert into additional capital of the subsidiaries.

d) During the year ended 31 December 2015, the Group had repurchased all perpetual capital instruments with nominal amount of RMB585,710,000.

綜合現金流量表

CONSOLIDATED STATEMENT OF CASH FLOWS

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

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
經營活動	OPERATING ACTIVITIES		
除稅前利潤	Profit before taxation	4,836,765	3,804,827
就以下各項作出調整：	Adjustments for:		
融資成本	Finance costs	529,651	202,885
(撥回)呆賬撥備	(Write-back of) allowance for doubtful debts	(2,598)	2,573
物業、廠房及設備折舊	Depreciation of property, plant and equipment	15,950	18,280
衍生金融工具公平值變動	Change in fair value of derivative financial instruments	(314,768)	–
按公平值計入損益的金融資產變動	Change in fair value of financial asset at FVTPL	(33,356)	–
投資物業的公平值減少(增加)	Decrease (increase) in fair value of investment properties	100,433	(128,100)
重新計量收益	Gain on remeasurement	(38,283)	(166,498)
業務合併的收益	Gain from business combinations	(33,867)	(76,770)
出售附屬公司虧損(收益)	Loss (gain) on disposal of subsidiaries	4,242	(219,296)
視作出售附屬公司虧損	Loss on deemed disposal of subsidiaries	211	–
出售預付租賃款項收益	Gain on disposal of prepaid lease payments	–	(60,097)
出售物業、廠房及設備的虧損 (收益)淨額	(Gain) loss on disposal of property, plant and equipment, net	(219)	216
提早贖回優先票據虧損	Loss on early redemption of senior notes	182,263	–
應佔合營企業業績	Share of results of joint ventures	(1,007,416)	(205,533)
應佔聯營公司業績	Share of results of associates	(55,324)	32,908
利息收入	Interest income	(232,184)	(97,372)
可供出售投資股息收入	Dividend income from available-for-sale investments	–	(3,628)
確認以股本權益結算並以股份付款	Recognition of equity-settled share based payments	47,971	49,870
外匯虧損淨額	Net foreign exchange loss	459,657	302,127
營運資金變動前經營現金流量	Operating cash flows before movements in working capital	4,459,128	3,456,392
持作出售物業減少	Decrease in properties held for sale	15,455,399	12,265,516
擬作出售的開發中物業增加	Increase in properties under development for sale	(11,658,253)	(9,433,955)
應收賬款及其他應收款項、 按金及預付款項(增加)減少	(Increase) decrease in accounts and other receivables, deposits and prepayments	(3,387,669)	1,956,855
持作出售物業土地使用權按金增加	Increase in deposits for land use rights for properties held for sale	(4,238,075)	(1,721,298)
按公平值計入損益的金融資產增加	Increase in financial assets at FVTPL	(319,473)	–
應付賬款及應計開支增加(減少)	Increase (decrease) in accounts payables and accrued charges	393,852	(328,872)
已收物業銷售按金增加(減少)	Increase (decrease) in deposits received from property sales	4,665,374	(58,204)
經營所得現金	Cash generated from operations	5,370,283	6,136,434
已付中國所得稅	PRC income tax paid	(1,412,737)	(1,882,189)
經營活動所得現金淨額	NET CASH FROM OPERATING ACTIVITIES	3,957,546	4,254,245

		二零一六年 2016 附註 NOTES 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
投資活動	INVESTING ACTIVITIES		
就收購股權支付的按金	Deposits paid for acquisitions of equity interests	(622,213)	–
向合營企業及聯營公司墊款	Advances to joint ventures and associates	(3,732,861)	(2,565,542)
合營企業及聯營公司還款	Repayment from joint ventures and associates	1,718,645	1,013,954
向非控股權益墊款	Advances to non-controlling interests	(2,075,345)	(726,635)
償還非控股權益	Repayment from non-controlling interests	519,006	–
添置投資物業	Additions to investment properties	(31,233)	(494,101)
購買物業、廠房及設備	Purchase of property, plant and equipment	(49,642)	(15,444)
出售物業、廠房及設備所得款項	Proceeds from disposal of property, plant and equipment	3,641	1,651
出售預付租賃款項所得款項	Proceeds from disposal of prepaid lease payments	–	85,000
收購附屬公司的現金(流出)	Net cash (outflow) inflow from acquisition of subsidiaries	37	1,992,452
流入淨額		(639,678)	–
視作出售附屬公司的現金流出淨額	Net cash outflow from deemed disposal of subsidiaries	38	–
出售附屬公司現金流入淨額	Net cash inflow from disposal of subsidiaries	38	61,680
配售已質押銀行存款	Placement of pledged bank deposits	(348,855)	(31,500)
提取已質押銀行存款	Withdrawal of pledged bank deposits	31,500	30,000
向合營企業注入資本	Capital injection into joint ventures	(64,439)	(3,120,982)
向聯營公司注入資本	Capital injection into associates	(312,188)	(221,410)
購買可供出售投資	Purchase of available-for-sale investments	(686,953)	(3,500)
已收可供出售投資股息	Dividends received from available-for-sale investments	–	3,628
已收利息	Interest received	232,184	97,372
新增投資物業項目	Addition to investments in property projects	(529,225)	–
投資活動所用現金淨額	NET CASH USED IN INVESTING ACTIVITIES	(6,573,080)	(3,893,377)
融資活動	FINANCING ACTIVITIES		
合營企業及聯營公司的墊款	Advances from joint ventures and associates	9,514,292	5,233,769
向合營企業及聯營公司還款	Repayment to joint ventures and associates	(1,999,913)	(3,265,432)
非控股權益的墊款	Advances from non-controlling interests	578,965	759,770
非控股權益的還款	Repayment to non-controlling interests	(687,276)	(241,469)
收購非控股股東附屬公司 額外權益	Acquisition of additional interests in subsidiaries from non-controlling interest	(60,578)	–
新增銀行及其他借款	New bank and other borrowings raised	11,706,426	10,543,338
償還銀行及其他借款	Repayment of bank and other borrowings	(10,885,682)	(11,494,864)
發行優先票據及公司債券 所得款項淨額	Net proceeds from issue of senior notes and corporate bond	5,971,741	7,659,767
償還優先票據	Repayment of senior notes	(3,239,635)	(174,002)
已付利息	Interest paid	(1,666,269)	(1,628,133)
向非控股權益出售附屬公司 部分權益的所得款項	Proceeds from disposal of partial interests in subsidiaries to non-controlling interests	46,000	–
發行永久資本工具所得款項	Repayment of perpetual capital instruments	–	(585,710)
分派予永久資本工具擁有人	Distribution to owners of perpetual capital instruments	–	(38,030)
非控股權益注資	Capital contributions from non-controlling interests	64,900	173,496
發行股份所得款項淨額	Net proceeds from issue of shares	–	1,027,552
行使購股權所得款項	Proceed from exercise of share options	65,935	9,549
購回股份款項	Payment on repurchase of shares	(23,334)	(104,221)
派發予非控股權益的股息	Dividend paid to non-controlling interests	(602,250)	–
已付股息	Dividend paid	(794,500)	(456,166)

綜合現金流量表

CONSOLIDATED STATEMENT OF CASH FLOWS

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

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
融資活動所得現金淨額	NET CASH FROM FINANCING ACTIVITIES	7,988,822	7,419,214
現金及現金等價物增加淨額	NET INCREASE IN CASH AND CASH EQUIVALENTS	5,373,288	7,780,082
年初現金及現金等價物	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	14,873,736	7,093,654
外匯影響	Effect of foreign exchanges	81,373	–
年末現金及現金等價物	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	20,328,397	14,873,736
現金及現金等價物結餘分析	ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
銀行結餘及現金	Bank balances and cash	20,328,397	14,873,736

綜合財務報表附註

Notes to the Consolidated Financial Statements

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

1. 一般資料

本公司乃於開曼群島註冊成立的公眾有限公司及其股份於香港聯合交易所有限公司(「聯交所」)上市。本公司的註冊辦事處地址及主要營業地點於年報內公司資料一節披露。

本公司為投資控股公司。其附屬公司的主要業務詳情載於附註49。

綜合財務報表乃以本公司的功能貨幣人民幣(「人民幣」)呈列。

2. 應用新訂國際財務報告準則及國際財務報告準則修訂本

本集團已於本年度首次應用以下新訂國際財務報告準則及國際財務報告準則修訂本(「國際財務報告準則」)。

國際財務報告準則第11號(修訂本)	收購合營業務權益的會計處理
國際會計準則第1號(修訂本)	披露計劃
國際會計準則第16號及國際會計準則第38號(修訂本)	澄清可接受的折舊及攤銷方法
國際財務報告準則(修訂本)	二零一二年至二零一四年期間國際財務報告準則的年度改善
國際財務報告準則第10號、國際財務報告準則第12號及國際會計準則第28號(修訂本)	投資實體：應用綜合入賬的例外情況

於本年度應用上述新訂國際財務報告準則及國際財務報告準則修訂本並無對本集團於本年度及過往年度的財務表現與狀況及／或對該等綜合財務報表所載的披露構成重大影響。

本集團並無提早應用以下已頒佈但尚未生效的新訂國際財務報告準則及國際財務報告準則修訂本。

1. GENERAL

The Company is a public limited company incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section to the annual report.

The Company acts as an investment holding company. Details of the principal activities of its subsidiaries are set out in note 49.

The consolidated financial statements are presented in Renminbi ("RMB"), which is the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Group has applied for the first time in the current year the following new and amendments to International Financial Reporting Standards ("IFRSs").

Amendments to IFRS 11	Accounting for Acquisitions of Interests in Joint Operations
Amendments to IAS 1	Disclosure Initiative
Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to IFRSs	Annual Improvements to IFRSs 2012 – 2014 Cycle
Amendments to IFRS 10, IFRS 12 and IAS 28	Investment Entities: Applying the Consolidation Exception

The application of the above new and amendments to IFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

The Group has not early applied the following new and amendment to IFRSs that have been issued but are not yet effective.

綜合財務報表附註

Notes to the Consolidated Financial Statements

2. 應用新訂國際財務報告準則及國際財務報告準則修訂本

(續)

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	來自客戶合約的收入及相關修訂本 ¹
國際財務報告準則第16號	租賃 ²
國際財務報告詮釋委員會詮釋第22號	外幣交易及預付代價 ¹
國際財務報告準則第2號(修訂本)	以股份為基礎付款交易的分類及計量 ¹
國際財務報告準則第4號(修訂本)	適用國際財務報告準則第9號金融工具及國際財務報告準則第4號保險合約 ¹
國際財務報告準則第10號及國際會計準則第28號(修訂本)	投資者與其聯營公司或合營企業之間的資產出售或注資 ³
國際會計準則第7號(修訂本)	披露計劃 ⁴
國際會計準則第12號(修訂本)	就未變現虧損確認遞延稅項資產 ⁴
國際會計準則第40號(修訂本)	轉讓投資物業 ¹
國際財務報告準則(修訂本)	二零一四年至二零一六年期間國際財務報告準則的年度改善 ⁵

- ¹ 於二零一八年一月一日或其後開始的年度期間生效。
- ² 於二零一九年一月一日或其後開始的年度期間生效。
- ³ 於將予釐定的日期或之後開始的年度期間生效。
- ⁴ 於二零一七年一月一日或其後開始的年度期間生效。
- ⁵ 於二零一七年一月一日或二零一八年一月一日(如適用)或其後開始的年度期間生效。

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

IFRS 9	Financial Instruments ¹
IFRS 15	Revenue from Contracts with Customers and the related Amendments ¹
IFRS 16	Leases ²
IFRIC 22	Foreign Currency Transactions and Advance Consideration ¹
Amendments to IFRS 2	Classification and Measurement of Share-based Payment Transactions ¹
Amendments to IFRS 4	Applying IFRS 9 Financial Instruments with IFRS4 Insurance Contracts ¹
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to IAS 7	Disclosure Initiative ⁴
Amendments to IAS 12	Recognition of Deferred Tax Assets for Unrealised Losses ⁴
Amendments to IAS 40	Transfers of Investment Property ¹
Amendments to IFRSs	Annual Improvements to IFRS Standards 2014–2016 Cycle ⁵

- ¹ Effective for annual periods beginning on or after 1 January 2018.
- ² Effective for annual periods beginning on or after 1 January 2019.
- ³ Effective for annual periods beginning on or after a date to be determined.
- ⁴ Effective for annual periods beginning on or after 1 January 2017.
- ⁵ Effective for annual periods beginning on or after 1 January 2017 or 1 January 2018, as appropriate.

2. 應用新訂國際財務報告準則及國際財務報告準則修訂本

(續)

國際財務報告準則第9號「金融工具」

國際財務報告準則第9號引入金融資產、金融負債以及金融資產的一般對沖會計處理及減值分類及計量的新要求。

其中有關本集團國際財務報告準則第9號的主要規定如下：

- 所有屬國際財務報告準則第9號範疇內的已確認金融資產其後須按攤銷成本或公平值計量。具體而言，於目的為收回合約現金流量的業務模式中持有的債務投資，及合約現金流量僅為償還本金及尚未償還本金利息的債務投資，一般按其後按會計期間結算日的攤銷成本計量。於目的為同時收回合約現金流量及出售金融資產的業務模式中持有的債務工具，及金融資產合約條款令於特定日期產生的現金流僅為償還本金及尚未償還本金利息的債務工具，按公平值計入其他綜合收益的方式計量。所有其他債務投資及股權投資則按其後報告期結算日的公平值計量及其公平值變動於損益中確認。此外，根據國際財務報告準則第9號，實體可作出不可撤回的選擇以於其他綜合收益內呈列股權投資（並非持作買賣）公平值其後的變動，而僅有股息收入一般於損益中確認。

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

IFRS 9 “Financial Instruments”

IFRS 9 introduces new requirements for the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment for financial assets.

Key requirements of IFRS 9 which are relevant to the Group are:

- All recognised financial assets that are within the scope of IFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at fair value through other comprehensive income. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods and their fair value changes are recognised in profit or loss. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

2. 應用新訂國際財務報告準則及國際財務報告準則修訂本

(續)

國際財務報告準則第9號「金融工具」(續)

- 就金融資產減值而言，與國際會計準則第39號「金融工具：確認及計量」項下按已產生信貸虧損模式計算相反，國際財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式規定實體於各報告日期將預期信貸虧損及該等預期信貸虧損的變動入賬，以反映信貸風險自初始確認以來的變動。換言之，毋須再待發生信貸事件即可確認信貸虧損。

根據本集團於二零一六年十二月三十一日的金融工具及風險管理政策，日後應用國際財務報告準則第9號或會對本集團金融資產分類及計量構成重大影響。本集團的可供出售投資(包括現時該等以成本減減值列示的投資)將按公平值計量入賬損益或指定為按公平值計入其他綜合損益。此外，預期信貸虧損模式或會導致就有關本集團按攤銷成本計量金融資產尚未產生的信貸虧損提早計提撥備。

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

IFRS 9 “Financial Instruments” (Continued)

- In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39 “Financial Instruments: Recognition and Measurement”. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

Based on the Group’s financial instruments and risk management policies as at 31 December 2016, application of IFRS 9 in the future may have a material impact on the classification and measurement of the Group’s financial assets. The Group’s available-for-sale investments, including those currently stated at cost less impairment will either be measured at FVTPL or be designated at fair value through other comprehensive income. In addition, the expected credit loss model may result in early provision of credit loss which are not yet incurred in relation of the Group’s financial assets measured at amortised cost.

2. 應用新訂國際財務報告準則及國際財務報告準則修訂本

(續)

國際財務報告準則第15號「來自客戶合約的收入」

國際財務報告準則第15號已獲頒佈，其確立實體對客戶合同所產生的收入進行會計處理的單一全面模式。國際財務報告準則第15號將於生效後取代現有收入確認指引，包括國際會計準則第18號「收入」、國際會計準則第11號「建築合同」及相關詮釋。國際財務報告準則第15號的核心原則為實體所確認的收入應為描述向客戶轉移承諾貨品或服務時的收入金額，有關金額為反映該實體預期就交換該等貨品及服務而有權獲得的代價。具體而言，該準則引入確認收入的五個步驟：

- 第一步：識別與客戶的合約
- 第二步：識別合約內的履約責任
- 第三步：釐定交易價格
- 第四步：將交易價格分配至合約內的履約責任
- 第五步：當(或於)實體履行履約責任時確認收入

根據國際財務報告準則第15號，當(或於)履行履約責任時，即於特定履約責任相關的貨品或服務的「控制權」轉讓予客戶時，實體確認收入。國際財務報告準則第15號已就特別情況的處理方法收錄更多說明指引。此外，國際財務報告準則第15號要求作出詳盡披露。

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

IFRS 15 “Revenue from contracts with Customer”

IFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 “Revenue”, IAS 11 “Construction Contracts” and the related interpretations when it becomes effective. The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for goods and services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.

2. 應用新訂國際財務報告準則及國際財務報告準則修訂本

(續)

國際財務報告準則第15號「來自客戶合約的收入」(續)

於二零一六年，國際會計準則理事會就國際財務報告準則第15號有關識別履約責任、主體對代理代價以及發牌申請指引的發佈澄清。

本公司董事預期，日後應用國際財務報告準則第15號導致更多披露，然而，本公司董事預期應用國際財務報告準則第15號將不會於各報告期間對確認收入的金額和時間產生重大影響。

國際財務報告準則第16號「租賃」

國際財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入一項綜合模式。國際財務報告準則第16號生效時將取代國際會計準則第17號租賃及其相關詮釋。

國際財務報告準則第16號以顧客能否控制識別資產來區分租賃及服務合約。除短期租賃及低價值資產租賃外，經營及融資租賃的差異自承租人會計處理中移除並由承租人須就所有租賃將予確認使用權資產及相對應負債的模式取代。

使用權資產初始按成本計量並隨後按成本計量(根據若干例外情況)減累計折舊及減值虧損，就任何租賃負債重新計量而調整。租賃負債初始按當日尚未支付的租賃款項的現值計量。隨後，租賃負債就利息及租賃款項調整，以及(其中包括)租賃修訂的影響。就現金流分類而言，本集團目前將提前預付租賃款項呈列為有關自用租賃土地且該等分類為投資物業的投資現金流量，而其他經營租賃付款呈列為經營現金流量。根據國際財務報告準則第16號，有關租賃負債的租賃款項將分配至呈列為融資現金流量的主要及利息的部分。

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

IFRS 15 "Revenue from contracts with Customer" (Continued)

In 2016, the IASB issued Clarifications to IFRS 15 in relation to the identification of performance obligations, principal versus agent considerations as well as licensing application guidance.

The directors of the Company anticipate that the application of IFRS 15 in the future may result in more disclosures, however, the directors of the Company do not anticipate that the application of IFRS 15 will have a material impact on the timing and amounts of revenue recognised in respective reporting periods.

IFRS 16 "Leases"

IFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. IFRS 16 will supersede IAS 17 Leases and the related interpretations when it becomes effective.

IFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst other. For the classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to leasehold lands for owned use and those classified as investment properties while other operating lease payments are presented as operating cash flows. Under the IFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows.

2. 應用新訂國際財務報告準則及國際財務報告準則修訂本

(續)

國際財務報告準則第16號「租賃」(續)

根據國際會計準則第17號，本集團已就融資租賃安排確認一項資產及一項融資租賃相關負債及就本集團為承租人的租賃土地確認已償還租賃款項。應用國際財務報告準則第16號可能導致該等資產分類潛在變動，視乎本集團是否分開呈列有權使用的資產或按將呈列相應相關資產(倘擁有的)的相同項目內呈列。

與承租人會計處理相比，國際財務報告準則第16號大致轉承國際會計準則第17號的出租人會計處理規定，並且繼續要求出租人將其租賃分類為經營租賃或融資租賃。

此外，國際財務報告準則第16號要求作出詳盡披露。

誠如附註41所披露，於二零一六年十二月三十一日，本集團(作為承租人)擁有不可撤銷經營租約承擔人民幣3,669,000元。初步評估顯示此等安排符合國際財務報告準則第16號項下租賃的定義，因此本集團將確認一項使用權資產及有關所有該等租賃相對應的負債，除非其於應用國際財務報告準則第16號時符合低價值或短期租賃。此外，應用新規定可能導致上述列示的計量、呈列及披露的變動。然而，於本公司董事進行詳細審閱前，對財務影響作出合理估計屬不切實際。

除上述影響外，本公司董事預期應用其他新訂及經修訂國際財務報告準則將不會對本集團的綜合財務報表構成重大影響。

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

IFRS 16 "Leases" (Continued)

Under IAS 17, the Group has already recognised an asset and a related finance lease liability for finance lease arrangement and repaid lease payment for leasehold lands where the Group is a lessee. The application of IFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

In contrast to lessee accounting, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by IFRS 16.

As at 31 December 2016, the Group as lessee has non-cancellable operating lease commitments of RMB3,669,000 as disclosed in note 41. A preliminary assessment indicates that these arrangements will meet the definition of a lease under IFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of IFRS 16. In addition, the application of new requirements may result changes in measurement, presentation and disclosure as indicated above. However, it is not practicable to provide a reasonable estimate of the financial effect until the directors of the Company complete a detailed review.

Except for the above impact, the directors of the Company do not anticipate that the application of other new and amendments to IFRSs will have significant impact on the Group's consolidated financial statements.

綜合財務報表附註

Notes to the Consolidated Financial Statements

3. 重大會計政策

綜合財務報表乃根據國際會計準則委員會頒佈的國際財務報告準則編製。此外，綜合財務報表載有香港聯合交易所有限公司證券上市規則及香港公司條例所規定的適用披露事項。

綜合財務報表已根據歷史成本基準編製，惟根據下文載列的會計政策所說明於各報告期末按公平值計量的若干投資物業及金融工具除外。

歷史成本一般根據貨品及服務交換所得代價的公平值釐定。

公平值為於計量日市場參與者間於有秩序交易中出售資產所收取或轉讓負債所支付的價格，而不論該價格是否可直接觀察取得或可使用其他估值方法估計。於估計資產或負債的公平值時，倘市場參與者於計量日對資產或負債定價時將考慮資產或負債的特徵，則本集團會考慮資產或負債的特徵。於該等綜合財務報表中作計量及／或披露目的的公平值乃按此基準釐定，惟屬國際財務報告準則第2號「以股份支付」的交易範疇內以股份支付的交易及屬國際會計準則第17號「租賃」範疇內的租賃交易以及與公平值存在部分相似之處但並非公平值（如國際會計準則第2號「存貨」的可變現淨值或國際會計準則第36號「資產減值」的使用價值）的計量除外。

非金融資產的公平值計量計及市場參與者透過最大限度使用該資產及最佳用途或透過將資產出售予將最大限度使用該資產達至最佳用途的另一名市場參與者而產生經濟利益的能力。

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with IFRSs issued by the IASB. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain investment properties and financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2 "Share-based Payment", leasing transactions that are within the scope of IAS 17 "Leases", and measurements that have some similarities to fair value but are not fair value, such as NRV in IAS 2 "Inventories" or value in use in IAS 36 "Impairment of Assets".

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

3. 重大會計政策(續)

此外，就財務報告而言，公平值計量按公平值計量的輸入數據的可觀察程度及該等輸入數據對公平值計量整體的重要性劃分為第一、二或三級，詳情如下：

- 第一級輸入數據為實體於計量日可獲得的相同資產或負債於活躍市場的報價(未調整)；
- 第二級輸入數據為不包括計入第一級報價的資產或負債的可直接或間接觀察的輸入數據；及
- 第三級輸入數據為資產或負債的無法觀察輸入數據。

主要會計政策載列如下。

綜合基準

綜合財務報表包括本公司及其附屬公司所控制的本公司及實體的財務報表。當本公司符合以下各項時，即取得控制權：

- 對投資對象擁有權力；
- 於來自其參與投資對象業務的可變回報上承受風險或擁有權利；及
- 能夠使用其權力影響回報。

本集團重新評估在事實及情況表明上文所列控制權的三個元素中的一個或多個有變時是否控制投資對象。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

綜合財務報表附註

Notes to the Consolidated Financial Statements

3. 重大會計政策(續)

綜合基準(續)

倘本集團未能佔有投資對象的大多數投票權，但只要投票權足以賦予本集團實際能力可單方面掌控投資對象的相關業務時，本集團即對投資對象擁有權力。在評估本集團於投資對象的投票權是否足以賦予其權力時，本集團考慮所有相關事實及情況，包括：

- 本集團持有投票權的規模相對於其他選票持有人持有投票權的規模及分散性；
- 本集團、其他選票權持有人或其他各方持有的潛在投票權；
- 其他合同安排產生的權利；及
- 於將需作出決定時，表明本集團當前是否能夠掌控相關業務的任何額外事實及情況(包括於過往股東大會上的投票方式)。

附屬公司於本集團取得對該附屬公司的控制權時綜合入賬，並於本集團喪失對該附屬公司的控制權時終止綜合入賬。具體而言，自本集團取得控制權之日起直至本集團不再控制附屬公司之日，於年內收購或出售附屬公司的收入及開支均計入綜合損益及其他全面收益表。

損益及其他全面收入各組成部分歸屬至本公司擁有人及非控股權益。附屬公司的全面收入總額歸屬至本公司擁有人及非控股權益，即使此舉會導致非控股權益出現虧絀結餘。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of the other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

3. 重大會計政策(續)

綜合基準(續)

倘有需要，會對附屬公司的財務報表作出調整，以使其會計政策與本集團的會計政策一致。

所有集團內公司間的資產與負債、股本權益、收入、開支及與本集團成員公司間交易相關的現金流量，均於綜合入賬時全數對銷。

本集團於現有附屬公司擁有權權益的變動

本集團於附屬公司擁有權權益的變動如不會導致本集團對該等附屬公司喪失控制權，將作為股權交易入賬。本集團的股本權益相關部分(包括儲備權益)與非控股權益的賬面值應予調整，以反映附屬公司中相關權益的變動。經重新劃撥相關股本權益部分後獲調整的非控股權益金額與所支付或收取代價的公平值之間的任何差額直接於股本權益確認並歸屬於本公司擁有人。

當本集團喪失對附屬公司的控制權時，收益或虧損於損益中確認，並以(i)所收代價公平值及任何保留權益公平值的總額與(ii)本公司擁有人應佔附屬公司資產(包括商譽)及負債的賬面值之間的差額計算。過往於其他全面收入確認與該附屬公司有關的所有金額，採用如同本集團已直接出售該附屬公司相關資產或負債的方法入賬，即重新分類至損益或按適用國際財務報告準則所規定/所准許者轉撥至另一類別股本權益。前附屬公司在喪失控制權之日所保留的任何投資公平值於其後的會計處理中被視為按照國際會計準則第39號進行初步確認的公平值，或(如適用)於聯營公司或合營企業的投資初步確認的成本。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity including reserves interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted after re-attribution of the relevant equity component and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

3. 重大會計政策(續)

業務合併

收購業務乃以收購法入賬。業務合併所轉讓代價以公平值計量，而公平值按本集團所轉讓資產、本集團對被收購方前擁有人所產生負債以及本集團就交換被收購方控制權所發行股本權益於收購日期的公平值總和計算。收購有關成本一般於產生時於損益內確認。

於收購日期，所購入可識別資產及所承擔負債，按其公平值確認，但以下各項除外：

- 遞延稅項資產或負債及有關僱員福利安排的資產或負債分別遵循國際會計準則第12號「所得稅」及國際會計準則第19號「僱員福利」確認及計量；
- 與被收購方以股份為基礎的付款安排或為替代被收購方以股份為基礎的付款安排而訂立本集團以股份為基礎的付款安排有關的負債或股本工具，於收購日期根據國際財務報告準則第2號「以股份為基礎的支付」計量(見下文會計政策)；及
- 根據國際財務報告準則第5號「持作出售非流動資產及已終止經營業務」分類為持作出售的資產(或出售組合)按該準則計量。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 “Income Taxes” and IAS 19 “Employee Benefits” respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 “Share-based Payment” at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 “Non-current Assets Held for Sale and Discontinued Operations” are measured in accordance with that standard.

3. 重大會計政策(續)

業務合併(續)

商譽按所轉讓代價、於被收購方任何非控股權益的金額及收購方過往所持有被收購方股本權益(如有)公平值的總和減所收購的可識別資產及所承擔負債於收購日期的淨額後，所超出的差額計值。倘經過重估後，所收購的可識別資產與所承擔負債的淨額高於轉讓代價、於被收購方任何非控股權益的金額及收購方過往所持有被收購方股本權益(如有)公平值的總和，則差額即時於損益內確認為議價購買收益。

非控股權益為現有所有權權益及授權持有人於清盤時按比例分佔相關附屬公司的資產淨額，其可初步按公平值或非控股權益按比例分佔被收購方可識別資產淨額的已確認金額計量。計量基準可按個別交易選擇。

當本集團於一項業務合併轉讓的代價包括或然代價安排所產生的資產或負債，則或然代價乃按收購日期的公平值計算，並計入於合併業務轉讓代價的一部分。符合資格為計量期間調整的或然代價公平值變動將予以追溯調整，對商譽作出相應調整。計量期間調整為於「計量期間」(不得超過自收購日期起計一年)因取得有關於收購日期已存在事實及情況的額外資料而作出的調整。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations (Continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments made against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

3. 重大會計政策(續)**業務合併(續)**

不符合作為計量期間調整的或然代價的其後會計處理，取決於或然代價如何分類。分類為權益的或然代價於其後報告日期不會重新計量，其後結算於權益內進行入賬處理。分類為資產或負債的或然代價於其後報告日期按公平值重新計量，而相應收益或虧損乃於損益中確認。

倘業務合併分階段達成，則本集團以往所持的被收購方股權於收購日期(即本集團取得控制權當日)按公平值重新計量，而所產生的盈虧(如有)於損益確認。倘出售被收購方權益，則以往於其他綜合收益中確認的被收購方權益於收購日期前所產生的金額重新分類至損益(如此處理方式屬合適)。

收購一間附屬公司但不構成一項業務

當本集團收購一組資產及負債但不構成一項業務時，本集團首先透過按金融資產及金融負債各自的公平值分配購買價格以識別及確認取得的個別可識別資產及承擔的負債，餘下購買價結餘其後按各自於購買日期的相對公平值分配予其他個別可識別資產及負債。該等交易並不會產生商譽或議價購買收益。

於合營企業及聯營公司的投資

合營企業是指對安排擁有共同控制權的各方對該合營安排的資產淨額享有權利的合營安排。共同控制權是指對安排合約約定的共享控制權，其僅在有關活動決定須獲共享控制權的各方一致同意時存在。

聯營公司為本集團對其具有重大影響的實體。重大影響指本集團有權參與投資對象的財務及營運政策決定，但未能控制或共同控制該等政策。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**Business combinations (Continued)**

The subsequent accounting for the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured to fair value at subsequent reporting dates, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit and loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in the other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

Acquisition of a subsidiary not constituting a business

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to the financial assets and financial liabilities at the respective fair values, the remaining balance of the purchase price is then allocated to the other individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

Investments in joint ventures and associates

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

3. 重大會計政策(續)

於合營企業及聯營公司的投資(續)

合營企業及聯營公司的業績以及資產及負債以權益會計法於該等綜合財務報表入賬。任何尚未分類為持作出售的合營企業或聯營公司的任何保留投資部分應以權益法入賬。根據權益法，於合營企業或聯營公司的投資初步按成本於綜合財務狀況表確認，並於其後就確認本集團應佔該合營企業及聯營公司的損益及其他全面收入予以調整。當本集團應佔合營企業或聯營公司的虧損超出本集團於該合營企業及聯營公司的權益(包括實質上成為本集團於該合營企業及聯營公司投資淨額一部分的任何長期權益)時，本集團終止確認其應佔的進一步虧損。僅於本集團已產生法定或推定責任，或已代表該合營企業及聯營公司支付款項的情況下，方會確認額外虧損。

於合營企業及聯營公司的投資於投資對象成為合營企業及聯營公司之日採用權益法入賬。在收購合營企業或聯營公司投資時，投資成本超過本集團應佔該投資對象可識別資產及負債公平值淨額的任何部分確認為商譽，並計入投資的賬面值。本集團應佔可識別資產及負債的公平值淨額超過投資成本的任何部分，於重新評估後在投資被收購的期間即時於損益確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in joint ventures and associates (Continued)

The results and assets and liabilities of joint ventures and associates are incorporated in these consolidated financial statements using the equity method of accounting. Any retained portion of an investment in a joint venture or an associate that has not been classified as held for sale shall be accounted for using the equity method. Under the equity method, an investment in a joint venture or an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture and associate. When the Group's share of losses of a joint venture or an associate exceeds the Group's interest in that joint venture and associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture and associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture and associate.

An investment in a joint venture and an associate is accounted for using the equity method from the date on which the investee becomes a joint venture and an associate. On acquisition of the investment in a joint venture or an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

3. 重大會計政策(續)**於合營企業及聯營公司的投資(續)**

應用國際會計準則第39號的規定，以釐定是否需要確認有關本集團投資合營企業及聯營公司的任何減值虧損。於有需要時，投資(包括商譽)的全部賬面值將會根據國際會計準則第36號按單一資產進行減值測試，方法為比較其可收回金額(使用價值與公平值減出售成本的較高者)與其賬面值。被確認的任何減值虧損為投資賬面值的一部分。

該減值虧損的任何撥回根據國際會計準則第36號確認，惟受隨後增加的可收回投資金額規限。

倘本集團不再對一間合營企業擁有共同控制權或對一間聯營公司擁有重大影響力，則出售投資對象的全部權益的收益或損失將會計入損益表內。倘本集團保留於前合營企業或聯營公司的權益且該保留權益屬國際會計準則第39號項下的金融資產，則本集團會於該日按公平值計量保留權益，而該公平值被視為初步確認時的公平值。合營企業或聯營公司於終止採用權益法當日的賬面值與任何保留權益及出售合營企業或聯營公司部分權益的任何所得款項公平值間的差額，會於釐定出售該合營企業或聯營公司的收益或虧損時入賬。此外，本集團會將先前在其他全面收入就該合營企業或聯營公司確認的所有金額入賬，基準與該合營企業或聯營公司直接出售相關資產或負債所需基準相同。因此，倘該合營企業或聯營公司先前已於其他全面收入確認的收益或虧損，會於出售相關資產或負債時重新分類至損益，則本集團會於終止採用權益法時將收益或虧損由股本權益重新分類至損益(作為重新分類調整)。

當集團實體與本集團的合營企業或聯營公司進行交易時，則與合營企業或聯營公司交易所產生損益僅於合營企業及聯營公司的權益與本集團無關時，方於本集團綜合財務報表確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**Investments in joint ventures and associates (Continued)**

The requirements of IAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in a joint venture and an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment.

Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When the Group ceases to have joint control over a joint venture or significant influence over an associate, if is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former joint venture or associate and the retained interest is a financial asset within the scope of IAS 39, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the joint venture or associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing the relevant interest in the joint venture or associate is included in the determination of the gain or loss on disposal of the joint venture or associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that joint venture or associate on the same basis as would be required if that joint venture or associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that joint venture or associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

When a group entity transacts with a joint venture or an associate of the Group, profits and losses resulting from the transactions with the joint venture and associate are recognised in the Group's consolidated financial statements only to the extent of interests in the joint venture and associate that are not related to the Group.

3. 重大會計政策(續)

收入確認

收入按已收或應收代價的公平值計量。收入已就估計客戶退貨、回扣及其他類似備抵作出扣減。

誠如下文所述，收入於收入金額能夠可靠計量；未來經濟利益很可能流入本集團及本集團各活動的特定標準均已達成時確認。

日常業務過程中銷售物業的收入須滿足下列所有標準後，方予確認：

- 物業擁有權的重大風險及回報已轉移予買方；
- 並無保留一般與擁有權有關的持續管理權或對物業的實際控制權；
- 收入金額能夠可靠地計量；
- 與交易相關的經濟利益很可能流入本集團；及
- 有關交易所產生或將予產生的成本能夠可靠地計量。

於達到上述收入確認標準前向買家收取的按金計入綜合財務狀況表流動負債項下。

來自經營租賃的租金收入於有關租賃期內以直線法確認。

物業管理收入於提供服務的期間確認。

項目管理及其他物業相關服務收入於提供服務的期間確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

Revenue from sales of properties in the ordinary course of business is recognised when all of the following criteria are satisfied:

- the significant risks and rewards of ownership of the properties are transferred to buyers;
- neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the properties are retained;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Deposits received from purchasers prior to meeting the above criteria for revenue recognition are included in the consolidated statement of financial position under current liabilities.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

Property management income is recognised over the period in which the services are rendered.

Project management and other property related services income is recognised over the period in which the services are rendered.

綜合財務報表附註

Notes to the Consolidated Financial Statements

3. 重大會計政策(續)

收入確認(續)

金融資產的利息收入參考未償還本金及適用實際利率按時間基準累計。實際利率指於金融資產預計年期將估計未來現金收入準確貼現至該資產初步確認時的賬面淨額的利率。

投資的股息收入於本集團收取款項的權利確立時確認。

投資物業

投資物業指為賺取租金及／或為資本增值而持有的物業(包括就該等目的而興建的在建物業)。投資物業初步按成本(包括交易成本)計量。於初步確認後，投資物業按公平值計量。投資物業公平值變動所產生的收益或虧損於其產生期間計入損益。

在建投資物業產生的建築成本資本化為在建投資物業的部分賬面值。

投資物業於出售或於其被永久終止使用或預期不會因出售而獲得未來經濟利益時終止確認。終止確認物業所產生的任何收益或虧損(按出售所得款項淨額與資產賬面值之間的差額計算)於該項目終止確認期間計入損益。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Interest income from financial asset is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the Group's right to receive payment have been established.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including properties under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair values. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

Construction costs incurred for investment properties under construction are capitalised as part of the carrying amount of the investment properties under construction.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the item is derecognised.

3. 重大會計政策(續)

物業項目的投資

指定物業項目的投資確認為按公平值計入損益的金融資產。其於報告期末按公平值及於損益表中重新計量時所產生的任何收益及損失入賬。

物業、廠房及設備

物業、廠房及設備(包括持作生產或供應貨品或服務之用,或作行政用途的樓宇,但不包括下述在建物業)乃以成本扣減其後累計折舊及累計減值虧損(如有)列賬。

於估計可使用年期內撇銷物業、廠房及設備項目的成本減殘值後,以直線法確認折舊。估計可使用年期、殘值及折舊法均於各報告期末檢討,任何估計變動影響均按未來適用基準入賬。

物業、廠房及設備項目於出售後或當預期繼續使用該資產不會於日後產生經濟利益時終止確認。出售或報廢物業、廠房及設備項目時產生的任何收益或虧損按出售所得款項與該資產賬面值之間的差額計算並於損益確認。

預付租賃款項

預付租賃款項指土地使用權的預付款項,初步按成本確認及於租期內以直線法轉撥至損益,惟分類並入賬列為擬持作出售的開發中物業者除外。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in property projects

Investments in property projects are recognised as financial assets at FVTPL. They are carried at fair value at the end of reporting period, with any gains or loss arising on remeasurement recognised in profit or loss.

Property, plant and equipment

Property, plant and equipment including buildings held for use in the production or supply of goods or services, or for administrative purposes (other than properties under construction as described below) are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Prepaid lease payments

The prepaid lease payments represent upfront payments for land use rights and are initially recognised at cost and released to profit or loss over the lease term on a straight-line basis, except for those that are classified and accounted for as properties under development intended to be held for sale.

3. 重大會計政策(續)

擬作出售的開發中物業

當租賃土地及樓宇處於發展作銷售的過程中，租賃土地部分以直線法於租期攤銷。於建設期間內，就租賃土地所計提的攤銷費用列作開發中物業成本一部分。

擬持作自用或潛在投資的開發中物業列作非流動資產。

擬持作出售的開發中物業列作流動資產，按成本與可變現淨額兩者中較低者列賬。

持作出售物業

持作出售物業按成本與可變現淨額兩者中較低者列賬。成本包括土地成本、所產生發展開支及(倘適用)已資本化的借款成本。可變現淨額按當時市況釐定。

有形資產減值虧損

本集團於各報告期末檢討其有形資產的賬面值，以確定有關資產是否出現減值虧損跡象。如有任何有關跡象，則會估計資產的可收回金額(使用價值與公平值減出售成本兩者中的較高者)，以確定減值虧損(如有)的程度。若資產的可收回金額估計低於其賬面值，則資產的賬面值下調至其可收回金額。減值虧損會即時確認為開支。

倘其後撥回減值虧損，該資產賬面值會調高至其經修訂的估計可收回金額，但增加的賬面值不得超出該資產於過往年度並無確認減值虧損時原應釐定的賬面值。撥回的減值虧損會即時確認為收入。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Properties under development for sale

When the leasehold land and buildings are in the course of development for sale, the leasehold land component is amortised over a straight-line basis over the lease term. During the construction period, the amortisation charge provided for the leasehold land is included as part of the costs of the properties under development.

Properties under development for sale which are intended to be held for own use or their investment potential are shown as non-current assets.

Properties under development for sale which are intended to be held for sale are shown as current assets and carried at the lower of cost and NRV.

Properties held for sale

Properties held for sale are stated at the lower of cost and NRV. Cost includes the costs of land, development expenditure incurred and, where appropriate, borrowing costs capitalised. NRV is determined based on prevailing market conditions.

Impairment losses on tangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount (the higher of value in use and fair value less costs of disposal) of the asset is estimated in order to determine the extent of the impairment loss, if any. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

3. 重大會計政策(續)

租賃

凡租賃條款將擁有權絕大部分風險及回報轉移予承租人的租賃均分類為融資租賃。所有其他租賃均分類為經營租賃。

本集團作為出租人

經營租賃的租金收入乃於有關租期內以直線法確認。於協商及安排經營租賃時引致的初步直接成本乃加至租賃資產的賬面值，並按租期以直線法確認。

經營租賃項下應付租金於有關租期內以直線法在損益中扣除。如因訂立經營租賃而收取租賃優惠，則該優惠會確認為負債。優惠利益總額以直線法確認為租賃開支減少。

租賃土地及樓宇

當租賃包括土地及樓宇部分時，本集團會根據評估各部分所有權的風險與回報是否已絕大部分轉移至本集團而將其分別劃分為融資租賃或經營租賃，除非兩個部分均明顯屬於經營租賃，在該情況下，整項租賃會劃分為經營租賃。具體而言，最低租賃款項(包括任何一筆過預付款項)於租賃開始時按租賃土地部分及樓宇部分中的租賃權益相對公平值比例於土地與樓宇部分之間分配。

在租賃款項能可靠分配的情況下，作為經營租賃入賬的租賃土地權益於綜合財務狀況表中呈列為「預付租賃款項」，並於租期內以直線法解除，惟根據公平值模式分類為投資物業及按投資物業入賬者除外。當租賃款項未能於土地及樓宇部分之間可靠分配時，整項租賃一般會分類為融資租賃，並按物業、廠房及設備入賬。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Leasehold land and building

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases, in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid lease payments" in the consolidated statement of financial position and is released over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under the fair value model. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

綜合財務報表附註

Notes to the Consolidated Financial Statements

3. 重大會計政策(續)

借款成本

收購、建造或生產合資格資產(即需等待一段頗長時間後方可用作擬定用途或出售的資產)直接應佔的借款成本，計入該等資產的成本，直至該等資產大致可作擬定用途或出售為止。

特定借款用於合資格資產開支期間之前作臨時投資所賺取的投資收入，從合資格撥充資本的借款成本中扣除。

所有其他借款成本於其產生期間於損益中確認。

外幣

各集團實體的個別財務報表均以實體經營所在主要經濟環境的貨幣(其功能貨幣，即人民幣)呈列。

編製個別實體的財務報表時，以該實體的功能貨幣以外的貨幣(外幣)進行的交易按交易當日適用的匯率記賬。於各報告期末，以外幣計值的貨幣項目按該日適用的匯率重新換算。按歷史成本以外幣計量的非貨幣項目概不會重新換算。

於結算及重新換算貨幣項目時所產生的匯兌差額於其產生期間在損益確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowings costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Foreign currencies

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency, i.e., RMB).

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

3. 重大會計政策(續)

稅項

所得稅開支指即期應付稅項與遞延稅項的總額。

即期應付稅項根據年度應課稅利潤計算。應課稅利潤與在綜合損益及其他全面收益表中所呈報的除稅前利潤有別，原因是應課稅利潤不包括其他年度的應課稅或可扣稅項目，亦不包括毋須課稅或不可扣稅的項目。本集團的即期稅項乃按報告期末已頒佈或實際上已頒佈的稅率計算。

遞延稅項按綜合財務狀況表內資產及負債的賬面值與計算應課稅利潤所用相應稅基之間的臨時差額確認。通常會就所有應課稅臨時差額確認遞延稅項負債，而通常就所有可扣減臨時差額在很可能會有應課稅利潤可用於抵銷可扣減臨時差額時確認遞延稅項資產。倘於一項交易中因初步確認遞延稅項資產及負債而引致的臨時差額(業務合併除外)既不影響應課稅利潤亦不影響會計利潤，則不會確認該等資產及負債。

就於附屬公司及合營企業的投資所產生的應課稅臨時差額確認遞延稅項負債，惟倘本集團可控制臨時差額的撥回且該臨時差額很可能不會於可見將來撥回則除外。與該等投資相關的可扣減臨時差額所產生的遞延稅項資產，僅於很可能有足夠應課稅利潤可用於抵銷臨時差額且預計於可見將來可以撥回時確認。

遞延稅項資產的賬面值於各報告期末進行檢討，並於不大可能有足夠應課稅利潤收回全部或部分資產時作出調減。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred taxation.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before taxation as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred taxation is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred taxation liabilities are generally recognised for all taxable temporary differences and deferred taxation assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such deferred taxation assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred taxation liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred taxation assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred taxation assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

3. 重大會計政策(續)

稅項(續)

遞延稅項資產及負債乃按償還負債或變現資產的期間內預期適用的稅率，根據報告期末已頒佈或實際上已頒佈的稅率(及稅法)計量。

遞延稅項負債及資產的計量反映按照本集團預期於報告期末收回或結算其資產及負債賬面值的方式計算而得出的稅務結果。

即期及遞延稅項乃於損益中確認，惟當涉及於其他全面收入中或直接於股本權益中確認的項目除外，屆時即期及遞延稅項亦分別於其他全面收入中或直接於股本權益中確認。

就計量採用公平值模式計量的投資物業的遞延稅項負債及遞延稅項資產而言，除非假設被駁回，否則假設該等物業賬面值可透過銷售完全收回。當投資物業可予折舊及於業務模式(其目標是隨時間而非透過銷售消耗投資物業所包含的絕大部分經濟利益)內持有時，有關假設被駁回。

退休福利成本

定額供款退休福利計劃的供款乃於僱員提供可使其享有供款的服務時作為開支扣除。倘本集團在國家管理的退休福利計劃下的責任與定額供款退休福利計劃所產生者相等，則國家管理的退休福利計劃供款視同定額供款計劃的供款予以處理。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

Deferred taxation assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred taxation liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred taxation are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred taxation is also recognised in other comprehensive income or directly in equity respectively.

For the purposes of measuring deferred taxation liabilities and deferred taxation assets for investment properties that are measured using the fair value model the carrying amounts of such properties are presumed to be recovered entirely through sale unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

Retirement benefit costs

Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered service entitling them to the contributions. Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution plans where the Group's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit plan.

3. 重大會計政策(續)

以股份支付的交易

以股本權益結算並以股份支付的交易

向僱員授出購股權／股份獎勵

參照於授出日期授出的購股權或股份公平值釐定的已獲提供服務公平值以直線法於歸屬期間以支出列賬，並相應增加儲備。

於各報告期末，本集團會修訂其對預計最終歸屬股份數目的估計。修訂估計產生的影響(如有)於損益確認，並相應調整儲備。

當購股權獲行使時，先前於購股權儲備確認的金額將轉撥至股份溢價。當購股權於歸屬日期後遭沒收或於屆滿當日尚未行使，則先前於購股權儲備確認的金額將轉撥至保留利潤。

政府補貼

政府補貼於能合理保證本集團將會遵守附帶的條件且接獲撥款後，方會確認。

政府補貼按系統基準於本集團將擬用補貼補償的相關成本確認為開支的各期間在損益內確認。具體而言，主要條件為本集團應購買、興建或以其他方式收購非流動資產的政府補貼，於綜合財務狀況表確認為遞延收入，並在有關資產的可使用年期內有系統及合理地轉撥至損益。

可收取作為已產生開支或虧損的補償或以向本集團提供即時財務資助(並無日後相關成本)的政府補貼，於可收取期間在損益確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payment transactions

Equity-settled share-based payment transactions

Share options/share awards to employees

The fair value of services received determined by reference to the fair value of shares options or share granted at the grant date is expensed on a straight-line basis over the vesting period with a corresponding increase in reserve.

At the end of each reporting period, the Group revises its estimates of the number of shares that are expected to ultimately vest. The impact of the revision of the estimates, if any, is recognised in profit or loss, with a corresponding adjustment to reserve.

When share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained profits.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

綜合財務報表附註

Notes to the Consolidated Financial Statements

3. 重大會計政策(續)

金融工具

當一間集團實體成為工具合約條文的訂約方時，金融資產及金融負債予以確認。金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債(按公平值計入損益的金融資產及金融負債除外)直接應佔的交易成本於初步確認時加入金融資產公平值或從金融負債公平值扣除(倘適用)。收購按公平值計入損益的金融資產或金融負債直接應佔的交易成本即時於損益確認。

金融資產

金融資產分為貸款及應收款項、可供出售金融資產、衍生金融工具及按公平值計入損益的金融資產。分類視乎金融資產的性質及用途而定，於初步確認時釐定。所有常規買賣的金融資產於交易日確認及終止確認。常規買賣指須於根據市場規則或慣例訂立的時間內交收資產的金融資產買賣。

實際利息法

實際利息法為計算金融資產攤銷成本及於有關期間內攤分利息收入的方法。實際利率是按金融資產預計年期或(倘適用)較短期間將估計未來現金收入(包括所支付或收取構成實際利率組成部分的所有費用及點子、交易成本及其他溢價或折讓)準確貼現至初步確認時的賬面淨額的比率。

利息收入透過應用實際利率予以確認(惟確認利息影響不大的短期應收賬款除外)，而被分類為按公平值計入損益的金融資產除外，其利息收入計入收益或虧損淨額。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

Financial assets

Financial assets are classified as loans and receivables, available-for-sale financial assets, derivative financial instruments and financial assets at FVTPL. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised by applying the effective interest rate, (except for short-term receivables where the recognition of interest would be immaterial), other than those financial assets classified as at FVTPL, of which interest incomes is included in net gain or losses.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

貸款及應收款項

貸款及應收款項為無活躍市場報價而附帶固定或可釐定付款的非衍生金融資產。貸款及應收款項(包括應收賬款及其他應收款項、應收非控股權益、合營企業及聯營公司的款項、已質押銀行存款以及銀行結餘及現金)採用實際利息法按攤銷成本減任何已識別減值虧損計量(請參閱下文有關金融資產減值的會計政策)。

可供出售(「可供出售」)金融資產

可供出售金融資產為指定為可供出售或未分類為按公平值計入損益的金融資產、貸款及應收款項或持有至到期投資的非衍生工具。

本集團所持有的股本及債務證券分為可供出售資產，並於各報告期末在活躍市場按公平值計量及交易。與利息收入相關的可供出售貨幣金融資產的賬面值變動以實際利息法計算，並於損益中確認。當本集團收取股息的權利確立時，則可供出售股本工具的股息於損益中確認。

無活躍市場報價且其公平值無法可靠計量的可供出售股本投資，須於初步確認後的各報告期末按成本減任何已識別減值虧損計量(請參閱下文有關金融資產減值的會計政策)。

衍生金融工具

衍生工具初步按訂立衍生工具合約日期的公平值確認，其後則以報告期末的公平值重新計量。所產生的收益或虧損即時於損益確認，除非衍生工具被指定且有效作為對沖工具，於此情況下，在損益確認的時機則視乎對沖關係的性質而定。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including accounts and other receivables, amounts due from non-controlling interests, joint ventures and associates, pledged bank deposits and bank balances and cash) are measured at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment of financial assets below).

Available-for-sale ("AFS") financial assets

AFS financial assets are non-derivatives that are either designated as available-for-sale or not classified as financial assets at FVTPL, loans and receivables or held-to-maturity investments.

Equity and debt securities held by the Group that are classified as AFS financial assets and are traded in an active market as measured at fair value at the end of each reporting period. Changes in the carrying amount of AFS monetary financial assets relating to interest income calculated using the effective interest method, are recognised in profit or loss. Dividends on AFS equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

For AFS equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured they are measured at cost less any identified impairment losses at the end of each reporting period subsequent to initial recognition (see accounting policy on impairment of financial assets below).

Derivative financial instruments

Derivative are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

綜合財務報表附註

Notes to the Consolidated Financial Statements

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

按公平值計入損益的金融資產

當金融資產為(i)收購方可能支付的或然代價(作為國際財務報告準則第3號適用業務合併的一部分)；(ii)持作買賣；或(iii)其獲指定為按公平值計入損益時，則被分類為按公平值計入損益。

倘出現下列情況，金融資產被歸類為持作買賣：

- 購入金融資產主要為於短期內出售；或
- 於初步確認時，其構成本集團合併管理的已識別金融工具確定組合的一部分及具有最近實際短期獲利模式；或
- 為未被指定及可有效作為對沖工具的衍生工具。

金融資產(持作買賣的金融資產或收購方可能支付的或然代價(作為業務合併一部分)除外)可於下列情況在初步確認時指定為按公平值計入損益：

- 該指定消除或大幅減少可能會出現計量或確認方面的一致性；或
- 該金融資產構成一組金融資產或金融負債或金融資產及金融負債組合的一部分，而根據本集團制定的風險管理或投資策略，該項資產乃以公平值為基礎進行管理及評估表現，且有關分組的資料乃按此基準向內部提供；或
- 其構成包含一項或多項嵌入式衍生工具合約的一部分，而國際會計準則第39號允許將整份合併合約(資產或負債)指定為按公平值計入損益。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Financial assets at FVTPL

Financial assets are classified as at FVTPL, when the financial asset is (i) contingent consideration that may be paid by an acquirer as part of a business combination to which IFRS 3 applies, (ii) held for trading, or (iii) it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading or contingent consideration that may be paid by an acquirer as part of a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

按公平值計入損益的金融資產(續)

按公平值計入損益的金融資產按公平值計量，而重新計量產生的任何收益或虧損則於損益內確認。於損益確認的收益或虧損淨額包括金融資產所賺取的任何股息或利息，並計入其他收入、收益及虧損中。公平值按附註47(g)所述方法釐定。

金融資產減值

金融資產會於各報告期末評定是否有減值跡象。倘有客觀證據顯示金融資產的估計未來現金流因於初步確認該金融資產後發生的一宗或多宗事件而受到影響時，金融資產會被視作已減值。

就可供出售股本投資而言，該投資的公平值大幅或長期跌至低於其成本，即視為減值的客觀證據。

就所有其他金融資產而言，減值的客觀證據可能包括：

- 發行人或交易對手出現重大財政困難；或
- 違反合約，如逾期或拖欠支付利息或本金；或
- 借款人很可能破產或進行財務重組；或
- 該金融資產的活躍市場因財政困難而消失。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Financial assets at FVTPL (Continued)

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial assets and is included in the other income, gains and losses. Fair value is determined in the manner described in note 47(g).

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For an AFS equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

綜合財務報表附註

Notes to the Consolidated Financial Statements

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

就按攤銷成本列賬的金融資產而言，所確認的減值虧損金額為資產賬面值與以金融資產原實際利率貼現的估計未來現金流現值間的差額。

就所有金融資產而言，金融資產賬面值會直接因減值虧損而作出扣減，惟賬面值會透過使用撥備賬作出扣減的應收賬款及其他應收款項除外。當應收賬款或其他應收款項被視為不可收回時，其會於撥備賬內撇銷。先前已撇銷款項如其後收回，會計入損益內。撥備賬的賬面值變動於損益中確認。

當可供出售金融資產被視作減值時，先前於其他全面收入中確認的累計收益或虧損於該期間重新分類至損益。

就按成本列賬的金融資產而言，減值虧損金額按該資產賬面值與估計未來現金流按類似金融資產現時市場回報率貼現的現值之間的差額計量。該減值虧損不會於其後期間撥回。

就按攤銷成本計量的金融資產而言，如在其後期間，減值虧損金額減少，而有關減少客觀上與確認減值虧損後發生的事件有關，則先前已確認的減值虧損會透過損益予以撥回，惟該資產於減值撥回當日的賬面值不得超過未確認減值時的攤銷成本。

可供出售股本投資的減值虧損不會於其後期間透過損益撥回。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of accounts and other receivables, where the carrying amount is reduced through the use of an allowance account. When an account or other receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Impairment losses on AFS equity investments will not be reversed through profit or loss in subsequent periods.

3. 重大會計政策(續)

金融工具(續)

金融負債及股本工具

本集團所發行的金融負債及股本工具根據所訂立合約安排的內容及金融負債與股本工具的定義予以分類。

股本工具指證明本集團資產經扣除所有負債後的剩餘權益的任何合約。本集團發行的股本工具按已收取所得款項扣除直接發行成本確認。

並無訂約責任償還其本金或支付任何分派的永久資本工具被分類為權益的一部分。

本公司購回本身股本工具於權益直接確認及扣除。概不會於損益確認購買、出售、發行或註銷本公司本身股本工具的收益或虧損。

優先票據及公司債券

本公司發行負債、提早贖回選擇權及認沽權(與主合約並無密切關係)的優先票據及公司債券在初步確認時獨立分類為相關項目。於發行日，負債、提早贖回選擇權及認沽權部分均按公平值確認。

於其後期間，優先票據及公司債券的負債部分使用實際利息法按攤銷成本列賬。提早贖回選擇權按公平值計量，而公平值變動則在損益中確認。

與發行優先票據及公司債券有關的交易成本按有關公平值比例分配予負債、提早贖回選擇權部分及認沽權。與提早贖回選擇權及認沽權有關的交易成本即時於損益中扣除。與負債部分有關的交易成本計入負債部分的賬面值，並使用實際利息法在優先票據及公司債券期間內攤銷。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Perpetual capital instruments with no contracted obligation to repay its principal or to pay any distribution are classified as part of equity.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Senior notes and corporate bonds

Senior notes and corporate bonds issued by the Company that both liability, early redemption option and put option (which is not closely related to the host contract) are classified separately into respective items on initial recognition. At the date of issue, both the liability, early redemption option and put option components are recognised at fair value.

In subsequent periods, the liability component of the senior notes and corporate bonds is carried at amortised cost using the effective interest method. The early redemption option is measured at fair value with changes in fair value recognised in profit or loss.

Transaction costs that relate to the issue of the senior notes and corporate bonds are allocated to the liability, early redemption option and put option components in proportion to their relative fair values. Transaction costs relating to the early redemption option and put option are charged to profit or loss immediately. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the senior notes and corporate bonds using the effective interest method.

綜合財務報表附註

Notes to the Consolidated Financial Statements

3. 重大會計政策(續)

金融工具(續)

金融負債及股本工具(續)

實際利息法

實際利息法為計算金融負債攤銷成本及於有關期間內攤分利息開支的方法。實際利率是按金融負債預計年期或(倘適用)較短期間將估計未來現金付款(包括所支付或收取構成實際利率組成部分的所有費用及點子、交易成本及其他溢價或折讓)準確貼現至初步確認時的賬面淨額的比率。

利息開支按實際利息基準確認。

金融負債

本集團的金融負債(包括應付賬款及其他應付款項、應付非控股權益、合營企業及聯營公司的款項、銀行及其他借款、優先票據及公司債券)其後使用實際利息法按攤銷成本計量。

股本工具

股本工具指證明本集團資產經扣除所有負債後的剩餘權益的任何合約。集團實體發行的股本工具按已收所得款項扣除直接發行成本入賬。

財務擔保合約

財務擔保合約為發行人因指定債務人未能按債務工具條款如期付款而須向持有人支付指定款項以補償其所遭受虧損的合約。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

Financial liabilities

Financial liabilities of the Group (including accounts and other payables, amounts due to non-controlling interests, joint ventures and associates, bank and other borrowings, senior notes and corporate bonds) are subsequently measured at amortised cost using effective interest method.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the group entities are recorded at the proceeds received, net of direct issue costs.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

3. 重大會計政策(續)

金融工具(續)

金融負債及股本工具(續)

財務擔保合約(續)

本集團所發行的財務擔保合約初步按其公平值計量，且倘並非指定為按公平值計入損益，則隨後按以下兩者中的較高者計量：

- (i) 根據國際會計準則第37號「撥備、或然負債及或然資產」釐定的合約責任金額；及
- (ii) 初步確認的金額減(倘適用)根據收入確認政策確認的累計攤銷。

終止確認

僅於本集團從資產收取現金流的合約權利屆滿，或其將金融資產轉讓及將該資產所有權的絕大部分風險及回報轉嫁予另一實體的情況下，本集團方會終止確認金融資產。

全面終止確認金融資產後，資產賬面值與已收及應收代價及已在其他全面收入確認並在股本權益累計的累計收益或虧損總額之間的差額，會在損益中確認。

於及僅於本集團的責任已獲履行、註銷或屆滿時，本集團方會終止確認金融負債。已終止確認的金融負債的賬面值與已付及應付代價之間的差額，會在損益中確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Financial guarantee contracts (Continued)

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- (i) the amount of the obligation under the contract, as determined in accordance with IAS 37 "Provision, Contingent Liabilities and Contingent Assets"; and
- (ii) the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

4. 重大判斷及估計不明朗因素的主要來源

於應用附註3所述本集團的會計政策時，本公司董事須就無法透過其他來源確定的資產及負債的賬面值作出判斷、估計及假設。估計及相關假設乃根據過往經驗及被視為相關的其他因素作出。實際結果可能與該等估計不盡相同。

估計及相關假設會持續獲審閱。對會計估計作出的修訂於該估計修訂的期間確認(倘該修訂僅影響該期間)，或於修訂期間及未來期間確認(倘該修訂影響本期間及未來期間)。

以下為於報告期末有關未來的主要假設及估計不明朗因素的其他主要來源，有關假設及來源具有導致資產及負債的賬面值於下一財政年度內作出大幅調整的重大風險。

投資物業的遞延稅項

遞延稅項負債約人民幣1,336,535,000元(二零一五年：人民幣1,273,830,000元)主要與附註36所載於二零一六年十二月三十一日確認的投資物業公平值變動有關。

就計量利用公平值模式計量的投資物業所產生遞延稅項負債或遞延稅項資產而言，董事已審閱本集團的投資物業組合併得出結論認為本集團投資物業以旨在隨著時間推移而消耗該等投資物業包含的絕大部分經濟利益的商業模式持有。因此，在釐定本集團投資物業的遞延稅項時，董事認為，國際會計準則第12號「所得稅」所載的以公平值模式計量的投資物業可因出售而收回的假設並不成立。

估計建造成本作收入確認

本集團的若干項目根據開發及交付計劃分為若干階段。本集團於交付物業後確認銷售。銷售成本(包括各階段的建造成本及可分攤至各階段的共同成本)根據管理層對整個項目的總開發成本及物業交付時分攤至各階段的費用所作最佳估計而計算。

4. CRITICAL JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Deferred taxation on investment properties

Deferred tax liabilities of approximately RMB1,336,535,000 (2015: RMB1,273,830,000) mainly in relation to fair value change of investment properties have been recognised at 31 December 2016 as set out in note 36.

For the purposes of measuring deferred taxation liabilities or deferred taxation assets arising from investment properties that are measured using the fair value model, the directors have reviewed the Group's investment property portfolios and concluded that the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time. Therefore, in determining the Group's deferred taxation on investment properties, the directors have determined that the presumption set out in IAS 12 "Income Taxes" that investment properties measured using the fair value model are recovered through sale is rebutted.

Construction costs estimation for revenue recognition

Certain projects of the Group are divided into several phases according to the development and delivery plans. The Group recognises sales upon delivery of properties. Cost of sales including construction costs specific to the phases and common costs allocable to the phases are calculated based on management's best estimation of the total development costs for the whole project and the allocation to each phase at the time when the properties are delivered.

4. 重大判斷及估計不明朗因素的主要來源(續)

投資物業

投資物業人民幣5,773,100,000元(二零一五年：人民幣5,842,300,000元)根據獨立合資格專業估值師進行的估值按公平值列賬。釐定公平值時，估值師以涉及若干市況估計的估值法為基準計算。於依賴估值報告時，本公司董事已自行作出判斷，並信納估值所用假設能反映現時市況。該等假設的任何變動均會改變本集團投資物業的公平值，並須對綜合損益及其他全面收益表所報損益金額作出相應調整。

擬作出售的開發中物業及持作出售物業

如附註3所說明，本集團擬作出售的開發中物業及持作出售物業按成本與可變現淨值兩者中較低者列賬。根據本集團近期經驗及目標物業性質，本集團按當時市況估計持作出售物業及開發中物業的售價及完工成本，以及銷售物業將產生的成本。

倘完工成本增加或銷售淨值減少，則可變現淨值將會減少，此舉可能導致持作出售物業價值撇減。有關撇減需要使用判斷及估計。倘預期與原來估計有別，則物業在有關估計改變期間的賬面值及撇減會作相應調整。

此外，由於物業市場波動及個別物業性質獨特，實際成本及收入結果可能高於或低於報告期末作出的估計。估計出現任何增幅或減幅將會影響未來年度的損益。

於二零一六年十二月三十一日，擬作出售的開發中物業及持作出售物業的賬面值分別為21,254,355,000港元(二零一五年：20,167,382,000港元)及6,829,221,000港元(二零一五年：6,917,170,000港元)。年內概無進行物業撇減(二零一五年：無)。

4. CRITICAL JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Investment properties

Investment properties of RMB5,773,100,000 (2015: RMB5,842,300,000) are stated at fair value based on the valuations performed by independent qualified professional valuers. In determining the fair values, the valuers have based on a method of valuation which involves certain estimates of market condition. In relying on the valuation report, the directors of the Company have exercised their judgement and are satisfied that the assumptions used in the valuation are reflective of the current market conditions. Changes to these assumptions would result in changes in the fair values of the Group's investment properties and the corresponding adjustments to the amount of gain or loss reported in the consolidated statement of profit or loss and other comprehensive income.

Properties under development for sale and properties held for sales

As explained in note 3, the Group's properties under development for sale and properties held for sales are stated at the lower of cost and net realisable value. Based on the Group's recent experience and the nature of the subject properties, the Group makes estimates of the selling prices, the costs of completion in cases for properties held for development and properties under development, and the costs to be incurred in selling the properties based in prevailing market conditions.

If there is an increase in costs to completion or a decrease in net sales value, the net realisable value will decrease and this may result in write-down of value of the properties for sale. Such write-down requires the use of judgement and estimates. Where the expectation is different from the original estimate, the carrying value and write-down for properties in the periods in which such estimate is changed will be adjusted accordingly.

In addition, given the volatility of the property market and the unique nature of individual properties, the actual outcomes in terms of costs and revenue may be higher or lower than that estimated at the end of the reporting period. Any increase or decrease in the estimates would affect profit or loss in future years.

As at 31 December 2016, the carrying amounts of properties under development for sale and properties held for sale are HK\$21,254,355,000 (2015: HK\$20,167,382,000) and HK\$6,829,221,000 (2015: HK\$6,917,170,000) respectively. No write-downs of the properties were made during the year (2015: Nil).

4. 重大判斷及估計不明朗因素的主要來源(續)

遞延稅項資產

如附註36所載，於二零一六年十二月三十一日已確認約人民幣319,795,000元(二零一五年：人民幣286,753,000元)的遞延稅項資產，主要有關稅項虧損及土地增值稅(「土地增值稅」)。遞延稅項資產是否可予變現主要視乎未來有否足夠可供動用的未來利潤或應課稅臨時差額。本公司董事根據已頒佈或實際已頒佈的稅率，以及本集團對預期動用稅項虧損或／及可扣減臨時差額的未來數年所作利潤預測的最佳資料釐定遞延稅項資產。本公司董事於報告期末前審閱假設及利潤預測。倘所產生的實際未來利潤低於所預期者，則可能須撥回遞延稅項資產，並於撥回期間在綜合損益及其他全面收益表內確認。

土地增值稅

本集團於中國發展作銷售的物業就土地增值按30%至60%不等的累進稅率徵收土地增值稅，即物業銷售所得款項減可扣稅支出(包括土地成本、銷售費用、借款成本及所有物業發展開支)。

本集團在中國須繳付土地增值稅，其與所使用比率的適當性高度相關。由於不確定物業銷售所得款項及可扣稅支出，本公司董事於估計土地增值稅金額時須作出重大判斷。

本集團向買方交付物業後於綜合損益及其他全面收益表確認土地增值稅。然而，整個物業項目完成實際增值前，將不會與中國地方稅務機關落實計算及支付年內土地增值稅。最後稅務結果可能有別於最初入賬金額，而該等差額將於本集團與地方稅務機關落實有關稅項期間對所得稅開支及相關所得稅撥備構成影響。

4. CRITICAL JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Deferred taxation assets

Deferred taxation assets of approximately RMB319,795,000 (2015: RMB286,753,000) mainly in relation to tax losses and land appreciation tax ("LAT") have been recognised at 31 December 2016 as set out in note 36. The realisability of the deferred taxation assets mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. The directors of the Company determine the deferred taxation assets based on the enacted or substantially enacted tax rates and the best knowledge of profit projections of the Group for coming years during which the tax losses or/and the deductible temporary differences are expected to be utilised. The directors of the Company will review the assumptions and profit projections by the end of the reporting period. In cases where the actual future profits generated are less than expected, a reversal of deferred taxation assets may arise, which would be recognised in the consolidated statement of profit or loss and other comprehensive income for the period in which such a reversal takes place.

Land appreciation tax

LAT is levied on properties developed by the Group for sale in the PRC, at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including the cost of land, sales charges, borrowing costs and all relevant property development expenditures.

The Group is subject to LAT in the PRC which is highly dependent on the appropriateness of the rates used. Significant judgements are made by the directors of the Company in estimating the amounts of land appreciation due to the uncertainty of proceeds of sales of properties and deductible expenditures.

The Group recognise LAT in its consolidated statement of profit or loss and other comprehensive income when properties are delivered to the buyers. However, the LAT calculation and payments with local tax authorities in the PRC in the year will not be finalized until the actual appreciation value of the whole property project is completed. The final tax outcome could be different from the amounts that were initially recorded, and these differences will impact the income tax expense and the related income tax provisions in the periods in which such tax is finalised with local tax authorities.

4. 重大判斷及估計不明朗因素的主要來源(續)

公平值計量及估值流程

就財務呈報而言，本集團部分資產及負債按公平值計量。本公司董事負責就公平值計量釐定適當估值方法及輸入數據。

於估計資產或負債的公平值時，本集團使用可供參考的市場可觀察數據。倘並無第一級輸入數據，本集團委聘獨立合資格專業估值師進行估值。本公司董事與獨立合資格專業估值師緊密合作，為模式制定適當的估值方法及輸入數據。董事定期評估資產及負債公平值波動的影響及原因。

本集團使用包含並非基於市場可觀察數據的輸入數據的估值方法估計若干類型投資物業及金融工具的公平值。附註14及47載列於釐定不同資產及負債公平值時所使用的有關估值方法、輸入數據及主要假設的詳細資料。

控制旭安有限公司(「旭安」)

旭安由本集團與另一名股東分別持有50%權益，先前已作為合營企業列賬。截至二零一五年十二月三十一日止年度，本集團與該名股東訂立補充協議。透過簽立補充協議，本集團有權對旭安行使控制權，而旭安已成為本公司附屬公司。有關詳情載於附註37(g)。

本公司管理層評估本集團是否對旭安擁有控制權乃基於本集團是否有實際能力單方面指示旭安的相關活動。作出彼等判斷時，董事考慮本集團於旭安持有的投票權。透過簽立上述補充協議，旭安董事會增加至七名董事，而所有戰略融資及經營決策必須由董事會大多數成員批准，當中四名董事及三名董事分別由本集團及其他股東委任。經評估後，董事作出結論，認為本集團有足夠支配比例的投票權以指示旭安的相關活動，因此，本集團對旭安擁有控制權。

4. CRITICAL JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The directors of the Company are responsible in determining the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages independent qualified professional valuers to perform the valuation. The directors of the Company work closely with the independent qualified professional valuers to establish the appropriate valuation techniques and inputs to the model. The directors regularly assess the impact and the cause of fluctuations in the fair value of the assets and liabilities.

The Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of certain types of investment properties and financial instruments. Notes 14 and 47 provide detailed information about the valuation techniques, inputs and key assumptions used in the determination of the fair value of various assets and liabilities.

Control over Xu An Co. Limited ("Xu An")

Xu An was 50% held by the Group and 50% held by the other shareholder, and was accounted for as a joint venture previously. During the year ended 31 December 2015, the Group entered into a supplemental agreement with the other shareholder. By execution of the supplemental agreement, the Group is able to exercise control over Xu An and Xu An became a subsidiary of the Company. Details of these are set out in note 37(g).

The directors of the Company assessed whether or not the Group has control over Xu An based on whether the Group has the practical ability to direct the relevant activities of Xu An unilaterally. In making their judgement, the directors considered the Group's voting power of holding in Xu An. By execution of the aforesaid supplemental agreement, the board of directors of Xu An increased to comprise of seven directors and all of the strategic financial and operating decisions must be approved by simple majority of the board of directors, of which four directors and three directors are to be appointed by the Group and the other shareholder, respectively. After assessment, the directors concluded that the Group has sufficiently dominant voting power to direct the relevant activities of Xu An and therefore the Group has control over Xu An.

綜合財務報表附註

Notes to the Consolidated Financial Statements

5. 收入

收入指於年內(扣除折扣後)銷售物業的收入、租金收入及提供物業管理以及物業相關服務所收取的收入，其分析如下：

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
銷售物業	Sales of properties	20,713,067	17,046,700
租金收入	Rental income	62,226	40,973
物業管理收入	Property management income	276,496	343,638
項目管理及其他物業相關 服務收入	Project management and other property related services income	1,172,658	799,477
		22,224,447	18,230,788

5. REVENUE

Revenue represents income from sales of properties, rental income and income from provision of property management and property related services earned during the year, net of discounts allowed, and is analysed as follows:

6. 分部資料

本集團根據主要經營決策者(即本公司董事會)為按部分分配資源及評估其表現而定期審閱的有關本集團組成部分的內部報告，確定其經營分部。

向本集團主要經營決策者就分配資源及評估表現而報告的資料集中於以下三項主要業務：

- 房地產開發：此分部指開發及銷售辦公室及商業物業以及住宅物業。本集團所有此方面的業務均在中國開展。
- 房地產投資：此分部指租賃本集團開發或購買的投資物業，以賺取租金收入並長期從物業升值中受益。本集團目前的投資物業組合全部位於中國。
- 物業管理、項目管理及其他物業相關服務：此分部主要指物業管理及項目管理所產生的收入。本集團此方面的業務目前乃於中國開展。

主要經營決策者定期審閱房地產開發、物業投資、物業管理、項目管理及其他物業相關服務的經營業績。由於房地產開發項目均位於中國，其收入主要來自物業銷售，且牽涉及承擔相同風險與回報。所有房地產開發項目已根據國際財務報告準則第8號「經營分部」合併為單一可呈報分部(房地產開發)。

6. SEGMENT INFORMATION

The Group determines its operating segments based on internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (being the board of directors of the Company) in order to allocate resources to the segment and to assess its performance.

Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of performance is focused on three main operations:

- Property development: this segment represents the development and sales of office and commercial premises and residential properties. All the Group's activities in this regard are carried out in the PRC.
- Property investment: this segment represents the lease of investment properties, which are developed or purchased by the Group to generate rental income and to gain from the appreciation of the properties' values in the long term. Currently the Group's investment property portfolio is located entirely in the PRC.
- Property management, project management and other property related services: this segment mainly represents the income generated from property management and project management. Currently the Group's activities in this regard are carried out in the PRC.

The chief operating decision maker regularly reviews the operating results under property development, property investment, and property management, project management and other property related services. As property development projects are all located in the PRC, their revenue is primarily derived from the sales of properties, and is related and subject to common risk and returns. All property development projects are aggregated into a single reportable segment, property development, in accordance with IFRS 8 "Operating Segments".

6. 分部資料(續)

(a) 分部收入及利潤

年內，提供予本集團主要經營決策者以分配資源及評估分部表現的有關本集團可呈報分部的資料載列如下。

6. SEGMENT INFORMATION (Continued)

(a) Segment revenue and profit

Information regarding the Group's reportable segments as provided to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance for the year is set out below.

		房地產開發 Property development 人民幣千元 RMB'000	房地產投資 Property investment 人民幣千元 RMB'000	物業管理、 項目管理及 其他物業 相關服務 Property management, project management and other property related services 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
截至二零一六年十二月三十一日止年度	Year ended 31 December 2016				
來自外部客戶的可呈報分部收入	Reportable segment revenue from external customers	20,713,067	62,226	1,449,154	22,224,447
可呈報分部利潤	Reportable segment profit	4,508,807	47,550	564,796	5,121,153

		房地產開發 Property development 人民幣千元 RMB'000	房地產投資 Property investment 人民幣千元 RMB'000	物業管理、 項目管理及 其他物業 相關服務 Property management, project management and other property related services 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
截至二零一五年十二月三十一日止年度	Year ended 31 December 2015				
來自外部客戶的可呈報分部收入	Reportable segment revenue from external customers	17,046,700	40,973	1,143,115	18,230,788
可呈報分部利潤	Reportable segment profit	3,295,706	26,755	450,221	3,772,682

(b) 分部資產及負債

由於主要經營決策者於計算本集團分部呈報時並無計入資產及負債，因此並無呈列分部資產及負債。

(b) Segment assets and liabilities

No assets and liabilities are included in the measures of the Group's segment reporting that are used by the chief operating decision maker. Accordingly, no segment assets and liabilities are presented.

綜合財務報表附註

Notes to the Consolidated Financial Statements

6. 分部資料(續)

(c) 可呈報分部收入及利潤的對賬

可呈報分部利潤指各分部業績，未計及本集團主要業務以外業務所賺取的其他收入、收益及虧損的分配、未分配總部及企業開支、物業、廠房及設備折舊、呆賬撥備(撥回)、投資物業公平值變動、融資成本以及應佔合營企業及聯營公司業績的任何影響。此乃向主要經營決策者匯報以分配資源及評估表現的計量基礎。

6. SEGMENT INFORMATION (Continued)

(c) Reconciliations of reportable segment revenue and profit

The reportable segment profit represents the results by each segment without including any effect of allocation of other income, gains and losses earned from operations other than the Group's main operations, unallocated head office and corporate expenses, depreciation of property, plant and equipment, (write-back of) allowance for doubtful debts, change in fair value of investment properties, finance costs and share of results of joint ventures and associates. This is the measurement basis reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
收入	Revenue		
可呈報分部及綜合收入	Reportable segment and consolidated revenue	22,224,447	18,230,788
利潤	Profit		
可呈報分部利潤	Reportable segment profit	5,121,153	3,772,682
其他收入、收益及虧損	Other income, gains and losses	161,834	541,660
投資物業公平值變動	Change in fair value of investment properties	(100,433)	128,100
融資成本	Finance costs	(529,651)	(202,885)
應佔合營企業業績	Share of results of joint ventures	1,007,416	205,533
應佔聯營公司業績	Share of results of associates	55,324	(32,908)
物業、廠房及設備折舊	Depreciation of property, plant and equipment	(15,950)	(18,280)
呆賬(撥備)撥回	Write-back of (allowance for) doubtful debts	2,598	(2,573)
未分配總部及企業開支	Unallocated head office and corporate expenses	(865,526)	(586,502)
除稅前綜合利潤	Consolidated profit before taxation	4,836,765	3,804,827

(d) 地區資料

由於本集團的經營活動乃於中國展開，故並無呈列地區資料。

(d) Geographic information

No geographic information has been presented as the Group's operating activities are carried out in the PRC.

(e) 主要客戶

並無與單一外部客戶進行的交易所得收入佔本集團收入10%或以上。

(e) Major customers

No revenue from transactions with a single external customer amounted to 10% or more of the Group's revenue.

7. 其他收入、收益及虧損

7. OTHER INCOME, GAINS AND LOSSES

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
可供出售投資的股息收入	Dividend income from available-for-sale investment	–	3,628
利息收入	Interest income	232,184	97,372
重新計量收益(附註37)	Gain on remeasurement (note 37)	38,283	166,498
業務合併收益(附註37)	Gain from business combinations (note 37)	33,867	76,770
出售物業、廠房及設備的 收益(虧損)淨額	Gain (loss) on disposal of property, plant and equipment, net	219	(216)
出售預付租賃款項收益	Gain on disposal of prepaid lease payments	–	60,097
出售附屬公司的(虧損)收益(附註38)	(Loss) gain on disposal of subsidiaries (note 38)	(4,242)	219,296
視作出售附屬公司的虧損(附註38)	Loss on deemed disposal of subsidiaries (note 38)	(211)	–
政府補貼	Government grants	26,575	38,679
沒收買家支付的按金	Forfeited deposits paid by purchasers	10,090	109,860
提早贖回優先票據的虧損(附註33)	Loss on early redemption of senior notes (note 33)	(182,263)	(20,725)
按公平值計入損益的金融資產的 公平值變動(附註29)	Change in fair value of financial assets at FVTPL (note 29)	33,356	–
衍生金融工具公平值變動(附註21)	Change in fair value of derivative financial instruments (note 21)	314,768	–
匯兌虧損淨額	Net exchange loss	(378,284)	(302,127)
雜項收入	Sundry income	37,492	92,528
		161,834	541,660

8. 融資成本

8. FINANCE COSTS

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
銀行及其他借款的利息	Interest on bank and other borrowings	(1,092,802)	(994,751)
優先票據的利息開支	Interest expense on senior notes	(705,919)	(737,856)
公司債券的利息開支	Interest expense on corporate bonds	(351,498)	(41,419)
減：擬作出售的開發中物業及 在建投資物業的資本化金額	Less: Amount capitalised to properties under development for sale and investment properties under construction	1,620,568	1,571,141
		(529,651)	(202,885)

擬作出售的開發中物業及在建投資物業的資本化借款成本根據分別披露於附註32、33及34的銀行及其他借款、優先票據及公司債券的合約利率釐定。

Borrowing costs capitalised to properties under development for sale and investment properties under construction were determined by the contracted interest rates of respective bank and other borrowings, senior notes and corporate bonds as disclosed in notes 32, 33 and 34 respectively.

綜合財務報表附註

Notes to the Consolidated Financial Statements

9. 所得稅開支

9. INCOME TAX EXPENSE

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
中國企業所得稅	PRC Enterprise Income Tax		
本年度的企業所得稅	Current year Enterprise Income Tax	(1,038,337)	(950,358)
過往年度撥備不足	Under provision in respect of prior year	(27,666)	–
土地增值稅	LAT	(602,245)	(317,872)
		(1,668,248)	(1,268,230)
遞延稅項(附註36)	Deferred taxation (note 36)	(4,142)	(65,809)
		(1,672,390)	(1,334,039)

根據自二零零八年一月一日起生效的中國企業所得稅法及實施條例，本公司中國附屬公司的法定稅率為25%。

Under the Law of Enterprise Income Tax and Implementation Rules of the PRC effective since 1 January 2008, the statutory tax rate of the Company's PRC subsidiaries is 25%.

經多個稅務主管當局批准，若干中國附屬公司就其各自視作應課稅收入須按法定稅率25%納稅，而應課稅收入按根據適用中國稅務法規的規定計稅方法介乎收入的8%至10%。

As approved by various competent tax bureaus, certain PRC subsidiaries are subject to statutory tax rate of 25% on their respective deemed taxable income, ranging from 8% to 10% of revenue in accordance with the prescribed tax calculation method pursuant to the applicable PRC tax regulations.

土地增值稅撥備乃根據相關中國稅務法律及法規所載規定估計。土地增值稅已按增值價值的累進稅率範圍作出撥備(附帶若干許可的豁免及減免)。

The provision of LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable exemptions and deductions.

根據英屬處女群島(「英屬處女群島」)及開曼群島的規則及法規，本集團毋須在英屬處女群島及開曼群島繳納任何所得稅。

Pursuant to the rules and regulations of the British Virgin Islands ("BVI") and the Cayman Islands, the Group is not subject to any income tax in the BVI and the Cayman Islands.

由於本集團旗下各公司的收入既不產自亦非來自香港，故並無就香港利得稅作出撥備。

No provision for Hong Kong Profits Tax has been made as the income of the companies comprising the Group neither arises in, nor is derived from, Hong Kong.

遞延稅項的詳情載於附註36。

Details of the deferred taxation are set out in note 36.

9. 所得稅開支(續)

年內稅項費用與綜合損益及其他全面收益表內除稅前利潤的對賬如下：

9. INCOME TAX EXPENSE (Continued)

The tax charge for the year can be reconciled to the profit before taxation per consolidated statement of profit or loss and other comprehensive income as follows:

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
除稅前利潤	Profit before taxation	4,836,765	3,804,827
按25%繳納的中國企業所得稅	PRC Enterprise Income Tax at 25%	(1,209,191)	(951,207)
不可扣稅開支的稅務影響	Tax effect of expenses not deductible for tax purposes	(199,873)	(97,775)
毋須課稅收入的稅務影響	Tax effect of income not taxable for tax purposes	6,367	9,108
土地增值稅	LAT	(602,245)	(317,872)
土地增值稅的稅務影響	Tax effect of LAT	150,561	79,468
未確認稅項虧損的稅務影響	Tax effect of tax losses not recognised	(100,287)	(88,420)
動用先前未確認的稅項虧損	Utilisation of tax losses previously not recognised	47,230	14,280
未確認可扣減臨時差額的稅務影響(附註)	Tax effect of deductible temporary differences not recognised (note)	(2,534)	(41,508)
動用先前未確認的可扣減臨時差額	Utilisation of deductible temporary differences previously not recognised	10,907	10,859
若干中國附屬公司採納規定計稅方法的影響	Effect of adopting prescribed tax calculation method by certain PRC subsidiaries	–	15,745
應佔合營企業業績的稅務影響	Tax effect of share of result of joint ventures	251,854	51,383
應佔聯營公司業績的稅務影響	Tax effect of share of result of associates	13,831	(8,227)
過往年度撥備不足	Under provision in respect of prior year	(27,666)	–
其他	Others	(11,344)	(9,873)
年內稅項費用	Tax charge for the year	(1,672,390)	(1,334,039)

附註：未確認可扣減臨時差額的稅務影響指調整有關建造物業的公司間交易及公司間轉讓已竣工停車場所產生的可扣減臨時差額。

Note: Tax effect of deductible temporary differences not recognised represent the adjustments of deductible temporary differences arising from inter-company transactions in relation to construction of properties and inter-company transfer of the completed carpark.

綜合財務報表附註

Notes to the Consolidated Financial Statements

10. 年內利潤及全面收入總額

10. PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
年內利潤及全面收入總額乃經扣除(計入)下列各項：	Profit and total comprehensive income for the year has been arrived at after charging (crediting):		
核數師酬金	Auditors' remuneration	5,775	5,225
計入銷售及服務成本的已售物業成本	Cost of properties sold included in cost of sales and services	15,059,167	12,265,516
物業、廠房及設備折舊	Depreciation of property, plant and equipment	15,950	18,280
(撥回)呆賬撥備	(Write-back of) allowance for doubtful debts	(2,598)	2,573
土地及樓宇的經營租賃租金	Operating lease rentals in respect of land and buildings	44,840	34,423
員工成本	Staff costs		
董事薪酬(附註11)	Directors' emoluments (Note 11)	11,526	10,396
其他員工成本	Other staff costs		
員工成本(不包括退休福利成本)	Staff costs excluding retirement benefit costs	527,289	451,286
退休福利成本	Retirement benefit costs	57,848	41,992
以股本權益結算並以股份付款	Equity-settled share-based payments	46,882	49,058
其他員工成本總額	Total other staff costs	632,019	542,336
減：擬佔出售的開發中物業的資本化金額	Less: Amount capitalised to properties under development for sale	(199,986)	(197,985)
		432,033	344,351
投資物業租金收入	Rental income from investment properties	(62,226)	(40,973)
減：相關開支	Less: Related outgoings	13,078	14,218
		(49,148)	(26,755)

11. 董事及僱員薪酬

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
董事薪酬	Directors' emoluments		
董事袍金	Directors' fees	737	676
獨立非執行董事的以股本權益結算 並以股份付款	Equity-settled share-based payment for independent non-executive directors	510	471
執行董事的其他薪酬	Other emoluments for executive directors		
– 基本薪金及津貼	– basic salaries and allowances	7,769	7,481
– 以股本權益結算並以股份付款	– equity-settled share-based payment	579	341
– 酌情花紅	– discretionary bonus	1,611	1,124
– 退休福利供款	– retirement benefit contributions	320	303
		11,526	10,396

		董事袍金	基本薪金 及津貼	以股本權益 結算並以 股份付款	酌情花紅	退休福利 供款	總計
		Directors' fees	Basic salaries and allowances	Equity-settled share-based payment	Discretionary bonus	Retirement benefit contributions	Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
截至二零一六年 十二月三十一日止年度	Year ended 31 December 2016						
執行董事姓名	Name of executive director						
林中先生	Mr. LIN Zhong	–	2,641	–	–	99	2,740
林偉先生	Mr. LIN Wei	–	1,835	–	–	122	1,957
林峰先生	Mr. LIN Feng	–	3,293	579	1,611	99	5,582
獨立非執行董事姓名	Name of independent non-executive director						
顧雲昌先生	Mr. GU Yunchang	214	–	170	–	–	384
張永岳先生	Mr. ZHANG Yongyue	214	–	170	–	–	384
陳偉成先生	Mr. TAN Wee Seng	309	–	170	–	–	479
		737	7,769	1,089	1,611	320	11,526

綜合財務報表附註

Notes to the Consolidated Financial Statements

11. 董事及僱員薪酬(續)

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

(Continued)

	董事袍金	基本薪金 及津貼	以股本權益 結算並以 股份付款	酌情花紅	退休福利 供款	總計	
	Directors' fees	Basic salaries and allowances	Equity-settled share-based payment	Discretionary Bonus	Retirement benefit contributions	Total	
	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	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
截至二零一五年十二月三十一日	Year ended 31 December						
日止年度	2015						
執行董事姓名	Name of executive director						
林中先生	Mr. LIN Zhong	–	2,544	–	–	95	2,639
林偉先生	Mr. LIN Wei	–	1,752	–	–	113	1,865
林峰先生	Mr. LIN Feng	–	3,185	341	1,124	95	4,745
獨立非執行董事姓名	Name of independent non-executive director						
顧雲昌先生	Mr. GU Yunchang	200	–	157	–	–	357
張永岳先生	Mr. ZHANG Yongyue	200	–	157	–	–	357
陳偉成先生	Mr. TAN Wee Seng	276	–	157	–	–	433
		676	7,481	812	1,124	303	10,396

以上所示執行董事薪酬乃就彼等有關管理本公司及本集團事務所提供的服務而支付。

The executive directors' emoluments shown above were paid for their services in connection with the management of the affairs of the Company and the Group.

以上所示獨立非執行董事薪酬乃就彼等出任本公司董事所提供的服務而支付。

The independent non-executive directors' emoluments shown above were paid for their services as directors of the Company.

林峰先生為本公司行政總裁，而上文所披露其薪酬包括其擔任行政總裁的薪酬。

Mr. LIN Feng is the Chief Executive of the Company and his emoluments disclosed above include those for services rendered by him as the Chief Executive.

年內，概無有關董事或主要行政人員放棄或同意放棄任何薪酬的安排。

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year.

年內，若干董事根據本公司購股權計劃就其向本集團提供的服務獲授予購股權。購股權計劃詳情載於附註44。

During the year, certain directors were granted share options, in respect of their services to the Group under the share option scheme of the Company. Details of the share option scheme are set out in note 44.

11. 董事及僱員薪酬(續)

五名最高薪酬人士

截至二零一六年十二月三十一日止年度，五名最高薪酬人士包括一名(二零一五年：一名)董事。截至二零一六年十二月三十一日止年度，其餘四名(二零一五年：四名)最高薪酬人士的薪酬如下：

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

(Continued)

Five highest paid individuals

The five highest paid individuals included 1 (2015: 1) director for the year ended 31 December 2016. The emoluments of the remaining 4 (2015: 4) highest paid individuals for the year ended 31 December 2016 are as follows:

		二零一六年 2016	二零一五年 2015
		人民幣千元 RMB'000	人民幣千元 RMB'000
僱員	Employees		
— 基本薪金及津貼	— basic salaries and allowances	11,058	8,510
— 花紅	— bonus	6,401	4,163
— 以股本權益結算並以股份付款	— equity-settled share-based payments	289	274
— 退休福利供款	— retirement benefit contributions	1,118	1,078
		18,866	14,025

彼等的薪酬屬以下範圍：

Their emoluments were within the following bands:

		二零一六年 2016	二零一五年 2015
		人數 Number of individuals	人數 Number of individuals
3,000,001港元至3,500,000港元	HK\$3,000,001 to HK\$3,500,000	—	1
3,500,001港元至4,000,000港元	HK\$3,500,001 to HK\$4,000,000	—	1
4,000,001港元至4,500,000港元	HK\$4,000,001 to HK\$4,500,000	1	1
4,500,001港元至5,000,000港元	HK\$4,500,001 to HK\$5,000,000	1	—
5,000,001港元至5,500,000港元	HK\$5,000,001 to HK\$5,500,000	1	—
6,000,001港元至6,500,000港元	HK\$6,000,001 to HK\$6,500,000	—	1
7,500,001港元至8,000,000港元	HK\$7,500,001 to HK\$8,000,000	1	—

本集團並無向本公司董事或五名最高薪酬人士支付任何薪酬作為加盟本集團或加盟本集團時的獎勵或離職補償。

No emoluments were paid by the Group to the directors of the Company or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

12. 股息

12. DIVIDEND

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
建議末期股息－每股普通股 人民幣11.5分 (二零一五年：人民幣9.35分)	Proposed final dividend – RMB11.5 cents (2015: RMB9.35 cents) per ordinary share	775,681	624,270

董事會建議，派發二零一六年度末期股息為每股人民幣11.50分(相當於13港分)(二零一五年：人民幣9.35分(相當於11港分))。「建議末期股息」。本年度的建議末期股息連同就本年度首六個月的已派發中期股息每股人民幣3.42分(相等於4港分)，合共股息為每股人民幣14.92分(相當於17港分)。建議末期股息可由股東選擇以現金支付或以部分或全部收取本公司的新繳足股份方式收取。

截至二零一六年十二月三十一日止年度的建議末期股息須獲本公司股東於應屆股東週年大會上批准。

截至二零一六年十二月三十一日止年度，股東獲派發截至二零一五年十二月三十一日止財政年度的末期股息每股人民幣9.35分(相等於11港分)(包括供股東選擇以獲配發新股份代替現金的形式收取末期股息的以股代息選擇)及截至二零一六年六月三十日止六個月的中期股息每股人民幣3.42分(相等於4港分)，有關詳情如下：

The Board recommends the payment of a final dividend for 2016 of RMB11.50 cents (equivalent to HK13 cents) (2015: RMB9.35 cents (equivalent to HK11 cents)) per share (the “Proposed Final Dividend”). The Proposed Final Dividend for the year in aggregate with the interim dividend of RMB3.42 cents (equivalent to HK4 cents) per share paid in respect of the first six months of the year amounted to total dividends of RMB14.92 cents (equivalent to HK17 cents) per share. The Proposed Final Dividend will be either payable in cash or in form of new fully paid shares of the Company in respect of part or all of such final dividend at shareholders’ option.

The Proposed Final Dividend for the year ended 31 December 2016 is subject to the approval of the Company’s shareholders at the forthcoming annual general meeting.

During the year ended 31 December 2016, a final dividend of RMB9.35 cents (equivalent to HK11 cents) per share in respect of the financial year ended 31 December 2015, which included scrip dividend alternative offered to shareholders to elect receiving the final dividend by allotment of new shares in lieu of cash, and an interim dividend of RMB3.42 cents (equivalent to HK4 cents) per share in respect of the six months ended 30 June 2016, were paid to shareholders, details as follow:

		二零一六年 2016		二零一五年 2015	
		千港元 HK\$'000	人民幣千元 RMB'000	千港元 HK\$'000	人民幣千元 RMB'000
股息	Dividends				
現金	Cash	932,044	794,500	565,697	456,166
以股代息選擇(附註35)	Scrip dividend alternative (note 35)	70,802	59,829	300,721	236,968
		1,002,846	854,329	866,418	693,134

13. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃根據下列數據計算：

13. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
盈利	Earnings		
計算每股基本及攤薄盈利的盈利 (本公司擁有人應佔年內利潤)	Earnings for the purposes of basic and diluted earnings per share (profit for the year attributable to owners of the Company)	2,807,549	2,095,464

		二零一六年 2016	二零一五年 2015
股份數目	Number of shares		
就計算每股基本盈利的普通股 加權平均數	Weighted average number of ordinary shares for the purpose of basic earnings per share	6,700,561,859	6,447,679,001
對購股權的潛在普通股攤薄效應	Effect of dilutive potential ordinary shares on share options	22,352,975	193,094
就計算每股攤薄盈利的普通股 加權平均數	Weighted average number of ordinary shares for the purpose of diluted earnings per share	6,722,914,834	6,447,872,095

14. 投資物業

14. INVESTMENT PROPERTIES

		在建 投資物業 Investment properties under construction 人民幣千元 RMB'000	已竣工 投資物業 Completed investment properties 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
於二零一五年一月一日	At 1 January 2015	1,553,000	3,653,200	5,206,200
完成後轉撥	Transfer upon completion	(1,917,125)	1,917,125	–
添置	Additions	508,000	–	508,000
公平值(減少)增加	(Decrease) increase in fair value	(17,875)	145,975	128,100
於二零一五年十二月三十一日	At 31 December 2015	126,000	5,716,300	5,842,300
完成後轉撥	Transfer upon completion	(136,874)	136,874	–
添置	Additions	10,874	20,359	31,233
公平值減少	Decrease in fair value	–	(100,433)	(100,433)
於二零一六年十二月三十一日	At 31 December 2016	–	5,773,100	5,773,100

已竣工投資物業及在建投資物業均位於中國，屬中期租賃。所有本集團持有作經營租賃的物業權益以賺取租金或作資本增值均按公平值模式計量。

The completed investment properties and investment properties under construction are all situated in the PRC under medium-term leases. All the Group's property interests held under operating leases to earn rentals or for capital appreciation are measured using the fair value model.

本集團於二零一六年十二月三十一日抵押人民幣5,560,000,000元(二零一五年：人民幣5,519,000,000元)的投資物業，以擔保本集團的銀行及其他借款。

The Group has pledged investment properties of RMB5,560,000,000 (2015: RMB5,519,000,000) as at 31 December 2016 to secure bank and other borrowings of the Group.

本集團已竣工投資物業及在建投資物業於二零一六年及二零一五年十二月三十一日的公平值乃基於與本集團並無關連的獨立合資格專業估值師行第一太平戴維斯估值及專業顧問有限公司於該等日期進行的估值而得出。第一太平戴維斯估值及專業顧問有限公司擁有合適資格，且擁有評估相關地點的類似物業方面的相關近期經驗。

The fair values of the Group's completed investment properties and investment properties under construction at 31 December 2016 and 2015 have been arrived at on the basis of valuations on those dates carried out by Savills Valuation and Professional Services Limited, a firm of independent qualified professional valuers not connected with the Group, who have appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations.

已竣工投資物業於二零一六年及二零一五年十二月三十一日的估值採用直接比較法並參照有關已竣工投資物業於市場上可比較市場交易及透過將現有租約所得租金收入淨額資本化的方式計算，並對適用於已竣工投資物業的各物業的租金收入復歸潛力作適當折減。

The valuations of completed investment properties as at 31 December 2016 and 2015 were arrived at with adoption of the direct comparison approach by making reference to comparable market transactions as available in the relevant markets on completed investment properties and, by capitalising the net rental income derived from the existing tenancies with due allowance for reversionary income potential of the respective properties on completed investment properties.

14. 投資物業(續)

在建投資物業於二零一五年十二月三十一日的估值採用直接比較法並參照於有關市場上的可比較交易，及採用餘值法(基於已竣工物業的市場可觀察交易)並按該等物業將根據最新開發方案開發及竣工的基準並計及完成開發所耗用的建造成本而得出，以反映已竣工開發項目的質素及發展商溢利。

上年度所用估值方法並無變動。於估計物業的公平值時，物業的最高及最佳用途為其當前用途。

本集團於二零一六年及二零一五年十二月三十一日的投資物業及公平值級別資料詳情如下：

14. INVESTMENT PROPERTIES (Continued)

The valuations of investment properties under construction as at 31 December 2015 were arrived at with adoption of the direct comparison approach by making reference to comparable transactions as available in the relevant markets and, residual approach, which is based on market observable transactions of completed properties with the basis that they will be developed and completed in accordance with the latest development proposals and taken into account the construction costs that will be expended to complete the development to reflect the quality of the completed development and developer's profit.

There has been no change from the valuation technique used in prior year. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

Details of the Group's investment properties and information about the fair value hierarchy as at 31 December 2016 and 2015 are as follows:

		於二零一六年 十二月三十一日 的公平值 Fair value as at 第三級 Level 3 31 December 2016 人民幣千元 RMB'000	
於中國的投資物業	Investment properties located in PRC	5,773,100	5,773,100

		於二零一五年 十二月三十一日 的公平值 Fair value as at 第三級 Level 3 31 December 2015 人民幣千元 RMB'000	
於中國的投資物業	Investment properties located in PRC	5,842,300	5,842,300

年內並無轉入第三級或自當中轉出。

There were no transfers into or out of Level 3 during the year.

綜合財務報表附註

Notes to the Consolidated Financial Statements

14. 投資物業(續)

下表提供有關如何釐定重大投資物業的公平值(特別是所使用的估值方法及輸入數據), 及公平值計量按公平值計量輸入數據的可觀察程度所劃分的公平值級別水平(第一級至第三級)的資料。

14. INVESTMENT PROPERTIES (Continued)

The following table gives information about how the fair values of the major investment properties are determined (in particular, the valuation techniques and inputs used), as well as the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

於綜合財務 狀況表內本集團 所持投資物業 Investment properties held by the Group in the consolidated statement of financial position	公平值級別 Fair value hierarchy	估值方法及 主要輸入數據 Valuation technique(s) and key input(s)	重要無法觀察 輸入數據 Significant unobservable input(s)	無法觀察 輸入數據與 公平值的關係 Relationship of unobservable inputs to fair value
Completed investment property – Jiaxing CIFI Square 已竣工投資物業 – 嘉興旭輝廣場	Level 3 第三級	Income method (term and reversionary approach) 收入法 (租期復歸法) The key inputs are: (1) Term yield; (2) Reversionary yield; and (3) Market unit rent of individual unit 主要輸入數據為: (1) 租期收益率; (2) 復歸收益率; 及 (3) 個別單位的市場單位租金	Term yield, taking into account of yield generated from comparable properties and adjustment to reflect the certainty of term income secured and to be received of 4% (2015: 4%). 經計入可比較物業產生的收益及反映所擔保及將收取租期收入的確定性的調整, 租期收益率為4%(二零一五年: 4%)。 Reversionary yield, taking into account annual unit market rental income and unit market value of the comparable properties of 4.5% (2015: 4.5%). 經計入單位市場年度租金收入及可比較物業的單位市值, 復歸收益率為4.5%(二零一五年: 4.5%)。	There is no indication that any slight change in the term yield would result in significant higher or lower fair value measurement. 並無跡象表明任何租期收益率的任何輕微變動將導致公平值計量明顯較高或較低。 A slight increase in the reversionary yield would result in a significant decrease in fair value and vice versa. 復歸收益率輕微上升將導致公平值大幅減少, 反之亦然。

14. 投資物業(續)

14. INVESTMENT PROPERTIES (Continued)

於綜合財務 狀況表內本集團 所持投資物業 Investment properties held by the Group in the consolidated statement of financial position	公平值級別 Fair value hierarchy	估值方法及 主要輸入數據 Valuation technique(s) and key input(s)	重要無法觀察 輸入數據 Significant unobservable input(s)	無法觀察 輸入數據與 公平值的關係 Relationship of unobservable inputs to fair value
			Market unit rent, using direct market comparables and taking into account of location and other individual factors such as road frontage, size of property and facilities range from around RMB110 sq.m./month to RMB601 sq.m./month (2015: RMB110 sq.m./month to RMB610 sq.m./month.) 使用直接市場比較方法並經計入位置及臨街道路、物業大小及設施等其他各項因素，所得市場單位租金介乎每平方米每月人民幣110元至每平方米每月人民幣601元(二零一五年：每平方米每月人民幣110元至每平方米每月人民幣610元)。	A slight increase in the market unit rent would result in significant increase in fair value and vice versa. 市場單位租金輕微上漲將導致公平值大幅增加，反之亦然。

14. 投資物業(續)

14. INVESTMENT PROPERTIES (Continued)

於綜合財務 狀況表內本集團 所持投資物業 Investment properties held by the Group in the consolidated statement of financial position	公平值級別 Fair value hierarchy	估值方法及 主要輸入數據 Valuation technique(s) and key input(s)	重要無法觀察 輸入數據 Significant unobservable input(s)	無法觀察 輸入數據與 公平值的關係 Relationship of unobservable inputs to fair value
Completed investment property – Shanghai CIFI Haishang International 已竣工投資物業 – 上海旭輝 海上國際	Level 3 第三級	Income method (term and reversionary approach) 收入法 (租期復歸法) The key inputs are: (1) Term yield; (2) Reversionary yield; and (3) Market unit rent of individual unit 主要輸入數據為： (1) 租期收益率； (2) 復歸收益率；及 (3) 個別單位的市場單位 租金	Term yield, taking into account of yield generated from comparable properties and adjustment to reflect the certainty of term income secured and to be received of 5.5% (2015: 5%). 經計入可比較物業產生的 收益及反映所擔保及將 收取租期收入的確定性 的調整，租期收益率為 5.5%。(二零一五年： 5%)。 Reversionary yield, taking into account annual unit market rental income and unit market value of the comparable properties of 6% (2015: 6%). 經計入單位市場年度租金 收入及可比較物業的單位 市值，復歸收益率為6% (二零一五年：6%)。	There is no indication that any slight change in the term yield would result in significant higher or lower fair value measurement. 並無跡象表明任何 租期收益率的任 何輕微變動將導 致公平值計量明 顯較高或較低。 A slight increase in the reversionary yield would result in a significant decrease in fair value and vice versa. 復歸收益率輕微上 升將導致公平值 大幅減少，反之 亦然。

14. 投資物業(續)

14. INVESTMENT PROPERTIES (Continued)

於綜合財務 狀況表內本集團 所持投資物業 Investment properties held by the Group in the consolidated statement of financial position	公平值級別 Fair value hierarchy	估值方法及 主要輸入數據 Valuation technique(s) and key input(s)	重要無法觀察 輸入數據 Significant unobservable input(s)	無法觀察 輸入數據與 公平值的關係 Relationship of unobservable inputs to fair value
			<p>Market unit rent, using direct market comparables and taking into account of location and other individual factors such as road frontage, size of property and facilities range from around RMB213 sq.m./month to RMB426 sq.m./month (2015: RMB219 sq.m./month to RMB398 sq.m./month).</p> <p>使用直接市場比較方法並經計入位置及臨街道路、物業大小及設施等其他各項因素，所得市場單位租金介乎每平方米每月人民幣213元至每平方米每月人民幣426元(二零一五年：每平方米每月人民幣219元至每平方米每月人民幣398元)。</p>	<p>A slight increase in the market unit rent would result in significant increase in fair value and vice versa.</p> <p>市場單位租金輕微上漲將導致公平值大幅增加，反之亦然。</p>

綜合財務報表附註

Notes to the Consolidated Financial Statements

15. 物業、廠房及設備

15. PROPERTY, PLANT AND EQUIPMENT

		租賃土地及 樓宇 Leasehold land and buildings	機動車輛 Motor vehicles	設備及傢俬 Equipment and furniture	總計 Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
成本	COST				
於二零一五年一月一日	At 1 January 2015	11,684	38,200	50,870	100,754
添置	Additions	–	7,075	8,369	15,444
收購附屬公司	Acquisition of subsidiaries	–	3,803	1,477	5,280
出售一間附屬公司	Disposal of a subsidiary	–	(64)	–	(64)
出售	Disposals	–	(4,975)	(2,778)	(7,753)
於二零一五年十二月三十一日	At 31 December 2015	11,684	44,039	57,938	113,661
添置	Additions	19,650	6,152	23,840	49,642
出售附屬公司	Disposal of subsidiaries	–	(1,532)	(3,916)	(5,448)
出售	Disposals	–	(4,870)	(2,781)	(7,651)
於二零一六年十二月三十一日	At 31 December 2016	31,334	43,789	75,081	150,204
累計折舊	ACCUMULATED DEPRECIATION				
於二零一五年一月一日	At 1 January 2015	2,976	24,593	25,107	52,676
年內開支	Charge for the year	550	7,703	10,027	18,280
出售一間附屬公司	Disposal of a subsidiary	–	(13)	–	(13)
於出售時對銷	Eliminated on disposals	–	(3,705)	(2,181)	(5,886)
於二零一五年十二月三十一日	At 31 December 2015	3,526	28,578	32,953	65,057
年內開支	Charge for the year	560	4,555	10,835	15,950
出售附屬公司	Disposal of subsidiaries	–	(552)	(1,805)	(2,357)
於出售時對銷	Eliminated on disposals	–	(2,339)	(1,890)	(4,229)
於二零一六年十二月三十一日	At 31 December 2016	4,086	30,242	40,093	74,421
賬面值	CARRYING VALUES				
於二零一六年十二月三十一日	At 31 December 2016	27,248	13,547	34,988	75,783
於二零一五年十二月三十一日	At 31 December 2015	8,158	15,461	24,985	48,604

15. 物業、廠房及設備(續)

上述物業、廠房及設備項目於計及按照下列年率計算的估計剩餘價值後以直線法折舊：

租賃土地及樓宇 按估計可使用年期20年或租期(以較短者為準)

機動車輛 20%

設備及傢俬 20%

所有樓宇均位於中國境內土地上。

16. 預付租賃款項

預付租賃款項的賬面值指本集團於中國按中期租賃所持有擬作酒店房地產開發及行政用途的土地使用權。

17. 於聯營公司的權益

15. PROPERTY, PLANT AND EQUIPMENT (Continued)

The above items of property, plant and equipment are depreciated using the straight-line method after taking into account of their estimated residual values at the following rates per annum:

Leasehold land and buildings Over the estimated useful lives of 20 years or the term of the leases, whichever shorter

Motor vehicles 20%

Equipment and furniture 20%

The buildings are all situated on land in the PRC.

16. PREPAID LEASE PAYMENTS

The carrying amount of prepaid lease payments represents the land use rights held in the PRC under medium term leases intended for hotel property development and administrative usage.

17. INTERESTS IN ASSOCIATES

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
本集團於聯營公司的權益詳情如下：	Details of the Group's interests in associates are as follows:		
於聯營公司的非上市投資成本	Cost of unlisted investments in associates	1,312,037	621,528
應佔收購後業績及其他全面收益(開支)，扣除已收股息	Share of post-acquisition results and other comprehensive income (expense), net of dividend received	22,416	(32,908)
		1,334,453	588,620

綜合財務報表附註

Notes to the Consolidated Financial Statements

17. 於聯營公司的權益(續)

於二零一六年及二零一五年十二月三十一日，本集團的聯營公司詳情載列如下：

17. INTERESTS IN ASSOCIATES (Continued)

Particulars of the Group's associates as at 31 December 2016 and 2015 are set out as follows:

聯營公司名稱 Name of associates	註冊成立/ 成立地點 Place of incorporation/ establishment	經營地點 Place of operation	本集團應佔股權 Equity interest attributable to the Group		本集團所持投票權比率 Proportion of voting power held by the Group		主要業務 Principal activities
			二零一六年 2016	二零一五年 2015	二零一六年 2016	二零一五年 2015	
天津世紀興房地產開發有限公司 Tianjin Shijixing Real Estate Development Co., Ltd.	中國 PRC	中國 PRC	25%	25%	25%	25%	房地產開發 Property development
北京旭輝當代置業有限公司 Beijing Xuhui Dangdai Property Co., Ltd.	中國 PRC	中國 PRC	50%	50%	50%	50%	房地產開發 Property development
杭州龍卓房地產開發有限公司 Hangzhou Longzhuo Real Estate Development Co., Ltd.	中國 PRC	中國 PRC	35%	35%	35%	35%	房地產開發 Property development
南京旭辰置業有限公司 Nanjing Xuchen Property Co., Ltd.	中國 PRC	中國 PRC	49%	49%	49%	49%	房地產開發 Property development
上海坤輝置業有限公司 Shanghai Kunhui Property Co., Ltd.	中國 PRC	中國 PRC	50%	50%	50%	50%	房地產開發 Property development
北京達成光遠置業有限公司 (「北京達成」) Beijing Dacheng Guangyuan Property Co., Ltd. ("Beijing Dacheng")	中國 PRC	中國 PRC	10%*	10%*	10%*	10%*	房地產開發 Property development
杭州辰旭置業有限公司 Hangzhou Chenxu Property Co., Ltd.	中國 PRC	中國 PRC	30%	20%	30%	20%	房地產開發 Property development
旭皇有限公司 Xu Huang Co., Ltd.	英屬處女群島 BVI	英屬處女群島 BVI	25%	25%	25%	25%	投資控股 Investment holding
合肥琅溪置業有限公司(「合肥琅溪」) Hefei Langxi Property Co., Ltd. ("Hefei Langxi")	中國 PRC	中國 PRC	23%	—	23%	—	房地產開發 Property development
合肥嘉匯置業有限公司 Hefei Jiahui Property Co., Ltd.	中國 PRC	中國 PRC	50%	—	50%	—	房地產開發 Property development
合肥辰旭房地產開發有限公司 Hefei Chenxu Property Development Co., Ltd.	中國 PRC	中國 PRC	50%	—	50%	—	房地產開發 Property development
杭州旭發置業有限公司 Hangzhou Xufa Property Co., Ltd.	中國 PRC	中國 PRC	30%	—	30%	—	房地產開發 Property development
天津旭浩房地產開發有限公司 Tianjin Xuhao Property Development Co., Ltd.	中國 PRC	中國 PRC	30%	—	30%	—	房地產開發 Property development
武漢輝恒置業有限公司 Wuhan Huiheng Property Co., Ltd.	中國 PRC	中國 PRC	30%	—	30%	—	房地產開發 Property development

17. 於聯營公司的權益(續)

17. INTERESTS IN ASSOCIATES (Continued)

聯營公司名稱 Name of associates	註冊成立/ 成立地點 Place of incorporation/ establishment	經營地點 Place of operation	本集團應佔股權 Equity interest attributable to the Group		本集團所持投票權比率 Proportion of voting power held by the Group		主要業務 Principal activities
			二零一六年 2016	二零一五年 2015	二零一六年 2016	二零一五年 2015	
重慶睿豐致元實業有限公司 Chongqing Ruifeng Zhiyuan Property Co., Ltd.	中國 PRC	中國 PRC	33%	—	33%	—	房地產開發 Property development
上海毅匹靈建築科技有限公司 Shanghai Yipixi Construction Technology Co., Ltd.	中國 PRC	中國 PRC	30%	—	30%	—	房地產建造 Property construction
杭州濱旭置業有限公司 Hangzhou Bingxu Property Co., Ltd.	中國 PRC	中國 PRC	25%	—	25%	—	房地產開發 Property development
上海永升物業管理有限公司 (「上海永升」)(附註38) Shanghai Yongsheng Property Management Co., Ltd. ("Shanghai Yongsheng") (note 38)	中國 PRC	中國 PRC	30%	100%	30%	100%	房地產管理 Property management
濟南泰盛房地產開發有限公司 (「濟南泰盛」) Jinan Taisheng Property Development Co., Ltd. ("Jinan Taisheng")	中國 PRC	中國 PRC	20%	—	20%	—	房地產開發 Property development
蘇州北辰旭昭置業有限公司(「蘇州北辰」) Suzhou Beichen Xuzhao Property Co., Ltd. ("Suzhou Beichen")	中國 PRC	中國 PRC	50%**	50%	50%**	50%	房地產開發 Property development
杭州錦繁置業有限公司 Hangzhou Jinfan Property Co., Ltd.	中國 PRC	中國 PRC	33%	—	33%	—	房地產開發 Property development
佛山市融鴻房地產有限公司 Foshan Ronghong Property Co., Ltd.	中國 PRC	中國 PRC	33%	—	33%	—	房地產開發 Property development
北京龍熙房地產開發有限公司(「北京龍熙」) Beijing Longxi Property Development Co., Ltd. ("Beijing Longxi")	中國 PRC	中國 PRC	15%*	—	15%*	—	房地產開發 Property development

* 該等公司於各期間結束日期根據各公司的章程大綱及細則入賬為本公司的聯營公司，該等公司的主要財務及營運政策須由董事會簡單多數通過。本集團於北京達成董事會十三名董事中有兩名董事及北京龍熙董事會五名董事中有一名董事，因此，本集團於該等公司擁有重大影響力。

** 蘇州北辰由本集團及其他合營企業夥伴北京北辰實業股份有限公司(「北京北辰」)分別持有50%及50%，並於截至二零一五年十二月三十一日止年度作為一間合營企業入賬。截至二零一六年十二月三十一日止年度，蘇州北辰的股東簽署一項備忘錄，據此，蘇州北辰所有策略性財務及經營決定須由其董事會(五名董事中三名由北京北辰提名)以過半數批准。因此，本集團不再擁有蘇州北辰的共同控制權，惟仍就蘇州北辰擁有重大影響力。於變動日期，蘇州北辰已自一間合營企業重新分類至一間聯營公司，賬面值為人民幣339,321,000元。

* These companies are accounted for as associates of the Company as at respective period end date as in accordance with the memorandum and article of the companies, major financial and operating policies of these companies require consent with simple majority in the board of directors. The Group has two out of thirteen directors in the board of Beijing Dacheng, and one out of five directors in the board of Beijing Longxi, thus, the Group has significant influence over these companies.

** Suzhou Beichen was 50% held by the Group and 50% by the other joint venture partner, Beijing North Star Co., Ltd. (北京北辰實業股份有限公司) ("Beijing N Star"), and accounted for as a joint venture for the year ended 31 December 2015. During the year end 31 December 2016, the shareholders of the Suzhou Beichen signed a memorandum pursuant to which all of the strategic financial and operating decisions of Suzhou Beichen must be approved by a simple majority of its board in which three out of the five directors are nominated by Beijing N Star. Therefore, the Group no longer has joint control but has significant influence over Suzhou Beichen. Suzhou Beichen has been reclassified from a joint venture to an associate at the carrying amount of RMB339,321,000 at the date of change.

綜合財務報表附註

Notes to the Consolidated Financial Statements

17. 於聯營公司的權益(續)

非個別重大聯營公司的匯總資料

17. INTERESTS IN ASSOCIATES (Continued)

Aggregate information of associates that are not individually material

		截至 二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 人民幣千元 RMB'000	截至 二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 人民幣千元 RMB'000
本集團應佔溢利(虧損)及全面 收益(開支)總額	The Group's share of profit (loss) and total comprehensive income (expense)	55,324	(32,908)
		於 二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000	於 二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000
本集團於該等聯營公司的權益 賬面值總額	Aggregate carrying amount of the Group's interests in these associates	1,334,453	588,620

18. 於合營企業的權益

本集團於合營企業的權益詳情如下：

18. INTERESTS IN JOINT VENTURES

Details of the Group's interests in joint ventures are as follows:

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
於合營企業非上市投資成本	Cost of unlisted investments in joint ventures	6,316,727	6,929,474
應佔收購後業績及其他全面收益， 扣除已收股息	Share of post-acquisition results and other comprehensive income, net of dividend received	1,187,739	180,323
		7,504,466	7,109,797

於二零一六年及二零一五年十二月三十一日，本集團合營企業的詳情載列如下： Particulars of the Group's joint ventures as at 31 December 2016 and 2015 are set out as follows:

合營企業名稱 Name of joint venture	註冊成立/ 成立地點 Place of incorporation/ establishment	經營地點 Place of operation	本集團應佔股權 Equity interest attributable to the Group		本集團所持投票權比率 Proportion of voting power held by the Group		主要業務 Principal activities
			二零一六年 2016	二零一五年 2015	二零一六年 2016	二零一五年 2015	
上海首嘉置業有限公司 Shanghai Shoujia Property Co., Ltd.	中國 PRC	中國 PRC	40%#	40%#	40%#	40%#	房地產開發 Property development
上海綠旭置業有限公司 Shanghai LvXu Property Co., Ltd.	中國 PRC	中國 PRC	50%	50%	50%	50%	房地產開發 Property development
上海新城旭地房地產有限公司 Shanghai Xincheng Xudi Real Estate Development Co., Ltd.	中國 PRC	中國 PRC	50%	50%	50%	50%	房地產開發 Property development
蘇州旭邦置業有限公司 (「蘇州旭邦」)(附註38) Suzhou Xubang Property Co., Ltd. ("Suzhou Xubang") (Note 38)	中國 PRC	中國 PRC	50%	50%	50%	50%	房地產開發 Property development

綜合財務報表附註

Notes to the Consolidated Financial Statements

18. 於合營企業的權益(續)

18. INTERESTS IN JOINT VENTURES (Continued)

合營企業名稱 Name of joint venture	註冊成立/ 成立地點 Place of incorporation/ establishment	經營地點 Place of operation	本集團應佔股權 Equity interest attributable to the Group		本集團所持投票權比率 Proportion of voting power held by the Group		主要業務 Principal activities
			二零一六年 2016	二零一五年 2015	二零一六年 2016	二零一五年 2015	
天津旭科房地產開發有限公司 (「天津旭科」)(附註37) Tianjin Xuke Real Estate Development Co., Ltd. ("Tianjin Xuke") (Note 37)	中國 PRC	中國 PRC	不適用 N/A	50%	不適用 N/A	50%	房地產開發 Property development
重慶旭原創展房地產開發 有限公司 Chongqing Xuyuan Chuangzhan Real Estate Development Co., Ltd.	中國 PRC	中國 PRC	30%#	30%#	30%#	30%#	房地產開發 Property development
蘇州旭悅置業有限公司 Suzhou Xuyue Property Co., Ltd.	中國 PRC	中國 PRC	40%#	40%#	40%#	40%#	房地產開發 Property development
北京旭天恒置業有限公司 Beijing Xutianheng Property Co., Ltd.	中國 PRC	中國 PRC	49%#	49%#	49%#	49%#	房地產開發 Property development
北京旭輝永同昌置業有限公司 Beijing Xuhui Yongtongchang Property Co., Ltd.	中國 PRC	中國 PRC	49%#	49%#	49%#	49%#	投資控股 Investment holding
旭寶有限公司 Xu Bao Co., Ltd.	英屬處女群島 BVI	中國 PRC	50%	50%	50%	50%	投資控股 Investment holding
東時投資有限公司 Eastime Investment Limited	英屬處女群島 BVI	中國 PRC	50%	50%	50%	50%	投資控股 Investment holding
旭溥有限公司 Xu Pu Co. Limited	英屬處女群島 BVI	中國 PRC	35%#	35%#	35%#	35%#	投資控股 Investment holding

18. 於合營企業的權益(續)

18. INTERESTS IN JOINT VENTURES (Continued)

合營企業名稱 Name of joint venture	註冊成立/ 成立地點 Place of incorporation/ establishment	經營地點 Place of operation	本集團應佔股權 Equity interest attributable to the Group		本集團所持投票權比率 Proportion of voting power held by the Group		主要業務 Principal activities
			二零一六年 2016	二零一五年 2015	二零一六年 2016	二零一五年 2015	
			Coastwise Limited ("Coastwise")	英屬處女群島 BVI	中國 PRC	50%	
上海旭梭實業有限公司(附註38) (「上海旭梭」) Shanghai Xusuo Industry Co., Ltd. (Note 38) ("Shanghai Xusuo")	中國 PRC	中國 PRC	34%#	100%	34%#	100%	房地產開發 Property development
蘇州凱合投資諮詢有限公司 (附註38)(「蘇州凱合」) Suzhou Kaihe Investment Consultancy Co., Ltd. (Note 38) ("Suzhou Kaihe")	中國 PRC	中國 PRC	34%#	100%	34%#	100%	房地產開發 Property development
深圳市新威尚達投資有限公司 Shenzhen Xinwei Shangda Investment Co., Ltd.	中國 PRC	中國 PRC	50%#	-	50%#	-	房地產開發 Property development
三亞海力投資置業有限公司 Sanya Haili Investment Property Co., Ltd.	中國 PRC	中國 PRC	50%#	-	50%#	-	房地產開發 Property development
杭州眾旭置業有限公司 Hangzhou Zhongxu Property Co., Ltd.	中國 PRC	中國 PRC	50%#	-	50%#	-	房地產開發 Property development
廣州市保瑞房地產開發有限公司 Guangzhou Baorui Property Development Co., Ltd.	中國 PRC	中國 PRC	19%#	-	19%#	-	房地產開發 Property development

該等公司於各期間結束日期根據各公司的章程大綱及細則入賬為合營企業，該等公司的主要財務及營運政策須由全體董事一致通過。

These companies are accounted for as joint ventures as at respective period end date as in accordance with the memorandum and articles of the companies, major financial and operating policies of these companies require the unanimous consent of all directors.

綜合財務報表附註

Notes to the Consolidated Financial Statements

18. 於合營企業的權益(續)

本集團於合營企業的投資詳情如下：

以下載列有關本集團合營企業的財務資料概要。下述財務資料概要為合營企業根據國際財務報告準則編製的未經審核管理賬目所示金額。

Coastwise

		於 二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000	於 二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000
流動資產	Current assets	10,855,525	3,334,151
非流動資產	Non-current assets	4,255,139	2,856,031
流動負債	Current liabilities	5,329,093	258,378
非流動負債	Non-current liabilities	3,422,871	338,566

		截至 二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 人民幣千元 RMB'000	截至 二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 人民幣千元 RMB'000
收入	Revenue	—	—
年內利潤及全面收益總額	Profit and total comprehensive income for the year	772,104	695,895

18. INTERESTS IN JOINT VENTURES (Continued)

Details of the Group's investments in joint ventures are as follows:

Summarised financial information in respect of the Group's joint venture is set out below. The summarised financial information below represents amounts shown in the joint ventures' unaudited management accounts prepared in accordance with IFRSs.

Coastwise

18. 於合營企業的權益(續)

上述財務資料概要與綜合財務報表中確認的Coastwise權益的賬面值對賬：

18. INTERESTS IN JOINT VENTURES (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Coastwise recognised in the consolidated financial statements:

		於 二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000	於 二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000
Coastwise的資產淨值	Net assets of Coastwise	6,358,700	5,593,238
本集團於Coastwise的擁有權比例	Proportion of the Group's ownership interest in Coastwise	50%	50%
本集團於Coastwise的權益的賬面值	Carrying amount of the Group's interest in Coastwise	3,179,350	2,796,619

非個別重大合營企業的匯總資料

Aggregate information of joint ventures that are not individually material

		截至 二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 人民幣千元 RMB'000	截至 二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 人民幣千元 RMB'000
本集團應佔溢利(虧損)或其他全面 收益(開支)總額	The Group's share of profit (loss) and other comprehensive income (expense)	621,364	(142,414)

18. 於合營企業的權益(續)

18. INTERESTS IN JOINT VENTURES (Continued)

		於 二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000	於 二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000
本集團於該等合營企業的 權益賬面值總額	Aggregate carrying amount of the Group's interests in these joint ventures	4,325,116	4,313,178

19. 於物業項目的投資

19. INVESTMENTS IN PROPERTY PROJECTS

		二零一六 2016 人民幣千元 RMB'000	二零一五 2015 人民幣千元 RMB'000
於物業項目的投資	Investments in property projects	529,225	–

上述餘額指本集團於蘇州、宜昌及長沙物業項目的權益，而將予收取的金額乃根據與相關方訂立的各項安排所訂明相關物業單位的銷售及成本釐定，且將於報告期末按公平值列賬。於二零一六年十二月三十一日的公平值乃基於與本集團並無關連的獨立合資格專業估值師行第一太平戴維斯估值及專業顧問有限公司進行的估值而得出。第一太平戴維斯估值及專業顧問有限公司擁有合適評估資格，且近期於評估相關地點的類似物業方面擁有經驗。有關公平值計量的詳情載於附註47(g)。

The above balance represents the Group's interests in the property projects located in Suzhou, Yixing and Changsha of which the amounts to be receivable are determined based on the sales and costs of the relevant property units specified in the respective arrangement with the counterparts and it is carried at fair value at the end of the reporting period. The fair value at 31 December 2016 has been arrived on the basis of valuation carried out by Savills Valuation and Professional Services Limited, a firm of independent qualified professional valuers not connected with the Group, who have appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations. Details of the fair value measurements are set out in note 47(g).

20. 可供出售投資

20. AVAILABLE-FOR-SALE INVESTMENTS

			二零一六年 2016	二零一五年 2015
		附註 Notes	人民幣千元 RMB'000	人民幣千元 RMB'000
按成本入賬的上市股本投資	Listed equity investment, at cost	a	54,023	54,023
按成本入賬的非上市股本投資	Unlisted equity investments, at cost	b	484,880	—
按成本入賬的非上市私人資金	Unlisted private fund, at cost	c	202,073	—
			740,976	54,023

附註：

- a) 上市股本投資指於中國成立並於全國中小企業股份轉讓系統上市的實體投資。本公司董事認為，由於成交量較低，故有關投資並無活躍市場。該投資乃於報告期末按成本減減值計量，此乃由於所估計合理公平值的範圍過大，故本公司董事認為其公平值無法可靠計量所致。
- b) 非上市股本投資指於私人實體的投資。由於合理公平值的估計範圍甚廣，故本公司董事認為其公平值不能可靠計量，有關投資於報告期末按成本減減值計量。
- c) 具有禁售期的非上市私人基金投資於二零一六年十一月由在中國註冊成立的私人實體成立，乃於報告期末按成本計量。由於合理公平值的估計範圍甚廣，故本公司董事認為其公平值不能可靠計量，有關投資於報告期末按成本減減值計量。

Note:

- a) The listed equity investment represents investment in an entity established in the PRC and listed on the National Equities Exchange and Quotation System. The directors of the Company are of the opinion that there is no active market for the investments due to low trading volume. The investment is measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimates are so significant that the directors of the Company are of the opinion that their fair value cannot be reliably measured.
- b) The unlisted equity investments represent investments in private entities. The investments are measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimates are so significant that the directors of the Company are of the opinion that their fair value cannot be reliably measured.
- c) The unlisted private fund investment with lock-up periods is established in November 2016 by private entities incorporated in PRC, which is measured at cost at the end of the reporting period. The investments are measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimates are so significant that the directors of the Company are of the opinion that their fair value cannot be reliably measured.

21. 衍生金融工具

21. DERIVATIVE FINANCIAL INSTRUMENTS

			二零一六年 2016	二零一五年 2015
			人民幣千元 RMB'000	人民幣千元 RMB'000
非作為對沖工具的 衍生金融工具：	Derivative financial instruments not designated as hedging instruments:			
外幣遠期合約	Foreign currency forward contracts		314,768	—

於二零一六年十二月三十一日，遠期合約的遠期合約名義總額為1,098,000,000美元(二零一五年：無)。

As at 31 December 2016, total notional amount of the forward contracts was USD1,098,000,000 (2015:Nil) in aggregate for the forward contracts.

22. 就收購股權已付的按金

22. DEPOSITS PAID FOR ACQUISITIONS OF EQUITY INTERESTS

於二零一六年十二月三十一日，本集團就收購於香港及中國註冊成立的若干實體的股權所支付的三份按金合共為人民幣622,213,000元。

As at 31 December 2016, the Group had made three deposits of RMB622,213,000 in aggregate for the acquisitions of equity interests in certain Hong Kong and PRC incorporated entities.

綜合財務報表附註

Notes to the Consolidated Financial Statements

23. 長期保證金

於二零一六年十二月三十一日，本集團支付保證金以擔保其將於報告期末起計十二個月後開始的物業項目管理服務。

24. 持作出售物業

本集團的持作出售物業均位於中國。所有持作出售物業按成本或可變現淨值(以較低者為準)列賬。

本集團於二零一六年十二月三十一日抵押約人民幣2,828,419,000元(二零一五年：人民幣666,374,000元)的持作出售物業，以擔保本集團的銀行及其他借款。

25. 擬作出售的開發中物業

23. LONG-TERM DEPOSIT

As at 31 December 2016, the Group had made a deposit for securing property project management service to be commenced by the Group after twelve months from the end of the reporting period.

24. PROPERTIES HELD FOR SALE

The Group's properties held for sale are situated in the PRC. All the properties held for sale are stated at lower of cost and net realisable value.

The Group had pledged properties held for sale of approximately RMB2,828,419,000 (2015: RMB666,374,000) as at 31 December 2016 to secure bank and other borrowings of the Group.

25. PROPERTIES UNDER DEVELOPMENT FOR SALE

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
成本	COST		
年初	At the beginning of the year	20,167,382	9,803,747
添置	Additions	13,987,273	13,150,979
收購附屬公司(附註37)	Acquisition of subsidiaries (Note 37)	2,166,795	11,580,144
出售附屬公司(附註38a)	Disposal of subsidiaries (Note 38a)	(56,429)	(604,275)
轉撥至持作出售物業	Transfer to properties held for sale	(15,010,666)	(13,763,213)
年末	At the end of the year	21,254,355	20,167,382

擬作出售的開發中物業均位於中國，屬中期租賃，指竣工後擬作出售的開發中物業。

於二零一六年十二月三十一日，計入擬作出售的開發中物業約人民幣10,090,651,000元(二零一五年：人民幣10,129,898,000元)指預期自報告期末起逾十二個月後竣工並可供出售的物業。

本集團於二零一六年十二月三十一日抵押約人民幣9,247,319,000元(二零一五年：人民幣13,491,256,000元)的擬作出售的開發中物業，以擔保本集團的銀行及其他借款。

The properties under development for sale are located in the PRC under medium-term leases and represent properties under development for subsequent sale upon completion.

Included in the properties under development for sale as at 31 December 2016 amounting to approximately RMB10,090,651,000 (2015: RMB10,129,898,000) which represent the properties expected to be completed and available for sale after more than twelve months from the end of the reporting period.

The Group had pledged properties under development for sale of approximately RMB9,247,319,000 (2015: RMB13,491,256,000) at 31 December 2016 to secure bank and other borrowings of the Group.

26. 應收賬款及其他應收款項、按金及預付款項

貿易應收款項主要來自出售物業及租金收入。有關已售物業的代價乃根據相關買賣協議的條款且通常自協議日期起計介乎60至180日內支付。根據租賃協議，租金收入應由租戶於兩個月內支付。

26. ACCOUNTS AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

Trade receivables mainly arise from sales of properties and rental income. Considerations in respect of properties sold are paid in accordance with the terms of the related sales and purchase agreements, normally with a range of 60 days to 180 days from the date of agreement. Rental income is paid by tenants within two months in accordance to tenancy agreement.

		二零一六年 2016	二零一五年 2015
		人民幣千元 RMB'000	人民幣千元 RMB'000
貿易應收款項(扣除撥備)	Trade receivables, net of allowance	1,315,103	2,048,163
其他應收款項(扣除撥備)(附註)	Other receivables, net of allowance (note)	7,077,230	3,230,515
預付稅項	Prepaid tax	360,420	274,595
按金及預付款項	Deposits and prepayments	872,396	158,196
		9,625,149	5,711,469

附註：有關金額主要包括就潛在物業發展項目的臨時付款及於完成開發項目後可返還的項目相關按金。其他應收款項並無固定還款期，董事認其須按要求償還，並將於借款日期起一年內收回。賬齡於一年內的其他應收款項(扣除撥備)為人民幣5,885,549,000元(二零一五年：人民幣2,616,717,000元)而賬齡超過一年的其他應收款項為人民幣1,191,681,000元(二零一五年：人民幣613,798,000元)。

Note: The amount mainly includes temporary payments paid for potential property development projects and project-related deposits which would be refundable upon completion of the development projects. There is no fixed repayment term for other receivables and the directors considers they are repayable on demand and will be recovered in one year from the date of advance. The other receivables (net of allowance) amounted to RMB5,885,549,000 (2015: RMB2,616,717,000) with aged within one year and RMB1,191,681,000 (2015: RMB613,798,000) aged over one year respectively.

以下為於報告期末按協議日期編製的貿易應收款項賬齡分析(經扣除撥備)：

The following is an aged analysis of trade receivables, based on the date of agreement and net of allowance, at the end of the reporting period:

		二零一六年 2016	二零一五年 2015
		人民幣千元 RMB'000	人民幣千元 RMB'000
於60日內	Within 60 days	815,941	1,495,225
61至180日	61-180 days	66,126	75,177
181至365日	181-365 days	202,118	321,883
1年以上	Over 1 year	230,918	155,878
		1,315,103	2,048,163

於接納任何企業客戶前，本集團使用內部信貸評估制度評估潛在客戶的信貸質素。

Before accepting any corporate customer, the Group uses an internal credit assessment system to assess the potential customers' credit quality.

綜合財務報表附註

Notes to the Consolidated Financial Statements

26. 應收賬款及其他應收款項、按金及預付款項(續)

於二零一六年十二月三十一日，於報告期末已逾期但本集團尚未就此計提撥備的貿易應收款項賬面值約人民幣433,036,000元(二零一五年：人民幣477,761,000元)計入本集團的應收賬款餘額，原因在於信貸質素並無重大不利變動，且金額仍被視為可收回。

應收賬款及其他應收款項的呆賬撥備變動如下：

26. ACCOUNTS AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

Included in the Group's accounts receivable balance are trade receivables with a carrying amount of approximately RMB433,036,000 (2015: RMB477,761,000) at 31 December 2016 which are past due at the end of the reporting period for which the Group has not provided for allowance as there has not been a significant adverse change in credit quality and the amounts are still considered recoverable.

Movements in the allowance for doubtful debts on accounts and other receivables are as follows:

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
年初結餘	Balance at the beginning of the year	(8,461)	(5,888)
撥備撥回(增加)	Write-back of (increase in) allowance	2,598	(2,573)
年末結餘	Balance at the end of the year	(5,863)	(8,461)

本集團根據過往違約率及還款記錄評估應收賬款及其他應收款項的信貸質素，並認為已於報告期末作出足夠撥備。

The Group assessed the credit quality of accounts and other receivables based on historical default rates and the repayment records and considered adequate allowance has been made at the end of the reporting period.

27. 應收／應付非控股權益款項

應收／應付非控股權益款項為無抵押、免息及須按要求償還。

27. AMOUNTS DUE FROM/TO NON-CONTROLLING INTERESTS

The amounts due from/to non-controlling interests are unsecured, interest-free and are repayable on demand.

28. 應收／應付合營企業／聯營公司款項

應收／應付合營企業／聯營公司款項為無抵押、免息及須按要求償還。

28. AMOUNTS DUE FROM/TO JOINT VENTURES AND ASSOCIATES

The amounts due from/to joint ventures and associates are unsecured, interest-free and are repayable on demand.

29. 按公平值計入損益的金融資產

29. FINANCIAL ASSETS AT FVTPL

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
持作買賣投資	Held for trading investment	352,829	–

於二零一六年十二月三十一日，按公平值計入損益的金融資產人民幣352,829,000元(二零一五年：無)指本集團在若干於聯交所及深圳證券交易所上市，並於活躍市場報價的公司的股本投資。

As at 31 December 2016, financial assets at FVTPL of RMB352,829,000 (2015: nil) represented the Group's equity investments in certain companies listed on the Stock Exchange and Shenzhen Stock Exchange, which are quoted in active markets.

所有股本投資的公平值乃根據其於二零一六年十二月三十一日在活躍市場中的報價釐定。

The fair value of all equity investments are based on their quoted prices as of 31 December 2016 in active markets.

於二零一六年十二月三十一日，本集團抵押按公平值計入損益的金融資產人民幣138,392,000元以擔保本集團獲授銀行及其他借款。

As at 31 December 2016, financial assets at FVTPL of RMB138,392,000 was pledged to secure bank and other borrowings of the Group.

綜合財務報表附註

Notes to the Consolidated Financial Statements

30. 已抵押銀行存款／銀行結餘及現金

於二零一六年十二月三十一日，計入綜合財務狀況表銀行結餘及現金內的受限銀行結餘約為人民幣922,492,000元（二零一五年：人民幣678,639,000元），而該等存款僅可用於指定房地產開發項目。

已抵押銀行存款指抵押予銀行作為本集團獲授短期銀行融資的擔保的存款，因而歸類為流動資產。

銀行結餘及現金包括本集團所持現金及原到期日為三個月或以下的活期存款。銀行結餘按現行市場利率計息。

30. PLEDGED BANK DEPOSITS/BANK BALANCES AND CASH

Included in bank balances and cash in the consolidated statement of financial position are restricted bank balances of approximately RMB922,492,000 (2015: RMB678,639,000) at 31 December 2016, which can only be applied in the designated property development projects.

Pledged bank deposits represent deposits pledged to banks to secure short-term banking facilities granted to the Group and are therefore classified as current assets.

Bank balances and cash comprise cash held by the Group and demand deposits with an original maturity of three months or less. Bank balances carry prevailing market interest rates.

	二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
按貨幣計算的銀行結餘及現金分析： Analysis of bank balances and cash by currency:		
— 以人民幣計值 — Denominated in RMB	19,097,634	14,647,743
— 以港元計值 — Denominated in Hong Kong dollars	1,172,867	27,614
— 以美元計值 — Denominated in United States dollars	57,896	198,379
	20,328,397	14,873,736

31. 應付賬款及其他應付款項以及應計開支

31. ACCOUNTS AND OTHER PAYABLES, AND ACCRUED CHARGES

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
應付賬款	Accounts payables	3,737,989	3,905,090
其他應付款項及應計開支	Other payables and accrued charges	4,116,338	3,413,999
		7,854,327	7,319,089

有關建設的貿易應付款項及應計開支包括建造成本及其他項目相關開支，該等款項乃根據本集團計量的項目進度支付。

Accounts payables and accrued expenditure on construction comprise construction costs and other project-related expenses which are payable based on project progress measured by the Group.

貿易應付款項的平均信貸期為60日。本集團已制訂財務風險管理政策，以確保所有應付款項均於信貸期限內償付。

The average credit period of trade payables is 60 days. The Group has financial risk management policies in place to ensure that all payables are within the credit timeframe.

以下為於報告期末按發票日期編製的貿易應付款項賬齡分析：

The following is an aged analysis of accounts payables, based on the invoice date, at the end of the reporting period:

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
於60日內	Within 60 days	1,326,681	2,047,752
61至180日	61–180 days	631,624	473,606
181至365日	181–365 days	1,077,546	757,571
1年以上	Over 1 year	702,138	626,161
		3,737,989	3,905,090

其他應付款項及應計開支主要指應計貸款利息及就招標及執行施工合同自承包商收取的各類按金。

Other payables and accrued charges mainly represent accrued loan interest, various deposits received from contractors in relation to tendering and execution of construction contracts.

綜合財務報表附註

Notes to the Consolidated Financial Statements

32. 銀行及其他借款

32. BANK AND OTHER BORROWINGS

		二零一六年 2016	二零一五年 2015
		人民幣千元 RMB'000	人民幣千元 RMB'000
有抵押銀行貸款(附註(d))	Bank loans, secured (note (d))	7,078,339	8,661,819
雙邊貸款(附註(e))	Bilateral loans (note (e))	1,305,723	268,702
銀團貸款(附註(f))	Syndicated loans (note (f))	5,182,585	2,727,382
		13,566,647	11,657,903

於各報告期末的若干銀行及其他借款乃以附註40所載抵押資產及若干附屬公司的部分股權擔保。

Certain bank and other borrowings as at the end of each reporting period were secured by the pledge of assets asset out in note 40 and certain equity interest in certain subsidiaries.

附註：

Notes:

(a) 借款須按以下償還：

(a) The borrowings are repayable:

		二零一六年 2016	二零一五年 2015
		人民幣千元 RMB'000	人民幣千元 RMB'000
一年內或按要求	Within one year or on demand	2,367,536	2,793,500
一年以上，但不超過兩年	More than one year, but not exceeding two years	4,279,591	3,569,081
兩年以上，但不超過三年	More than two years, but not exceeding three years	5,501,963	3,794,053
三年以上，但不超過四年	More than three years, but not exceeding four years	532,227	954,700
五年以上	More than five years	885,330	546,569
		13,566,647	11,657,903
減：流動負債項下所示一年內到期金額	Less: Amount due within one year shown under current liabilities	(2,367,536)	(2,793,500)
一年後到期金額	Amount due after one year	11,199,111	8,864,403

		二零一六年 2016	二零一五年 2015
		人民幣千元 RMB'000	人民幣千元 RMB'000
以貨幣劃分的借款分析：	Analysis of borrowings by currency:		
—以人民幣計值	— Denominated in RMB	6,317,069	9,437,571
—以港元計值	— Denominated in HKD	2,802,207	1,531,277
—以美元計值	— Denominated in USD	4,447,371	689,055
		13,566,647	11,657,903

(b) 於二零一六年十二月三十一日，約人民幣1,880,490,000元(二零一五年：人民幣1,485,500,000元)的定息借款按介乎4.8%至9%(二零一五年：7%至9%)的年利率計息，令本集團面對公平值利率風險。餘下借款按浮動利率安排，於二零一六年十二月三十一日，實際年利率介乎1.5%至6.7%(二零一五年：2.9%至8.1%)，令本集團面對現金流利率風險。

(b) Fixed-rate borrowings amounted to approximately RMB1,880,490,000 (2015: RMB1,485,500,000) carry interest ranging from 4.8% to 9% (2015: 7% to 9%) per annum at 31 December 2016 and expose the Group to fair value interest rate risk. The remaining borrowings are arranged at variable rates with the effective interest rates ranging from 1.5% to 6.7% (2015: 2.9% to 8.1%) per annum at 31 December 2016, and expose the Group to cash flow interest rate risk.

32. 銀行及其他借款(續)

附註：(續)

(c) 於各報告期末的實際利率範圍如下：

		二零一六年 2016	二零一五年 2015
銀行貸款	Bank loans	1.5% – 9%	2.9% – 9%

(d) 於二零一六年十二月三十一日，計入本集團銀行貸款的金額分別約為人民幣1,140,000,000元(二零一五年：人民幣650,000,000元)乃由本公司若干全資附屬公司的股權，即分別為武漢惠譽御恒置業有限公司(「武漢惠譽御恒」)全部股權、杭州旭廣置業有限公司(「杭州旭廣」)全部股權及武漢惠譽華天置業有限公司全部股權(二零一五年：合肥旭遠的全部股權)(附註40)作抵押。

(e) 本公司(作為借款方)與多間離岸銀行及融資機構(作為貸款方)訂立融資協議(「雙邊貸款」)。該等貸款的尚未償還總額約為人民幣1,305,700,000(二零一五年：人民幣268,700,000元)。雙邊貸款的年期最多為三年並由本公司若干離岸附屬公司作抵押，並分別以香港銀行同業拆息率加3.00厘、香港銀行同業拆息率加3.70厘、中國人民銀行的基本利率及恒生銀行人民幣最優惠利率加1.90厘的年利率計息。

(f) 於二零一六年三月十一日，本公司(作為借款方)，及本公司若干離岸附屬公司(作為初步擔保人)，與一組財務機構(作為貸款方)訂立銀團貸款協議(「二零一九到期年銀團貸款」)。二零一九年到期的銀團貸款為雙幣種的固定期限貸款融資，總額約600,000,000美元，分為兩部分：(i) 美元部分合共495,000,000美元；及(ii) 港元部分合共819,000,000港元，最後期限為自首次動用日期起計三年，並按倫敦銀行同業拆息率或香港銀行同業拆息率加4.00厘的年利率計息。

於二零一五年一月二十日，本公司與一組財務機構訂立貸款協議。有關貸款為一筆美元/港元雙幣種總額約為130,000,000美元的定期貸款融資，最後還款期為自首次動用日期起計36個月，並以倫敦銀行同業拆息率或香港銀行同業拆息率加4.75厘的年利率計息。

於二零一四年十一月四日，本集團擁有50%權益的一間附屬公司與一組境外財務機構及一組境內財務機構訂立境外融資協議及境內融資協議。有關境外融資協議為以港元計值總額為1,440,000,000港元的定期貸款融資，最後到期日為首次動用日期起計三年，並以倫敦銀行同業拆息率加4.00厘的年利率計息。有關境內融資協議為以人民幣計值總額為人民幣1,500,000,000元的定期貸款融資，最後到期日為首次動用日期起計三年，年利率按人民銀行基準利率乘以106%計算。

32. BANK AND OTHER BORROWINGS (Continued)

Notes: (Continued)

(c) The range of effective interest rates at the end of each reporting period are as follows:

(d) Included in the Group's bank loans, amount of approximately RMB1,140,000,000 (2015: RMB650,000,000) as at 31 December 2016 is secured by equity interests of certain wholly owned subsidiaries of the Company, being 100% equity interests of Wuhan Huiyu Yuheng Property Co., Ltd. ("Wuhan Huiyu Yuheng"), 100% equity interests of Hangzhou Xuguang Property Co., Ltd. ("Hangzhou Xuquang") and 100% equity of Wuhan Huiyu Huatian Property Co., Ltd (2015: 100% equity interests of Hefei Xuyuan) respectively (note 40).

(e) The Company as borrower, entered into facility agreements with various offshore banks and financial institutions as lenders ("Bilateral loans"). The aggregate outstanding amount under these loans amount to approximately RMB1,305.7 million (2015: RMB268.7 million). The Bilateral loans have terms ranging up to three years and were secured by certain offshore subsidiaries of the company and interest of HIBOR plus 3.00%, HIBOR plus 3.70%, PBOC Base Rate and the HASE RMB Prime Rate plus 1.90% per annum respectively.

(f) On 11 March 2016, the Company as borrower, and certain offshore subsidiaries of the Company as initial guarantors, entered into a syndicated loan agreement ("2019 due Syndicated Loan") with a group of financial institutions as lenders. The 2019 due Syndicated Loan is a dual-currency term loan facility with an aggregate amount of approximately US\$600 million divided into two tranches: (i) United States dollars tranche with an aggregate amount of US\$495 million; and (ii) Hong Kong dollars tranche with an aggregate amount of HK\$819 million, with final maturity of three years from the date of first utilisation date and interest of LIBOR or HIBOR plus 4.00% per annum.

On 20 January 2015, the Company entered into a facility agreement with a group of financial institutions. The relevant facility is a US dollar/Hong Kong dollar dual currency term loan facility with an aggregate amount of approximately US\$130 million, with final maturity of thirty six months after the first utilization date and interest of LIBOR or HIBOR plus 4.75% per annum.

On 4 November 2014, a 50% owned subsidiary of the Group entered into an offshore facility agreement and an onshore facility agreement with a group of offshore financial institutions and a group of onshore financial institutions. The relevant offshore agreement is a Hong Kong dollar denominated term loan facility with an aggregate amount of HK\$1,440 million with final maturity of three years from the first utilization date and interest of LIBOR plus 4.00% per annum. The relevant onshore agreement is a Renminbi denominated term loan facility with an aggregate amount of RMB1,500 million with final maturity of three years from the first utilization date and interest of 106% times PBOC Base Lending Rate per annum.

綜合財務報表附註

Notes to the Consolidated Financial Statements

33. 優先票據

33. SENIOR NOTES

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
以美元計值的優先票據	Senior notes denominated in US\$		
二零一八年到期優先票據	Senior notes due in 2018	–	3,096,327
二零一九年到期優先票據	Senior notes due in 2019	2,890,449	2,624,258
二零二零年到期優先票據	Senior notes due in 2020	2,792,562	2,555,373
		5,683,011	8,275,958

於二零一三年四月十五日，本公司向公眾發行面值總額達275,000,000美元有擔保的定息優先票據（「二零一八年到期原票據」），以每年12.25厘定息計息（每半年支付一次應計利息）。

On 15 April 2013, the Company issued guaranteed fixed rate senior notes to the public at par with aggregate nominal value of US\$275,000,000 (the “2018 due Original Notes”) which carry fixed interest of 12.25% per annum (interest payable semi-annually in arrears).

於二零一三年九月十八日，本公司以溢價4%向公眾發行面值總額達225,000,000美元有擔保的定息優先票據（「二零一八年到期額外票據」），以每年12.25厘定息計息（每半年支付一次應計利息）。

On 18 September 2013, the Company issued guaranteed fixed rate senior notes to the public at premium of 4% with aggregate nominal value of US\$225,000,000 (the “2018 due Additional Notes”) which carry fixed interest of 12.25% per annum (interest payable semi-annually in arrears).

於二零一六年四月十五日，本集團按相等於本金額106.125%的贖回價加上應計但未付利息及提早贖回優先票據導致的虧損共人民幣182,263,000元，悉數贖回於二零一八年到期的優先票據，而於二零一五年九月二十九日，本公司按相當於本金額106.125%的贖回價加上應計但未支付利息及提早贖回優先票據導致的虧損共人民幣20,725,000元，贖回於而二零一八年到期的優先票據。

On 15 April 2016, the Company fully redeemed the senior notes due in 2018 at a redemption price equal to 106.125% of the principal amount plus the accrued and unpaid interest and incurred loss on early redemption of senior notes amounted to RMB182,263,000, while on 29 September 2015, the Company redeemed the senior notes due in 2018 at a redemption price equal to 106.125% of the principal amount plus the accrued and unpaid interest and incurred loss on early redemption of senior notes amounted to RMB20,725,000.

33. 優先票據(續)

於二零一四年一月二十七日，本公司以0.455厘折讓向公眾發行面值總額達200,000,000美元有擔保的定息優先票據(「二零一九年到期原先票據」)，以年利率8.875厘的定息計息(每半年支付一次應計利息)，並將於二零一九年一月二十七日悉數償還。

於二零一五年一月十二日，本公司訂立認購協議，據此，認購方同意認購面值總額達200,000,000美元的額外定息優先票據(「二零一九年到期額外票據」)，以年利率8.875厘的定息計息，並將於二零一九年一月二十七日前悉數償還。此批優先票據將合併並以二零一九到期年原先票據的相同條款及條件(發行日期及發行價除外)與二零一九年到期原先票據構成單一系類票據。

於二零一五年六月五日，本公司以折讓0.509%發行面值總額達400,000,000美元有擔保的定息優先票據(「二零二零年到期票據」)，以年利率7.75厘的定息計息(每半年支付一次應付利息)，並將於二零二零年六月五日悉數償還。

二零一八年到期原先票據、二零一八年到期額外票據、二零一九年到期原先票據、二零一九年到期額外票據及二零二零年到期原先票據均於聯交所上市，為無抵押、本公司優先責任，並由本公司若干並非根據中國法律成立的現有附屬公司擔保。該等擔保實際從屬於各擔保方的其他有抵押責任，惟以所抵押的資產價值為限。

33. SENIOR NOTES (Continued)

On 27 January 2014, the Company issued guaranteed fixed rate senior notes to the public at discount of 0.455% with aggregate nominal value of US\$200,000,000 (the "2019 due Original Notes") which carry fixed interest of 8.875% per annum (interest payable semi-annually in arrears) and will be fully repayable by 27 January 2019.

On 12 January 2015, the Company entered into a subscription agreement pursuant to which the subscriber agreed to subscribe for additional fixed rate senior notes with the aggregate nominal value of US\$200,000,000 (the "2019 due Additional Notes") which carry fixed interest of 8.875% per annum and will be fully repayable by 27 January 2019. This batch of senior notes will be consolidated and form a single series with the 2019 due Original Notes with the same terms and conditions of the 2019 due Original Notes, except for the issue date and the issue price.

On 5 June 2015, the Company issued guaranteed fixed rate senior notes at discounted of 0.509% with aggregate nominal value of US\$400,000,000 (the "2020 due Notes") which carry fixed interest of 7.75% per annum (interest payable semi-annually in arrears) and will be fully repayable by 5 June 2020.

The 2018 due Original Notes, the 2018 due Additional Notes, the 2019 due Original Notes, the 2019 due Additional Notes and the 2020 due Notes are listed on the Stock Exchange. They are unsecured, senior obligations of the Company and guaranteed by certain of the Company's existing subsidiaries, other than those organised under the laws of the PRC. The guarantees are effectively subordinated to the other secured obligations of each guarantor, to the extent of the value of assets serving as security.

33. 優先票據(續)

就二零一九年到期原先票據及二零一九年到期額外票據而言，本公司於二零一七年一月二十七日前隨時及不時，可運用出售其股本發售內普通證券的所得款項現金淨額，按二零一九年到期原先票據及二零一九年到期額外票據本金額108.875%的贖回價，另加計至(惟不包括)贖回日期的應計及未付利息(如有)，贖回本金總額最多35%的二零一九年到期原先票據及二零一九年到期額外票據(須受若干條件限制)。此外，本公司於二零一七年一月二十七日前隨時及不時，可按二零一九年到期原先票據及二零一九年到期額外票據本金額100%的贖回價，另加於贖回日期的二零一九年適用溢價以及計至(惟不包括)贖回日期的應計及未付利息(如有)，選擇贖回全部而非部分二零一九年到期原先票據及二零一九年到期額外票據。

「二零一九年適用溢價」指，於任何贖回日期，就二零一九年到期原先票據及二零一九年到期額外票據而言，(1)二零一九年到期原先票據及二零一九年到期額外票據本金額的1.00%與(2)(A)(i)二零一九年到期原先票據及二零一九年到期額外票據於二零一七年一月二十七日的贖回價加(ii)直至二零一七年一月二十七日二零一四年票據所有規定餘下到期擬定利息付款(惟不包括直至贖回日期的應計及未付利息)的金額於有關贖回日期的現值(按相當於經調整國債利率加100個基點的貼現率計算)超出(B)於有關贖回日期二零一九年到期原先票據及二零一九年到期額外票據本金額的款額兩者之間的較高者。

33. SENIOR NOTES (Continued)

For the 2019 Original Notes and 2019 due Additional Notes at any time and from time to time prior to 27 January 2017, the Company may redeem up to 35% of the aggregate principal amount of the 2019 due Original Notes and 2019 due Additional Notes at a redemption price of 108.875% of the principal amount of the 2019 due Original Notes and 2019 due Additional Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date, with the net cash proceeds from sales of its common stock in an equity offering, subject to certain conditions. In addition, at any time and from time to time prior to 27 January 2017, the Company may at its option redeem the 2019 due Original Notes and 2019 due Additional Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2019 due Original Notes and 2019 due Additional Notes plus the 2019 Applicable Premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date.

“2019 Applicable Premium” means with respect to the 2019 due Original Notes and 2019 due Additional Notes at any redemption date, the greater of (1) 1.00% of the principal amount of such 2019 due Original Notes and 2019 due Additional Notes and (2) the excess of (A) the present value at such redemption date of (i) the redemption price of such 2019 due Original Notes and 2019 due Additional Notes on 27 January 2017 plus (ii) all required remaining scheduled interest payments due on such 2014 Notes through 27 January 2017 (but excluding accrued and unpaid interest to the redemption date), computed using a discount rate equal to the adjusted treasury rate plus 100 basis points, over (B) the principal amount of such 2019 due Original Notes and 2019 due Additional Notes on such redemption date.

33. 優先票據(續)

倘於下文所示任何年度一月二十七日開始的十二個月期間贖回，則本公司可於二零一七年一月二十七日或之後隨時及不時，按相等於下文載列的本金額百分比的贖回價，另加計至(惟不包括)贖回日期的應計及未付利息(如有)，贖回全部或部分二零一九年到期原先票據及二零一九年到期額外票據：

期間	Period	贖回價 Redemption Price
二零一七年	2017	104.4380%
二零一八年	2018	102.2190%

就二零二零年到期票據而言，本公司可於二零一八年六月五日前隨時及不時運用出售其股本發售內普通證券的所得款項現金淨額，按二零二零年到期票據本金額107.75%的贖回價，另加計至(惟不包括)贖回日期的應計及未付利息(如有)，贖回本金總額最多35%的二零二零年到期票據(須受若干條件限制)。此外，本公司可於二零一八年六月五日前隨時及不時，按二零二零年到期票據本金額100%的贖回價，另加於贖回日期的二零二零年適用溢價以及計至(惟不包括)贖回日期的應計及未付利息(如有)，選擇贖回全部而非部分二零二零年到期票據。

「二零二零年適用溢價」指於任何贖回日期，就二零二零年到期票據而言，(1)二零二零年到期票據本金額的1.00%與(2)(A)(i)二零二零年到期票據於二零一八年六月五日的贖回價加(ii)直至二零一八年六月五日二零二零年到期票據所有規定餘下到期擬定利息付款(惟不包括直至贖回日期的應計及未付利息)的金額於有關贖回日期的現值(按相當於經調整國債利率加100個基點的貼現率計算)超出(B)於有關贖回日期二零二零年到期票據本金額的款額兩者之間的較高者。

33. SENIOR NOTES (Continued)

At any time and from time to time on or after 27 January 2017, the Company may redeem the 2019 due Original Notes and 2019 due Additional Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below, plus accrued and unpaid interest, if any, to (but not including) the redemption date, if redeemed during the 12-month period commencing on 27 January of any year set forth below:

For the 2020 due Notes, at any time and from time to time prior to 5 June 2018, the Company may redeem up to 35% of the aggregate principal amount of the 2020 due Notes at a redemption price of 107.75% of the principal amount of the 2020 due Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date, with the net cash proceeds from sales of its common stock in an equity offering, subject to certain conditions. In addition, at any time and from time to time prior to 5 June 2018, the Company may at its option redeem the 2020 due Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2020 due Notes plus the 2020 Applicable Premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date.

“2020 Applicable Premium” means with respect to the 2020 due Notes at any redemption date, the greater of (1) 1.00% of the principal amount of such 2020 due Notes and (2) the excess of (A) the present value at such redemption date of (i) the redemption price of such 2020 due Notes on 5 June 2018 plus (ii) all required remaining scheduled interest payments due on such 2020 due Notes through 5 June 2018 (but excluding accrued and unpaid interest to the redemption date), computed using a discount rate equal to the adjusted treasury rate plus 100 basis points, over (B) the principal amount of such 2020 due Notes on such redemption date.

綜合財務報表附註

Notes to the Consolidated Financial Statements

33. 優先票據(續)

倘於下文所示任何年度六月五日開始的十二個月期間贖回，則本公司可於二零一八年六月五日或之後隨時及不時，按相等於下文載列的本金額百分比的贖回價另加計至(惟不包括)贖回日期的應計及未付利息(如有)，贖回全部或部分二零二零年到期票據：

期間	Period	贖回價 Redemption Price
二零一八年	2018	103.8750%
二零一九年	2019	101.9375%

33. SENIOR NOTES (Continued)

At any time and from time to time on or after 5 June 2018, the Company may redeem the 2020 due Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below, plus accrued and unpaid interest, if any, to (but not including) the redemption date, if redeemed during the 12-month period commencing on 5 June of any year set forth below:

董事認為，於初步確認及報告期末，提早贖回購股權的公平值並不重大。

In the opinion of directors, the fair values of the early redemption options are insignificant at initial recognition and the end of the reporting period.

所有優先票據於二零一六年十二月三十一日的賬面淨值以扣除發行開支合共785,866,000美元(二零一五年：1,266,556,000美元)後列示。

The net carrying amounts of all senior notes as at 31 December 2016 are stated net of issue expenses totalling US\$785,866,000 (2015: US\$1,266,556,000).

二零一九年到期原先票據、二零一九年到期額外票據及二零二零年到期票據的實際利率分別為每年9.47%、9.14%及9.01%。

The effective interest rates of the 2019 due Original Notes, 2019 due Additional Notes and 2020 due Notes are 9.47%, 9.14% and 9.01% per annum respectively.

年內二零一八年到期原先票據、二零一八年到期額外票據、二零一九年到期原先票據、二零一九年到期額外票據及二零二零年到期票據的變動載列如下：

The movements of the 2018 due Original Notes, 2018 due Additional Notes, 2019 due Original Notes, 2019 due Additional Notes and 2020 due Notes for the year are set out below:

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
於一月一日的賬面值	Carrying amount as at 1 January	8,275,958	4,356,950
發行日期的初始公平值	Initial fair values on the dates of issuance	–	3,680,154
提早贖回優先票據	Early redemption of senior notes	(3,057,371)	(174,002)
匯兌虧損	Exchange loss	405,554	308,382
利息開支(附註8)	Interest expenses (note 8)	705,919	737,856
年內已付利息	Interest paid during the year	(647,049)	(633,382)
於十二月三十一日的賬面值	Carrying amount as at 31 December	5,683,011	8,275,958

經參考聯交所報市價，所有優先票據於二零一六年十二月三十一日的公平值總額達約人民幣5,920,209,000元(二零一五年：人民幣8,689,371,000元)。

The aggregated fair value of all the senior notes at 31 December 2016 with reference to the quoted market price available on the Stock Exchange amounted to approximately RMB5,920,209,000 (2015: RMB8,689,371,000).

34. 公司債券

34. CORPORATE BONDS

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
以人民幣計值的公司債券	Corporate bonds denominated in RMB		
二零一八年到期的公司債券	Corporate bonds due in 2018	2,088,970	–
二零二零年到期的公司債券	Corporate bonds due in 2020	4,023,949	4,021,032
二零二一年到期的公司債券	Corporate bonds due in 2021	4,028,549	–
		10,141,468	4,021,032
減：計入流動負債內的一年內 到期金額	Less: amounts due within one year included in current liabilities	(2,088,970)	–
計入非流動負債內的一年後 到期金額	Amounts due after one year included in non-current liabilities	8,052,498	4,021,032

於二零一六年一月二十二日，本公司全資附屬公司旭輝集團有限公司（「旭輝中國」）發行的人民幣2,000,000,000元的非公開發行公司債券（「二零一八年到期人民幣債券」，於上海證券交易所（「上交所」）上市）。二零一八年到期人民幣債券以固定年利率4.99厘計息並將於二零一八年一月二十二日到期，除非持有人提早向旭輝中國售回債券。

於起始日期後的首年年末，旭輝中國（作為發行人）有權調整利率，而二零一八年到期人民幣債券持有人可選擇於到期前隨時向旭輝中國以其本金售回全部或部分債券。二零一八年到期人民幣債券分類為流動負債。

On 22 January 2016, CIFI Group Co., Ltd. (“CIFI PRC”), a wholly-owned subsidiary of the Company, issued non-public corporate bonds of RMB2,000,000,000 (“2018 due RMB Bond”), which are listed on the Shanghai Stock Exchange (“SSE”). 2018 due RMB Bond carry fixed interest of 4.99% per annum and will mature on 22 January 2018 unless the holders sell back the bonds to CIFI PRC earlier.

At the end of the first year subsequent to the inception date, CIFI PRC as the issuer is entitled to adjust interest rate and the holders of 2018 due RMB Bond may at their options to sell back the bonds to CIFI PRC in whole or in part at their principal amount at any time prior to the maturity. 2018 due RMB Bond is classified as current liability.

34. 公司債券(續)

於二零一六年九月二十六日，旭輝中國發行人民幣4,000,000,000元的非公開發行公司債券(於上交所上市)，其中包括：(i)本金額人民幣3,500,000,000元(「首期二零二一年到期人民幣債券」)及(ii)本金額人民幣500,000,000元(「第二期二零二一年到期人民幣債券」)。首期二零二一年到期人民幣債券以年利率4.30厘計息及利息每年支付一次。首期二零二一年到期人民幣債券將於二零二一年九月二十六日到期，除非持有人提早向旭輝中國售回債券。第二期二零二一年到期人民幣債券以年利率5.50厘計息及利息每年支付一次。第二期二零二一年到期人民幣債券將於二零二一年九月二十六日到期。

於二零一五年十月十四日，本公司全資附屬公司旭輝中國發行人民幣3,495,000,000元的公開發行公司債券(「首期二零二零年到期人民幣債券」，於上交所上市)。首期二零二零年到期人民幣債券以年利率4.95厘計息及利息每年支付一次。首期二零二零年到期人民幣債券將於二零二零年十月十三日到期，除非持有人提早向旭輝中國售回債券。

於二零一五年十一月十二日，旭輝中國發行人民幣500,000,000元的公開發行公司債券(「第二期二零二零年到期人民幣債券」，於上交所上市)。第二期二零二零年到期人民幣債券以年利率5.96厘計息及利息每年支付一次。第二期二零二零年到期人民幣債券將於二零二零年十一月十一日到期。

於起始日期後的第三年年末，旭輝中國(作為發行人)有權調整利率，而首期二零二零年到期人民幣債券及第二期二零二零年到期人民幣債券持有人可選擇於到期前隨時向旭輝中國以其本金售回全部或部分債券。

34. CORPORATE BONDS (Continued)

On 26 September 2016, CIFI PRC issued non-public corporate bonds of RMB4,000,000,000 which are listed on the SSE and comprise: (i) a principal amount of RMB3,500,000,000 ("First Tranche 2021 due RMB Bond") and (ii) a principal amount of RMB500,000,000 ("Second Tranche 2021 due RMB Bond"). First Tranche 2021 due RMB Bond carry interest of 4.30% per annum and interest is payable annually. First Tranche 2021 due RMB Bond will mature on 26 September 2021 unless the holders sell back the bonds to CIFI PRC earlier. Second Tranche 2021 due RMB Bond carry interest of 5.50% per annum and interest is payable annually. Second Tranche 2021 due RMB Bond will mature on 26 September 2021.

On 14 October 2015, CIFI PRC, a wholly-owned subsidiary of the Company, issued public corporate bonds of RMB3,495,000,000 ("First Tranche 2020 due RMB Bond") which are listed on the SSE. First Tranche 2020 due RMB Bond carry interest at rate of 4.95% per annum and interest is payable annually. First Tranche 2020 due RMB Bond will mature on 13 October 2020 unless the holders sell back the bonds to CIFI PRC earlier.

On 12 November 2015, CIFI PRC issued public corporate bonds of RMB500,000,000 ("Second Tranche 2020 due RMB Bond") which listed on the SSE. Second Tranche 2020 due RMB Bond carry interest at rate of 5.96% per annum and interest is payable annually. Second Tranche 2020 due RMB Bond will mature on 11 November 2020.

At the end of the third year subsequent to the inception date, CIFI PRC as the issuer is entitled to adjust interest rate and the holders of First Tranche 2020 due RMB Bond and Second Tranche 2020 due RMB Bond may at their options to sell back the bonds to CIFI PRC in whole or in part at their principal amount at any time prior to the maturity.

34. 公司債券(續)

於起始日期後第三年年末，旭輝中國(作為發行人)有權調整利率，而第一批二零二一年到期人民幣債券的持有人可選擇於到期前隨時向旭輝中國以其本金售回全部或部分債券。

二零一八年到期人民幣債券、首期二零二零年到期人民幣債券、第二期二零二零年到期人民幣債券、首期二零二一年到期人民幣債券及第二期二零二一年到期人民幣債券的實際利率分別為每年5.23%、5.04%、6.06%、4.41%及5.61%。

年內，二零一八年到期人民幣債券、首期二零二零年到期人民幣債券、第二期二零二零年到期人民幣債券、首期二零二一年到期人民幣債券及第二期二零二一年到期人民幣債券的變動載列如下：

34. CORPORATE BONDS (Continued)

At the end of the third year subsequent to the inception date, CIFI PRC as the issuer is entitled to adjust interest rate and the holders of First Tranche 2021 due RMB Bond may at their options to sell back the bonds to CIFI PRC in whole or in part at their principal amount at any time prior to the maturity.

The effective interest rates of the 2018 due RMB Bond, First Tranche 2020 due RMB Bond, Second Tranche 2020 due RMB Bond, First Tranche 2021 due RMB Bond and Second Tranche 2021 due RMB Bond are 5.23%, 5.04%, 6.06%, 4.41% and 5.61% per annum respectively.

The movements of the 2018 due RMB Bond, First Tranche 2020 due RMB Bond, Second Tranche 2020 due RMB Bond, First Tranche 2021 due RMB Bond and Second Tranche 2021 due RMB Bond for the year are set out below:

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
於一月一日的賬面值	Carrying amount as at 1 January	4,021,032	–
於發行日期的初步公平值	Initial fair values on the dates of issuance	5,971,741	3,979,613
利息開支(附註8)	Interest expenses (note 8)	351,498	41,419
年內已付利息	Interest paid during the year	(202,803)	–
於十二月三十一日的賬面值	Carrying amount as at 31 December	10,141,468	4,021,032

經參考上交所所報市價，二零一八年到期人民幣債券、首期二零二零年到期人民幣債券、第二期二零二零年到期人民幣債券、首期二零二一年到期人民幣債券及第二期二零二一年到期人民幣債券的公平值總額達約人民幣9,884,456,000元(二零一五年：人民幣4,082,890,000元)。

The aggregated fair values of the 2018 due RMB Bond, First Tranche 2020 due RMB Bond, Second Tranche 2020 due RMB Bond, First Tranche 2021 due RMB Bond and Second Tranche 2021 due RMB Bond with reference to the quoted market price available on the SSE amounted to approximately RMB9,884,456,000 (2015: RMB4,082,890,000).

綜合財務報表附註

Notes to the Consolidated Financial Statements

35. 股本

35. SHARE CAPITAL

		二零一六年 2016 千港元 HK\$'000	二零一五年 2015 千港元 HK\$'000
法定股本：	Authorised:		
10,000,000,000股(二零一五年： 10,000,000,000股)每股面值0.1港元 (二零一五年：每股面值0.1港元)的 普通股	10,000,000,000 (2015: 10,000,000,000) ordinary shares of HK\$0.1 each (2015: HK\$0.1 each)	1,000,000	1,000,000
已發行及繳足：	Issued and fully paid:		
於二零一六年一月一日	At 1 January 2016	667,601	602,658
行使購股權時發行(附註a)	Issued upon exercise of share options (note a)	4,750	741
配售股份(附註b)	Placing of shares (note b)	–	60,000
以股代息發行(附註c)	Issued as scrip dividend (note c)	4,005	13,236
購回股份時註銷(附註d)	Cancelled upon repurchase of shares (note d)	(1,850)	(9,034)
於二零一六年十二月三十一日	At 31 December 2016	674,506	667,601

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
於綜合財務報表呈列為	Shown in the consolidated financial statements as	542,797	537,157

股本變動如下：

The movements in share capital are as follows:

附註：

Notes:

- | | |
|--|---|
| (a) 截至二零一六年十二月三十一日止年度，本公司於行使購股權時發行約47,496,900股(二零一五年：7,409,000股)每股面值0.10港元的普通股。年內，購股權的行使價介乎1.55港元至1.77港元(二零一五年：1.55港元至1.68港元)。新普通股與當時現有股份於各方面享有同等地位。 | (a) During the year ended 31 December 2016, the Company issued approximately 47,496,900 (2015: 7,409,000) ordinary shares of HK\$0.10 each upon exercise of share options. The exercise price of the share options during the year ranging from HK\$1.55 to HK\$1.77 (2015: HK\$1.55 to HK\$1.68). The new ordinary shares rank pari passu with the then existing shares in all respects. |
| (b) 截至二零一五年十二月三十一日止年度，本公司按2.20港元的價格發行600,000,000股股份。配售所得款項淨額約為1,304,000,000港元(相當於人民幣1,028,000,000元)。 | (b) During the year ended 31 December 2015, the Company issued 600,000,000 shares at a price of HK\$2.20. The net proceeds from the placing is approximately HK\$1,304 million (equivalent to RMB1,028 million). |
| (c) 截至二零一六年十二月三十一日止年度，本公司約40,046,601股(二零一五年：132,360,000股)每股面值0.10港元的普通股按每股1.768港元(二零一五年：2.272港元)以股代息發行。 | (c) During the year ended 31 December 2016, approximately 40,046,601 (2015: 132,360,000) ordinary shares of HK\$0.10 each in the Company were issued at HK\$1.768 (2015: HK\$2.272) per share as scrip dividend. |

35. 股本(續)

(d) 截至二零一六年十二月三十一日止年度，本公司於透過聯交所購回18,500,000股(二零一五年：90,338,000股)股份後所購回及註銷的股份如下：

購回月份	每0.1港元 普通股的 數量	每股價格		所付合共代價
		最高	最低	
一月	18,500,000	1.450港元	1.370港元	26,086,000港元

年內，概無本公司股東購買、出售或贖回本公司上市證券。

(e) 根據本公司組織章程細則第24.2條，本公司可通過股份溢價賬及保留溢利賬支付末期股息。

35. SHARE CAPITAL (Continued)

(d) During the year ended 31 December 2016, the Company had repurchased and cancelled upon repurchase 18,500,000 (2015: 90,338,000) shares through the Stock Exchange as follows:

Month of repurchase	No. of ordinary shares of HK\$0.1 each	Price per share		Aggregate consideration paid
		Highest	Lowest	
January	18,500,000	HK\$1.450	HK\$1.370	HK\$26,086,000

None of the company's shareholders purchased, sold or redeemed any of the Company's listed securities during the year.

(e) Pursuant to article 24.2 of the Company's Articles of Association, the Company is permitted to pay out final dividend from share premium account and retained profit account.

有關參考上述本公司已發行股本變動的交易概述如下：

A summary of the transactions with reference to the above-mentioned movements in the Company's issued share capital is as follows:

		已發行繳足		股份溢價	普通股面值	股份溢價	總計
		普通股數目	普通股面值		等值	等值	
		Number	Nominal	Share	Equivalent	Equivalent	Total
		of issued	value of	premium	ordinary	share	
		fully paid	ordinary	shares	ordinary	premium	
		ordinary	shares	shares	ordinary	share	
		shares	shares	shares	ordinary	premium	
			千港元	千港元	人民幣千元	人民幣千元	人民幣千元
			HK\$'000	HK\$'000	RMB'000	RMB'000	RMB'000
於二零一五年一月一日	At 1 January 2015	6,026,579,000	602,658	1,247,091	487,896	826,202	1,314,098
行使購股權時發行股份	Issue of shares upon exercise of share options	7,409,000	741	14,230	593	11,384	11,977
發行股份以配售股份	Issued of shares for share placement	600,000,000	60,000	1,244,000	47,280	980,272	1,027,552
就以股代息發行股份	Issue of shares for scrip dividend	132,360,000	13,236	287,485	10,430	(10,430)	-
於購回股份時註銷	Cancelled upon repurchase of shares	(90,338,178)	(9,034)	(113,715)	(9,042)	(95,179)	(104,221)
已付股息(附註(e))	Dividend paid (note (e))	-	-	(866,418)	-	(456,166)	(456,166)
於二零一五年十二月三十一日	At 31 December 2015	6,676,009,822	667,601	1,812,673	537,157	1,256,083	1,793,240
行使購股權時發行股份	Issue of shares upon exercise of share options	47,496,963	4,750	92,951	4,073	79,708	83,781
就以股代息發行股份	Issue of shares for scrip dividend	40,046,601	4,004	66,798	3,384	(3,384)	-
於購回股份時註銷	Cancelled upon repurchase of shares	(18,500,000)	(1,850)	(24,236)	(1,817)	(21,517)	(23,334)
已付股息(附註(e))	Dividend paid (note (e))	-	-	(1,002,846)	-	(794,500)	(794,500)
於二零一六年十二月三十一日	At 31 December 2016	6,745,053,386	674,505	945,340	542,797	516,390	1,059,187

綜合財務報表附註

Notes to the Consolidated Financial Statements

36. 遞延稅項

以下為於年內確認的主要遞延稅項資產(負債)及其中變動：

36. DEFERRED TAXATION

The following are the major deferred taxation assets (liabilities) recognised and movements thereon during the years:

		公司間交易 未變現收益 (虧損)的 臨時差額 Temporary differences on unrealised gain (loss) arising from inter-company transactions 人民幣千元 RMB'000	投資物業及 其他物業 公平值 Fair value of investment properties and other properties 人民幣千元 RMB'000	土地增值稅 撥備的 臨時差額 Tax losses 人民幣千元 RMB'000	土地增值稅 撥備的 臨時差額 Temporary differences on LAT provision 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
於二零一五年一月一日	At 1 January 2015	16,224	(986,023)	53,470	110,693	(805,636)
於損益計入(扣除)	Credit (charge) to profit or loss	(4,539)	(32,024)	9,733	(38,979)	(65,809)
收購附屬公司(附註37)	Acquisition of subsidiaries (note 37)	-	(115,632)	-	-	(115,632)
於二零一五年十二月三十一日	At 31 December 2015	11,685	(1,133,679)	63,203	71,714	(987,077)
於損益計入(扣除)	Credit (charge) to profit or loss	(7,065)	22,568	(35,405)	15,760	(4,142)
收購附屬公司(附註37)	Acquisition of subsidiaries (note 37)	-	(25,521)	-	-	(25,521)
於二零一六年十二月三十一日	At 31 December 2016	4,620	(1,136,632)	27,798	87,474	(1,016,740)

為呈報綜合財務狀況表，若干遞延稅項資產(負債)已抵銷。以下為就財務報告作出的遞延稅項結餘分析：

For the presentation purposes on the consolidated statement of financial position, certain deferred taxation assets (liabilities) have been offset. The following is the analysis of the deferred taxation balances for financial reporting purposes:

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
遞延稅項資產	Deferred taxation assets	319,795	286,753
遞延稅項負債	Deferred taxation liabilities	(1,336,535)	(1,273,830)
		(1,016,740)	(987,077)

36. 遞延稅項(續)

於二零一六年十二月三十一日，本集團擁有未動用稅務虧損約人民幣915,981,000元(二零一五年：人民幣851,169,000元)可供抵銷未來利潤。於二零一六年十二月三十一日，已就約人民幣105,398,000元(二零一五年：人民幣252,812,000元)虧損確認遞延稅項資產。由於不可預測未來利潤來源，故於二零一六年十二月三十一日概無就餘下虧損約人民幣810,583,000元(二零一五年：人民幣598,357,000元)確認遞延稅項資產。未確認稅務虧損將於下列年度屆滿：

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
二零一六年	2016	–	6,234
二零一七年	2017	5,664	11,789
二零一八年	2018	8,694	20,373
二零一九年	2019	149,662	246,281
二零二零年	2020	245,416	313,680
二零二一年	2021	401,147	–
		810,583	598,357

於二零一六年十二月三十一日，本集團來自有關建造物業的公司間交易及已峻工停車場的公司間轉讓產生的可扣稅臨時差額約為人民幣89,104,000元(二零一五年：人民幣122,596,000元)。由於不大可能有應課稅利潤可供抵銷可扣稅臨時差額，故並無就該等可扣稅臨時差額確認遞延稅項資產。

根據《中國企業所得稅法》，由二零零八年一月一日起，就中國附屬公司賺取的利潤所宣派股息須徵收預提所得稅。綜合財務報表中未有就於二零一六年十二月三十一日的中國附屬公司累計利潤應佔臨時差額約人民幣11,709,428,000元(二零一五年：人民幣7,823,872,000元)作出遞延稅項撥備，乃因本集團能夠控制臨時差額撥回時間，且該等臨時差額在可見將來不大可能撥回。

36. DEFERRED TAXATION (Continued)

At 31 December 2016, the Group had unused tax losses of approximately RMB915,981,000 (2015: RMB851,169,000) available to offset against future profits. Deferred taxation assets have been recognised in respect of such losses of approximately RMB105,398,000 (2015: RMB252,812,000) at 31 December 2016. No deferred taxation asset has been recognised in respect of the remaining losses of approximately RMB810,583,000 (2015: RMB598,357,000) at 31 December 2016 due to the unpredictability of future profit streams. The unrecognised tax losses will expire in the following years:

At 31 December 2016, the Group had deductible temporary differences arising from inter-company transactions in relation to construction of properties and inter-company transfer of completed carpark amounted to approximately RMB89,104,000 (2015: RMB122,596,000). No deferred taxation asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

Under the PRC enterprise income law, withholding income tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to approximately RMB11,709,428,000 (2015: RMB7,823,872,000) as at 31 December 2016, as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

綜合財務報表附註

Notes to the Consolidated Financial Statements

37. 收購附屬公司

截至二零一六年十二月三十一日止年度

(a) 收購業務

截至二零一六年十二月三十一日止年度，本集團透過收購其控股公司天津旭達房地產信息諮詢有限公司（「天津旭達」）全部股本權益收購其擁有50%權益的合營企業天津旭科額外50%股本權益，代價為人民幣9,000,000元，乃參考天津旭達及天津旭科在買賣協議於二零一六年一月十日獲簽署時的資產淨值後釐定。天津旭達為投資控股公司及天津旭科從事物業開發業務。

於上文所述收購事項在二零一六年三月十七日完成後，本集團取得天津旭達及天津旭科100%控制權，而該兩間公司其後作為本公司的附屬公司入賬。於收購時，本公司董事認為該項收購構成一項業務收購，此乃由於天津旭科持有開發中物業並已開始預售有關物業單位。因此，該交易以購買會計法列賬。

所收購資產淨值的詳情如下：

37. ACQUISITIONS OF SUBSIDIARIES

For the year ended 31 December 2016

(a) Acquisition of business

During the year ended 31 December 2016, the Group acquired additional 50% equity interest of its 50% owned joint venture, Tianjin Xuke through the acquisition of the 100% equity interests of its holding company, Tianjin Xuda Property Information Consultancy Co., Ltd. (天津旭達房地產資訊諮詢有限公司) (“Tianjin Xuda”), at a consideration of RMB9,000,000, which was determined with reference to the net asset value of Tianjin Xuda and Tianjin Xuke at the time when the sales and purchase agreement was signed on 10 January 2016. Tianjin Xuda is an investment holding company and Tianjin Xuke is engaged in property development.

Upon the completion of the acquisition mentioned above on 17 March 2016, the Group obtained 100% control over Tianjin Xuda and Tianjin Xuke, which was accounted for as subsidiaries of the Group thereafter. At the time of acquisition, the directors of the Company are of the view that the acquisition constitutes a business acquisition as Tianjin Xuke held properties under development and has commenced pre-sale of the property units. The transaction has been accounted for using the purchase method accordingly.

Details of the net assets acquired are as follows:

	人民幣千元 RMB'000
以下列方式達成代價：	Consideration satisfied by:
應付代價(計入其他應付款項)	Cash consideration payable (included in other payables) 9,000

37. 收購附屬公司(續)截至二零一六年十二月三十一日止年度
(續)**(a) 收購業務**(續)**37. ACQUISITIONS OF SUBSIDIARIES** (Continued)

For the year ended 31 December 2016 (Continued)

(a) Acquisition of business (Continued)

		人民幣千元 RMB'000
已收購天津旭達及天津旭科的	Fair value of net identifiable assets of Tianjin Xuda and Tianjin Xuke	
可識別資產淨值公平值：	acquired:	
應收一間合營企業款項	Amount due from a joint venture	13,474
銀行結餘及現金	Bank balances and cash	213,770
擬作出售的開發中物業	Properties under development for sale	993,000
應收賬款及其他應收款項、按金及預付款項	Accounts and other receivables, deposits and prepayments	358,376
可收回稅項	Taxation recoverable	22,738
應付賬款及應計開支	Accounts payables and accrued charges	(118,590)
已收物業銷售按金	Deposits received from property sales	(329,640)
銀行及其他借款	Bank and other borrowings	(348,000)
遞延稅項負債	Deferred taxation liabilities	(25,521)
本集團應收款項	Amount due to the Group	(353,683)
		425,924

已收購公平值人民幣108,374,000元的應收賬款及其他應收款項與其合約總額相若。概無無法收取的合約現金流量。

The accounts and other receivables acquired with a fair value of RMB108,374,000 approximate its gross contractual amount. There was no contracted cash flows not expected to be collected.

		人民幣千元 RMB'000
應付代價	Consideration payable	9,000
加：按公平值計量的先前所持權益 (指於天津旭科的權益)	Add: Previously held interest represented by interest in Tianjin Xuke at fair value	383,057
減：所收購的資產淨值	Less: Net assets acquired	(425,924)
業務合併收益(附註)	Gain from business combinations (note)	(33,867)

附註：業務合併收益主要指天津旭科於完成收購日期持作出售的開發中物業的公平值增幅。

Note: Gain from business combination mainly represented the fair value increment of the properties under development for sale held by Tianjin Xuke at the date of completion of the acquisition.

綜合財務報表附註

Notes to the Consolidated Financial Statements

37. 收購附屬公司(續)

截至二零一六年十二月三十一日止年度
(續)

(a) 收購業務(續)

37. ACQUISITIONS OF SUBSIDIARIES (Continued)

For the year ended 31 December 2016 (Continued)

(a) Acquisition of business (Continued)

		於收購日期 確認的金額 Amounts recognised at date of acquisition 人民幣千元 RMB'000
本集團所持有天津旭科50%股本權益的公平值	Fair value of 50% equity interest of Tianjin Xuke held by the Group	383,057
減：本集團所持合營企業的權益	Less: Interest in joint venture held by the Group	(344,774)
重新計量的收益	Gain on remeasurement	38,283
收購產生的現金流入淨額：	Net cash inflow arising on acquisition:	
所收購的銀行結餘及現金	Bank balances and cash acquired	213,770

收購相關成本並不重大，已於本年度確認為一項開支及已計入綜合損益及其他全面收益表「行政開支」項目。

年內，本集團應佔虧損人民幣3,440,000元計入損益。於報告期間，概無本集團應佔收入。

倘收購事項於本年初受到影響，則本集團於截至二零一六年十二月三十一日止年度的收入總額將為人民幣22,224,447,000元，而年內利潤將為人民幣3,165,348,000元。備考資料僅供說明用途，且未必顯示本集團於年初完成收購時將實際達至的收入及經營業績，亦無意作為未來業績的預測。

Acquisition-related costs were insignificant and have been recognised as an expense in the current year and included in the “administrative expenses” line item in the consolidated statement of profit or loss and other comprehensive income.

Included in the profit for the year is loss of RMB3,440,000 attributable to the Group. No revenue is attributable to the Group for the reporting period.

Had the acquisition been effected at the beginning of the year, the total amount of revenue of the Group for the year ended 31 December 2016 would have been RMB22,224,447,000 and the amount of the profit for the year would have been RMB3,165,348,000. The pro forma information is for illustrative purpose only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed at the beginning of the year, nor is it intended to be a projection of future results.

37. 收購附屬公司(續)

截至二零一六年十二月三十一日止年度
(續)

(b) 透過收購附屬公司收購資產及負債

截至二零一六年十二月三十一日止年度，本集團以人民幣415,403,000元的總代價收購佛山市華祥房地產開發有限公司(「佛山華祥」)100%股本權益及一項人民幣115,766,000元的股東貸款。佛山華祥持有一塊可予開發的地塊。

截至二零一六年十二月三十一日止年度，本集團以總代價人民幣528,723,000元收購佛山市匯金恒天房地產開發有限公司(「佛山匯金」)100%股本權益及一項人民幣306,082,000元的股東貸款。佛山華祥持有一塊可予開發的地塊。

截至二零一六年十二月三十一日止年度，本集團收購武漢惠譽華天置業有限公司(「武漢惠譽華天」)55%股本權益，代價為人民幣110,000,000元。武漢惠譽華天持有一塊可予開發的地塊。

37. ACQUISITIONS OF SUBSIDIARIES (Continued)

For the year ended 31 December 2016 (Continued)

(b) Acquisitions of assets and liabilities through acquisitions of subsidiaries

During the year ended 31 December 2016, the Group acquired 100% equity interests and a shareholder's loan of RMB115,766,000 of Foshan Huaxiang Property Development Co., Ltd. (佛山市華祥房地產開發有限公司) ("Foshan Huaxiang") at a total consideration of RMB415,403,000. Foshan Huaxiang is holding a piece of land for property development.

During the year ended 31 December 2016, the Group acquired 100% equity interests and a shareholder's loan of RMB306,082,000 of Foshan Huijin Hengtian Property Development Co., Ltd. (佛山市匯金恒天房地產開發有限公司) ("Foshan Huijin") at a total consideration of RMB528,723,000. Foshan Huijin is holding a piece of land for property development.

During the year ended 31 December 2016, the Group acquired 55% equity interest of Wuhan Huiyu Huatian Property Co., Ltd. (武漢惠譽華天置業有限公司) ("Wuhan Huiyu Huatian") at a consideration of RMB110,000,000. Wuhan Huiyu Huatian is holding a piece of land for property development.

綜合財務報表附註

Notes to the Consolidated Financial Statements

37. 收購附屬公司(續)

截至二零一六年十二月三十一日止年度
(續)

(b) 透過收購附屬公司收購資產及負債 (續)

上述交易按透過收購附屬公司的資產收購入賬。有關所收購資產及所假設負債的詳情如下：

37. ACQUISITIONS OF SUBSIDIARIES (Continued)

For the year ended 31 December 2016 (Continued)

(b) Acquisitions of assets and liabilities through acquisitions of subsidiaries (Continued)

The above transactions are accounted for as acquisition of assets through acquisition of subsidiaries. Details of the assets acquired and liabilities assumed are as below:

		於收購日期 確認的金額 Amounts recognised at date of acquisition 人民幣千元 RMB'000
支付代價方式：	Consideration satisfied by:	
現金	Cash	880,000
應付代價(包括於其他應付款項)	Consideration payable (included in other payables)	174,126
		1,054,126
所收購資產淨值：	Net assets acquired:	
擬作出售的開發中物業	Properties under development for sale	1,173,795
應收賬款及其他應收款項、按金及預付款項	Accounts and other receivables, deposits and prepayments	773,042
銀行結餘及現金	Bank balances and cash	26,552
應付賬款、其他應付款項及應計開支	Accounts, other payables and accrued charges	(1,221)
應付本集團款項	Amount due to the Group	(10,000)
應付一名非控股股東款項	Amount due to a non-controlling shareholder	(78,752)
應付稅項	Tax payable	(23)
銀行及其他借款	Bank and other borrowings	(740,000)
股東貸款	Shareholders' loans	(421,848)
非控股權益	Non-controlling interest	(89,267)
資產淨值	Net assets	632,278
分配予本集團的股東貸款	Shareholders' loan assigned to the Group	421,848
		1,054,126
收購時產生的現金流出淨額：	Net cash outflow arising on acquisitions:	
年內已付現金代價	Cash consideration paid during the year	(880,000)
已收購銀行結餘及現金	Bank balances and cash acquired	26,552
		(853,448)

37. 收購附屬公司(續)

截至二零一五年十二月三十一日止年度

(a) 截至二零一五年十二月三十一日止年度，本集團收購其擁有49%的合營企業蘇州旭陽置業有限公司(「蘇州旭陽」)的另外51%股權，代價約為人民幣51,000,000元。蘇州旭陽從事物業開發業務。

(b) 截至二零一五年十二月三十一日止年度，本集團收購其擁有50%權益的合營企業上海旭康置業有限公司(「上海旭康」)額外50%股本權益，代價約為人民幣50,000,000元。上海旭康從事物業開發業務。

上述收購於二零一五年五月三十一日完成後，本集團持有上海旭康全部股本權益，因此，上海旭康於其後成為本集團的附屬公司。

(c) 截至二零一五年十二月三十一日止年度，本集團收購其擁有50%權益的合營企業武漢旭程置業有限公司(「武漢旭程」)額外50%股本權益，代價約為人民幣100,000,000元。武漢旭程從事物業開發業務。

上述收購於二零一五年十一月三十日完成後，本集團持有武漢旭程全部股本權益，因此，武漢旭程於其後成為本集團的附屬公司。

(d) 截至二零一五年十二月三十一日止年度，本集團收購其擁有48%權益的合營企業天津旭津房地產開發有限公司(「天津旭津」)額外52%股本權益，代價約為人民幣52,000,000元。天津旭津從事物業開發業務。

上述收購於二零一五年十二月三十一日完成後，本集團持有天津旭津全部股本權益，因此，天津旭津於其後成為本集團的附屬公司。

37. ACQUISITIONS OF SUBSIDIARIES (Continued)

For the year ended 31 December 2015

(a) During the year ended 31 December 2015, the Group acquired additional 51% equity interest of its 49% owned joint venture, Suzhou Xuyang Property Co., Ltd. (蘇州旭陽置業有限公司) ("Suzhou Xuyang") at a consideration of approximately RMB51,000,000. Suzhou Xuyang was engaged in property development.

(b) During the year ended 31 December 2015, the Group acquired additional 50% equity interest of its 50% owned joint venture, Shanghai Xukang Property Co., Ltd. (上海旭康置業有限公司) ("Shanghai Xukang") at a consideration of approximately RMB50,000,000. Shanghai Xukang is engaged in property development.

Upon the completion of the acquisition mentioned above on 31 May 2015, the Group holds 100% equity interests in Shanghai Xukang, and so it becomes a subsidiary of the Group thereafter.

(c) During the year ended 31 December 2015, the Group acquired additional 50% equity interest of its 50% owned joint venture, Wuhan Xucheng Property Co., Ltd. (武漢旭程置業有限公司) ("Wuhan Xucheng") at a consideration of approximately RMB100,000,000. Wuhan Xucheng is engaged in property development.

Upon the completion of the acquisition mentioned above on 30 November 2015, the Group holds 100% equity interests in Wuhan Xucheng and so it becomes a subsidiary of the Group thereafter.

(d) During the year ended 31 December 2015, the Group acquired additional 52% equity interest of its 48% owned joint venture, Tianjin Xujin Real Estate Development Co., Ltd. (天津旭津房地產開發有限公司) ("Tianjin Xujin") at a consideration of approximately RMB52,000,000. Tianjin Xujin is engaged in property development.

Upon the completion of the acquisition mentioned above on 31 December 2015, the Group holds 100% equity interests in Tianjin Xujin and so it becomes a subsidiary of the Group thereafter.

綜合財務報表附註

Notes to the Consolidated Financial Statements

37. 收購附屬公司(續)

截至二零一五年十二月三十一日止年度
(續)

- (e) 截至二零一五年十二月三十一日止年度，本集團收購其擁有50%權益的合營企業湖南物華額外17%股本權益，代價為人民幣17,000,000元。湖南物華從事物業開發業務。

上述收購於二零一五年十一月三十日完成後，本集團持有湖南物華67%股本權益，因此，湖南物華於其後成為本集團的附屬公司。

- (f) 截至二零一五年十二月三十一日止年度，本集團收購其擁有49%權益的合營企業旭正有限公司(「旭正」)額外51%股本權益，代價約為人民幣432,850,000元。旭正為投資控股公司及其附屬公司從事物業開發業務。

上述收購於二零一五年九月三十日完成後，本集團持有旭正全部股本權益，因此，旭正於其後成為本集團的附屬公司。

- (g) 旭安(其主要活動為物業開發)由本集團及另一股東分別持有50%權益。由於其所有戰略融資及經營決策須由旭安董事會三分之二成員批准，而本集團董事會提名的成員人數未達此要求，故根據國際財務報告準則第11號被視為合營企業列賬。截至二零一五年十二月三十一日止年度，旭安的股東訂立補充協議(「補充協議」)，據此，股東同意就旭安的董事會成員組成修訂及補充合作框架協議。透過簽立補充協議，旭安董事會增加至七名董事，而所有戰略融資及經營決策必須由董事會簡單大多數成員批准，當中四名董事及三名董事分別由本集團及另一股東提名。由於本集團取得旭安的實際控制權，故旭安成為本公司的附屬公司。

37. ACQUISITIONS OF SUBSIDIARIES (Continued)

For the year ended 31 December 2015 (Continued)

- (e) During the year ended 31 December 2015, the Group acquired additional 17% equity interest of its 50% owned joint venture, Hunan Wuhua at a consideration of RMB17,000,000. Hunan Wuhua is engaged in property development.

Upon the completion of the acquisition mentioned above on 30 November 2015, the Group holds 67% equity interest in Hunan Wuhua and so it becomes a subsidiary of the Group thereafter.

- (f) During the year ended 31 December 2015, the Group acquired additional 51% equity interest of its 49% owned joint venture, Xu Zheng Co. Limited (旭正有限公司) (“Xu Zheng”) at a consideration of approximately RMB432,850,000. Xu Zheng is an investment holding company and its subsidiary is engaged in property development.

Upon the completion of the acquisition mentioned above on 30 September 2015, the Group holds 100% equity interests in Xu Zheng and so it becomes a subsidiary of the Group thereafter.

- (g) Xu An, whose principal activity is property development, was 50% held by the Group and 50% held by the other shareholder. It was accounted for as a joint venture under IFRS 11 as all of the strategic financial and operating decisions required approval by two-third of the members of the board of directors in Xu An whereby the number of members nominated by the board of directors by the Group did not meet this requirement. During the year ended 31 December 2015, the shareholders of Xu An entered into a supplemental agreement (“the Supplemental Agreement”) pursuant to which the shareholders agreed to amend and supplement the cooperation framework agreement with respect to the composition of the board of directors of Xu An. By execution of the Supplemental Agreement, the board of directors of Xu An increased to comprise of seven directors and all of the strategic financial and operating decisions must be approved by simple majority of the board of directors, of which four directors and three directors are to be nominated by the Group and the other shareholders, respectively. Since the Group obtained effective control over Xu An, Xu An became a subsidiary of the Company.

37. 收購附屬公司(續)

截至二零一五年十二月三十一日止年度
(續)

上述交易以收購法按收購附屬公司入賬。該等交易入賬列為收購業務，此乃由於該等公司於收購日期已開始預售開發中物業所致。有關上述交易所收購的資產淨值詳情概述如下：

37. ACQUISITIONS OF SUBSIDIARIES (Continued)

For the year ended 31 December 2015 (Continued)

The above transactions are accounted for as acquisition of subsidiaries using acquisition method. These transactions were accounted for as acquisition of business because these companies have commenced pre-sale of the properties under development at the date of acquisition. Details of the net assets acquired in respect of the above transactions are summarised below:

		於收購日期 確認的金額 Amounts recognised at date of acquisition 人民幣千元 RMB'000
支付代價方式：	Consideration satisfied by:	
現金(附註)	Cash (note)	702,850
已收購附屬公司的可識別資產淨值公平值：	Fair value of net identifiable assets of the subsidiaries acquired:	
物業、廠房及設備	Property, plant and equipment	5,280
擬作出售的開發中物業	Properties under development for sale	11,580,144
應收賬款及其他應收款項	Accounts and other receivables	4,240,496
銀行結餘及現金	Bank balances and cash	2,695,302
應付賬款及其他應付款項	Accounts and other payables	(3,092,460)
已收物業銷售按金	Deposits received from property sales	(5,604,558)
應付稅項	Taxation payable	(257,441)
銀行及其他借款	Bank and other borrowings	(3,603,287)
遞延稅項負債	Deferred tax liabilities	(115,632)
		5,847,844

附註：該代價乃基於該等被收購方於買賣協議獲簽署時的最新資產淨值作出。

Note: The consideration was based on the latest net asset value of these acquirees when the sales and purchase agreements were signed.

綜合財務報表附註

Notes to the Consolidated Financial Statements

37. 收購附屬公司(續)

截至二零一五年十二月三十一日止年度
(續)

已收購公平值人民幣4,240,496,000元的應收賬款及其他應收款項與其合約總額相若。概無無法收取的合約現金流量。

37. ACQUISITIONS OF SUBSIDIARIES (Continued)

For the year ended 31 December 2015 (Continued)

The accounts and other receivables acquired with a fair value of RMB4,240,496,000 approximate its gross contractual amount. There was no contracted cash flows not expected to be collected.

		於收購日期 確認的金額 Amounts recognised at date of acquisition 人民幣千元 RMB'000
本集團所持有股本權益的公平值	Fair values of the equity interests held by the Group	3,901,272
減：本集團所持合營企業的權益	Less: Interests in joint ventures held by the Group	(3,734,774)
重新計量的收益	Gain on remeasurement	166,498
已轉撥代價，以現金支付	Consideration transferred, satisfied by cash	702,850
加：過往所持權益，指按公平值列賬的 合營企業權益	Add: Previous held interests, represented by interests in joint venture at fair value	3,901,272
非控股權益	Non-controlling interest	1,166,952
減：本集團所收購的資產淨值公平值	Less: Fair value of net assets acquired by the Group	(5,847,844)
業務合併的收益(附註)	Gain from business combinations (note)	(76,770)

附註：業務合併的收益主要指本集團於完成收購日期持作出售的開發中物業的公平值增幅。

Note: Gain from business combinations mainly represented the fair value increment of the properties under development for sale held by the Group at the date of completion of the acquisitions.

收購非全資附屬公司所產生的非控股權益為人民幣1,166,952,000元，乃參考被收購方於收購日期的可資識別資產淨值公平值的股份比例計量。

The non-controlling interests RMB1,166,952,000 arising from the acquisitions of non-wholly owned subsidiaries were measured by reference to the proportionate share of the fair value of the acquiree's net identifiable assets at the acquisition date.

收購產生的現金流入淨額：
年內已付現金代價
所收購的銀行結餘及現金

Net cash inflow arising on acquisitions:	
Cash consideration paid during the year	(702,850)
Bank balances and cash acquired	2,695,302
	1,992,452

收購相關成本並不重大，已於截至二零一五年十二月三十一日止年度確認為一項開支及已計入綜合損益及其他全面收益表「行政開支」項目。

Acquisition-related costs were insignificant and have been recognised as an expense in the year ended 31 December 2015 and included in the "administrative expenses" line item in the consolidated statement of profit or loss and other comprehensive income.

38. 出售附屬公司

(a) 出售附屬公司

截至二零一六年十二月三十一日止年度
截至二零一六年十二月三十一日止年度，本集團向上海建浦投資管理有限公司(「上海建浦」，由林中先生、林偉先生及林峰先生控制的關聯公司)出售其於全資附屬公司上海永升的70%股本權益，代價約為人民幣91,000,000元。上海永升從事物業管理業務。

於出售完成後，本集團失去對上海永升的控制權，而所保留的上海永升30%股權已分類為本集團的一間聯營公司。

上述交易按出售附屬公司入賬。有關出售的資產淨值詳情概述如下：

38. DISPOSAL OF SUBSIDIARIES

(a) Disposal of subsidiaries

For the year ended 31 December 2016

During the year ended 31 December 2016, the Group disposed of its 70% equity interest in a wholly-owned subsidiary, Shanghai Yongsheng, to a related company controlled by Mr. Lin Zhong, Mr. Lin Wei and Mr. Lin Feng, namely Shanghai Jianpu Investment Management Co., Ltd. (上海建浦投資管理有限公司) (“Shanghai Jianpu”), at a consideration of approximately RMB91,000,000. Shanghai Yongsheng was engaged in property management.

Upon completion of the disposal, the Group lost control over Shanghai Yongsheng and the retained 30% equity interest in Shanghai Yongsheng which has been classified as an associate of the Group.

The above transaction is accounted for as disposal of a subsidiary. Details of the net assets disposed of are summarised below:

		人民幣千元 RMB'000
支付代價方式：	Consideration satisfied by:	
現金	Cash	91,000
就失去控制權的資產及負債的分析：	Analysis of assets and liabilities over which control was lost:	
物業、廠房及設備	Property, plant and equipment	3,091
擬作出售的開發中物業	Properties under development for sale	56,429
應收賬款及其他應收款項	Accounts and other receivables	103,383
應收本集團款項	Amounts due from the Group	25,096
可收回稅項	Tax recoverable	10,000
銀行結餘及現金	Bank balances and cash	152,300
應付賬款及其他應付款項	Accounts and other payables	(171,033)
應付本集團款項	Amounts due to the Group	(39,465)
應付稅項	Tax payable	(5,559)
出售的資產淨值	Net assets disposed of	134,242
出售附屬公司的虧損：	Loss on disposal of subsidiaries:	
現金代價	Cash consideration	91,000
於一間聯營公司保留的 30%股本權益的公平值	Fair value of the retained 30% equity interest in an associate	39,000
出售的資產淨值	Net assets disposed of	(134,242)
出售虧損	Loss on disposal	(4,242)
出售產生的現金流出淨額：	Net cash outflow arising on disposal:	
現金代價	Cash consideration	91,000
出售的銀行結餘及現金	Bank balances and cash disposed of	(152,300)
		(61,300)

38. 出售附屬公司(續)

(a) 出售附屬公司(續)

截至二零一五年十二月三十一日止年度

- (i) 於截至二零一五年十二月三十一日止年度，本集團向獨立第三方出售其於附屬公司蘇州旭盈投資諮詢有限公司(「蘇州旭盈」)的全部股本權益，代價為人民幣500,000元。蘇州旭盈從事提供諮詢服務的業務。
- (ii) 於截至二零一五年十二月三十一日止年度，本集團向獨立第三方出售其於附屬公司重慶旭和房地產開發有限公司(「重慶旭和」)的全部股本權益，代價為人民幣8,000,000元。重慶旭和從事物業開發業務。
- (iii) 於截至二零一五年十二月三十一日止年度，本集團向獨立第三方出售其於附屬公司北京旭輝順泰置業有限公司(「北京旭輝順泰」)的全部股本權益，代價約為人民幣72,000,000元。北京旭輝順泰從事物業開發及投資控股業務。
- (iv) 截至二零一五年十二月三十一日止年度，本集團向獨立第三方出售其於附屬公司北京旭輝興鵬置業有限公司(「北京旭輝興鵬」)的全部股本權益，代價約為人民幣70,000,000元。北京旭輝興鵬從事物業開發業務。
- (v) 截至二零一五年十二月三十一日止年度，本集團向獨立第三方出售其於附屬公司天津旭唯房地產開發有限公司(「天津旭唯」)的全部股本權益，代價約為人民幣80,000,000元。天津旭唯從事物業開發業務。

38. DISPOSAL OF SUBSIDIARIES (Continued)

(a) Disposal of subsidiaries (Continued)

For the year ended 31 December 2015

- (i) During the year ended 31 December 2015, the Group disposed of its 100% equity interests in its subsidiary, Suzhou Xuying Investment Advisory Company Limited (蘇州旭盈投資諮詢有限公司) (“Suzhou Xuying”), to an independent third party at a consideration of RMB500,000. Suzhou Xuying was engaged in provision of consultancy service.
- (ii) During the year ended 31 December 2015, the Group disposed of its 100% equity interests in its subsidiary, Chongqing Xuhe Real Estate Development Company Limited (重慶旭和房地產開發有限公司) (“Chongqing Xuhe”) to an independent third party for a consideration of RMB8,000,000. Chongqing Xuhe was engaged in property development.
- (iii) During the year ended 31 December 2015, the Group disposed of its 100% equity interests in its subsidiary, Beijing Xuhui Shuntai Property Company Limited (北京旭輝順泰置業有限公司) (“Beijing Xuhui Shuntai”) to an independent third party at a consideration of approximately RMB72,000,000. Beijing Xuhui Shuntai was engaged in property development and investment holding.
- (iv) During the year ended 31 December 2015, the Group disposed of its 100% equity interests in its subsidiary, Beijing Xuhui Xingpeng Property Co., Ltd. (北京旭輝興鵬置業有限公司) (“Beijing Xuhui Xingpeng”) to an independent third party at a consideration of approximately RMB70,000,000. Beijing Xuhui Xingpeng was engaged in property development.
- (v) During the year ended 31 December 2015, the Group disposed of its 100% equity interests in its subsidiary, Tinjing Xuwei Real Estate Development Co., Ltd. (天津旭唯房地產開發有限公司) (“Tinjing Xuwei”) to an independent third party at a consideration of approximately RMB80,000,000. Tinjing Xuwei was engaged in property development.

38. 出售附屬公司(續)

(a) 出售附屬公司(續)

截至二零一五年十二月三十一日止年度
(續)

上述交易按出售附屬公司入賬。有關上述交易出售的資產淨值詳情概述如下：

38. DISPOSAL OF SUBSIDIARIES (Continued)

(a) Disposal of subsidiaries (Continued)

For the year ended 31 December 2015 (Continued)

The above transactions are accounted for as disposal of subsidiaries. Details of the net assets disposed of in respect of the above transactions are summarised below:

		人民幣千元 RMB'000
支付代價方式：	Consideration satisfied by:	
現金	Cash	149,075
一年內應收代價	Consideration receivable within one year	81,425
		230,500
就失去控制權的資產及負債的分析：	Analysis of assets and liabilities over which control was lost:	
於聯營公司的權益	Interests in associates	8,910
擬作出售的開發中物業	Properties under development for sale	121,138
可供出售投資	Available-for-sale investments	3,500
應收賬款及其他應收款項	Accounts and other receivables	618,153
銀行結餘及現金	Bank balances and cash	1,456
應付賬款及其他應付款項	Accounts and other payables	(530,553)
銀行及其他借款	Bank and other borrowings	(211,400)
出售的資產淨值	Net assets disposed of	11,204
出售附屬公司的收益：	Gain on disposal of subsidiaries:	
現金代價	Cash consideration	149,075
應收代價	Consideration receivable	81,425
出售的資產淨值	Net assets disposed of	(11,204)
出售收益	Gain on disposal	219,296
出售時產生的現金流入淨額：	Net cash inflow arising on disposal:	
現金代價	Cash consideration	149,075
出售的銀行結餘及現金	Bank balances and cash disposed of	(1,456)
		147,619

應收代價人民幣81,425,000元已由本集團於截至二零一六年十二月三十一日止年度收取。

The consideration receivable of RMB81,425,000 was received by the Group during the year ended 31 December 2016.

38. 出售附屬公司(續)

(b) 視作出售附屬公司

截至二零一六年十二月三十一日止年度

- (i) 於二零一六年三月十七日，上海旭梭(先前為本集團一家全資附屬公司)增加其繳足股本，由人民幣1,000,000元增加至人民幣10,000,000元，本集團及上海旭梭兩名獨立股東分別向上海旭梭注資人民幣2,400,000元、人民幣3,300,000元及人民幣3,300,000元。

注資後，本集團及兩名獨立股東分別持有上海旭梭34%、33%及33%股本權益。根據上海旭梭的經修訂組織章程大綱及細則，上海旭梭董事會包括五名董事，其中三名及兩名董事分別由本集團及兩名獨立股東委任，且所有戰略融資及經營決策須由全體董事批准。

經考慮上述事實及情況後，本公司董事認為，本集團對上海旭梭並無控制權，因此，自二零一六年三月十七日起，本集團將於上海旭梭的權益分類為於合營企業的權益。

- (ii) 於二零一六年三月九日，蘇州凱合(先前為本集團一家全資附屬公司)增加其繳足股本，由人民幣500,000元增加至人民幣10,000,000元，本集團及蘇州凱合兩名獨立股東分別注資人民幣2,900,000元、人民幣3,300,000元及人民幣3,300,000元。

注資後，本集團及兩名獨立股東分別持有蘇州凱合34%、33%及33%股本權益。根據蘇州凱合的經修訂組織章程大綱及細則，蘇州凱合董事會包括五名董事，其中三名及兩名董事分別由本集團及兩名獨立股東委任，且所有戰略融資及經營決策須由全體董事批准。

38. DISPOSAL OF SUBSIDIARIES (Continued)

(b) Deemed disposal of subsidiaries

For the year ended 31 December 2016

- (i) On 17 March 2016, Shanghai Xusuo, a previously wholly-owned subsidiary of the Group, increased its paid up capital from RMB1,000,000 to RMB10,000,000. The Group and two independent shareholders of Shanghai Xusuo contributed RMB2,400,000, RMB3,300,000 and RMB3,300,000 respectively, for the capital injection.

After the capital injections, the Group and the two independent shareholders held 34%, 33% and 33% equity interests of Shanghai Xusuo respectively. Under the revised Memorandum and Articles of Association of Shanghai Xusuo, the board of directors comprises of five directors, of which three directors and two directors were appointed by the Group and the two independent shareholders, respectively, and all the strategic financial and operating decisions are required to be approved by all the directors.

After considering the above fact and circumstances, the directors of the Company conclude that the Group does not have the power of control over Shanghai Xusuo, therefore the Group classified interest in Shanghai Xusuo as interest in a joint venture since 17 March 2016.

- (ii) On 9 March 2016, Suzhou Kaihe, a previously wholly-owned subsidiary of the Group, increased its paid up capital from RMB500,000 to RMB10,000,000. The Group and two independent shareholders of Suzhou Kaihe contributed RMB2,900,000, RMB3,300,000 and RMB3,300,000 respectively, for the capital injection.

After the capital injections, the Group and the two independent shareholders held 34%, 33% and 33% equity interests of Suzhou Kaihe respectively. Under the revised Memorandum and Articles of Association of Suzhou Kaihe, the board of directors comprises of five directors, of which three directors and two directors were appointed by the Group and the two independent shareholders, respectively, and all the strategic financial and operating decisions are required to be approved by all the directors.

38. 出售附屬公司(續)

(b) 視作出售附屬公司(續)

截至二零一六年十二月三十一日止年度
(續)

(ii) (續)

經考慮上述事實及情況後，本公司董事認為，本集團於蘇州凱合併無控制權，因此本集團自二零一六年三月九日起將於蘇州凱合的權益分類為於合營企業權益。

上述交易完成後，本集團失去上海旭梭及蘇州凱合的控制權，而於上海旭梭及蘇州凱合34%的股本權益被分類為於合營企業權益。

上述交易按視作出售附屬公司入賬。有關上述交易出售的資產淨值詳情概述如下：

38. DISPOSAL OF SUBSIDIARIES (Continued)

(b) Deemed disposal of subsidiaries (Continued)

For the year ended 31 December 2016 (Continued)

(ii) (Continued)

After considering the above fact and circumstances, the directors of the Company conclude that the Group does not have the power of control over Suzhou Kaihe, therefore the Group classified interest in Suzhou Kaihe as interest in a joint venture since 9 March 2016.

Upon completion of the aforesaid transactions, the Group lost control over Shanghai Xusuo and Suzhou Kaihe and the 34% equity interest of Shanghai Xusuo and Suzhou Kaihe are classified as interests in joint ventures.

The above transactions are accounted for as deemed disposal of subsidiaries. Details of the net assets disposed of in respect of the above transactions are summarised below:

		人民幣千元 RMB'000
就失去控制權的資產及負債的分析：	Analysis of assets and liabilities over which control was lost:	
持作出售物業土地使用權的按金	Deposits for land use rights for properties held for sales	618,000
銀行結餘及現金	Bank balances and cash	249
應付本集團款項	Amounts due to the Group	(616,315)
其他應付款項	Other payables	(114)
出售的資產淨值	Net assets disposed of	1,820
出售附屬公司的虧損：	Loss on disposal of subsidiaries:	
於合營企業的權益	Interests in joint ventures	6,909
本集團注資上海旭梭及蘇州凱合的現金	Cash contributions to Shanghai Xusuo and Suzhou Kaihe from the Group	(5,300)
出售的資產淨值	Net assets disposed of	(1,820)
出售虧損	Loss on disposal	(211)
出售時產生的現金流入淨額：	Net cash inflow arising on disposal:	
本集團注資上海旭梭及蘇州凱合的現金	Cash contributions to Shanghai Xusuo and Suzhou Kaihe from the Group	(5,300)
出售的銀行結餘及現金	Bank balances and cash disposed of	(249)
		(5,549)

綜合財務報表附註

Notes to the Consolidated Financial Statements

38. 出售附屬公司(續)

(c) 出售附屬公司部分權益導致失去控制權

截至二零一五年十二月三十一日止年度

截至二零一五年十二月三十一日止年度，本集團因向非控股權益出售蘇州旭邦(先前為本集團擁有51%權益的附屬公司)1%權益，於交易完成後，導致失去控制權。該交易入賬為因出售附屬公司部分權益而導致失去控制權。

於出售完成後，蘇州旭邦成為本集團的合營企業。蘇州旭邦於失去控制權當日的50%保留權益的公平值於初步確認本集團於合營企業的權益時被視為成本。於失去蘇州旭邦控制權當日，取消確認的資產及負債如下：

38. DISPOSAL OF SUBSIDIARIES (Continued)

(c) Disposal of partial interest in a subsidiary result in loss of control

For the year ended 31 December 2015

During the year ended 31 December 2015, the Group disposed of 1% equity interest in Suzhou Xubang, previously a 51% owned subsidiary of the Group, to the non-controlling interest, resulting in loss of control upon completion of the transaction. The transaction was accounted for as disposal of partial interest in a subsidiary resulting in loss of control.

After the completion of the disposal, Suzhou Xubang became a joint venture of the Group. The fair value of the 50% retained interest in Suzhou Xubang at the date on which control was lost was regarded as the cost in initial recognition of the Group's interest in a joint venture. Assets and liabilities derecognised at the date in loss of control of Suzhou Xubang are as follows:

		人民幣千元 RMB'000
抵銷代價方式：	Consideration offset by:	
應付非控股權益款項	Amount due to non-controlling interests	400
就失去控制權的資產及負債的分析：	Analysis of assets and liabilities over which control was lost:	
物業、廠房及設備	Property, plant and equipment	51
擬作出售的開發中物業	Properties under development for sale	483,137
其他應收款項	Other receivables	8,179
銀行結餘及現金	Bank balances and cash	85,939
應付賬款及其他應付款項	Accounts and other payables	(96,995)
已收物業銷售按金	Deposits received from property sales	(166,075)
銀行及其他借款	Bank and other borrowings	(280,000)
出售的資產淨值	Net assets disposed of	34,236
出售附屬公司的虧損：	Loss on disposal of subsidiaries:	
轉讓代價	Consideration transferred	400
保留50%股本權益的公平值	Fair value of retained 50% equity interest	20,000
非控股權益	Non-controlling interests	13,836
出售的資產淨值	Net assets disposed of	(34,236)
		-
出售時產生的現金流出淨額：	Net cash outflow arising on disposal:	
出售的銀行結餘及現金	Bank balances and cash disposed of	85,939

39. 退休福利計劃

根據中國相關法律及法規，本公司的中國附屬公司須參與地方市政府推行的定額供款退休計劃。本集團的中國附屬公司按地方市政府所規定平均僱員薪金的若干百分比向計劃供款，以就僱員的退休福利撥付資金。本集團有關退休福利計劃的主要責任為根據計劃作出規定供款。

本集團亦為香港所有合資格僱員參與強制性公積金計劃。該計劃的資產與本集團資產分開，存放於受託人管理的基金。本集團向該計劃作出的供款為有關薪金成本的5%，而僱員亦須作出同樣供款。

40. 抵押資產

下列資產於報告期末予以抵押以擔保本集團獲授若干銀行及其他融資：

39. RETIREMENT BENEFIT PLANS

According to the relevant laws and regulations in the PRC, the Company's PRC subsidiaries are required to participate in defined contribution retirement schemes administrated by the local municipal governments. The Group's PRC subsidiaries contribute funds which are calculated on certain percentage of the average employee salary as required by local municipal government to the scheme to fund the retirement benefits of the employees. The principal obligation of the Group with respect to the retirement benefit scheme is to make the required contributions under the scheme.

The Group also operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustee. The Group contributes 5% of relevant payroll costs to the scheme, which contribution is matched by employees.

40. PLEDGE OF ASSETS

The following assets were pledged to secure certain banking and other facilities granted to the Group at the end of the reporting period:

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
投資物業	Investment properties	5,560,000	5,519,000
擬作出售的開發中物業	Properties under development for sale	9,247,319	13,491,256
持作出售物業	Properties held for sale	2,828,419	666,374
已抵押銀行存款	Pledged bank deposits	348,855	31,500
按公平值計入損益的金融資產	Financial assets at FVTPL	138,392	—
		18,122,985	19,708,130

附註：本集團於若干持有上述若干已抵押的擬作出售的開發中物業的附屬公司的股本權益，已予以抵押以擔保本集團獲授若干銀行融資。

Note: The Group's equity interests in certain subsidiaries, which hold certain pledged properties under development for sale included above, have been pledged to secure certain banking facilities granted to the Group.

41. 租賃安排

本集團作為出租人

於報告期末，本集團已與租戶訂約的未來最低租賃付款如下：

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
一年內	Within one year	81,395	40,747
第二年至第五年(包括首尾兩年)	In the second to fifth year inclusive	303,799	104,474
五年後	After five years	13,593	28,167
		398,787	173,388

本集團持作租賃用途的投資物業擁有租期介乎一至九年(二零一五年：一至十年)的已訂約租戶。投資物業的租約載有或然租金條款，而或然租金以租戶所賺取的營業額若干百分比釐定。由於租戶的未來收入不能夠可靠釐定，故上文並無計入有關或然租金，且上表僅計入最低租賃承擔。

本集團作為承租人

於報告期末，本集團根據不可撤銷經營租約就有關租賃物業支付的未來最低租賃付款如下：

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
一年內	Within one year	3,669	8,169
第二年至第五年(包括首尾兩年)	In the second to fifth year inclusive	—	3,667
		3,669	11,836

經營租賃付款指本集團就若干辦公室物業應付的租金。經協定的租約期限為一年內(二零一五年：一至三年)，租金於簽署租賃協議日期確定。

41. LEASE ARRANGEMENTS

The Group as a lessor

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments as follows:

The investment properties held by the Group for rental purpose have committed tenants from one to nine years (2015: one to ten years). Lease of an investment property has clauses of contingent rentals determined by a certain percentage of turnover earned by the tenant. As the future revenue of the tenant could not be reliably determined, the relevant contingent rentals have not been included above and only the minimum lease commitments have been included in the table above.

The Group as a lessee

At the end of the reporting period, the Group had future minimum lease payments under non-cancellable operating leases in respect of leased properties as follows:

Operating lease payments represent rentals payable by the Group for certain of its office premises. Leases are negotiated for within one year (2015: one to three years) and rentals are fixed at the date of signing of lease agreements.

42. 承擔

於報告期末，本集團擁有下列承擔：

42. COMMITMENTS

At the end of the reporting period, the Group had the following commitments:

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
已訂約但未於綜合財務報表內撥備的有關收購土地使用權的開支	Expenditure in respect of acquisition of land use rights contracted for but not provided for in the consolidated financial statements	5,935,920	3,225,930
已訂約但未於綜合財務報表內撥備的有關收購股權的開支	Expenditure in respect of acquisition of equity interests contracted for but not provided for in the consolidated financial statements	1,720,547	–
		7,656,467	3,225,930

43. 或然負債

- (i) 本集團於二零一六年十二月三十一日就授予本集團已開發物業買家的按揭銀行貸款提供約人民幣7,644,577,000元(二零一五年：人民幣3,644,229,000元)的擔保。本公司董事認為，本集團該等財務擔保合約的公平值於初步確認時並非重大，且本公司董事認為有關訂約方違約的可能性極小，故於訂立擔保合約時及於二零一六年十二月三十一日的綜合財務狀況表內概無確認價值。
- (ii) 本公司對這類開發其項目的合營企業及聯營公司的境外及境內銀行貸款項下尚未履行的責任按若干基準(包括按其各自持股比例)提供擔保。於二零一六年十二月三十一日，本集團就這類合營企業及聯營公司的銀行貸款提供的應佔擔保合共約人民幣3,573,992,000元(二零一五年十二月三十一日：人民幣2,744,234,000元)。
- (iii) 本公司董事認為，本集團該等財務擔保合約的公平值於初步確認時並非重大，且本公司董事認為有關訂約方違約的可能性極小，故於訂立擔保合約時及於二零一六年十二月三十一日的綜合財務狀況表內概無確認價值。

43. CONTINGENT LIABILITIES

- (i) The Group provided guarantees amounting to approximately RMB7,644,577,000 (2015: RMB3,644,229,000) as at 31 December 2016 in respect of mortgage bank loans granted to purchasers of the Group's developed properties. In the opinion of the directors of the Company, the fair values of these financial guarantee contracts of the Group are insignificant at initial recognition and the directors of the Company consider that the possibility of the default of the parties involved is remote, accordingly, no value has been recognised at the inception of the guarantee contracts and on the consolidated statement of financial position as at 31 December 2016.
- (ii) The Company provided guarantees on several basis covering its respective equity shares of outstanding obligations under the offshore and onshore bank loan incurred by the joint venture and associate companies developing their projects. As at 31 December 2016, the Group's aggregate shares of such guarantees provided in respective of loans incurred by these joint venture and associate companies amounted to approximately RMB3,573,992,000 (31 December 2015: RMB2,744,234,000).
- In the opinion of the directors of the Company, the fair values of these financial guarantee contracts of the Group are insignificant at initial recognition and the directors of the Company consider that the possibility of the default of the parties involved is remote, accordingly, no value has been recognised at the inception of the guarantee contracts and on the consolidated statement of financial position as at 31 December 2016.

44. 以股份支付的交易

a. 首次公開發售前股份獎勵計劃

本集團的首次公開發售前股份獎勵計劃（根據於聯交所上市的建議作出修訂）（「股份獎勵計劃」）乃於二零一零年十二月採納並取代原本根據於二零零七年五月十九日通過的決議案採納的首次公開發售前股份獎勵計劃。根據股份獎勵計劃，本公司控股股東兼董事林中先生將彼持有的本公司股份（「獎勵股份」）贈予本集團若干僱員作為獎勵。股份獎勵計劃的目的為表揚本集團若干僱員所作出的貢獻並給予獎勵。

根據股份獎勵計劃，於二零一零年十二月三十一日授出的獎勵股份所涉及股本權益百分比合共為本公司已發行股本的3.25%，有關股本權益就於聯交所上市建議而收納。獎勵股份受歸屬期所限，由信託代表承授人持有。歸屬期為四年（自每個分期開始），於該期間內，授予僱員的獎勵股份中25%將按相等比例於首個歸屬日的各個週年歸屬。首個歸屬日為本公司於香港聯合交易所有限公司成功上市後的年度的一月一日。

於二零一零年十二月三十一日，根據股份獎勵計劃授出的獎勵股份的公平值為人民幣58,000,000元，有關公平值乃採用資產法及市場法釐定。該模式的主要參數為股份於授出日期的估計公平值及估計市賬率。市賬率乃參考在中國從事房地產開發並於聯交所上市的可資比較公司作出估計。

獎勵股份於授出日期屬或然，倘承授人離職則予以註銷，並須待本公司股份在聯交所成功上市的歸屬條件達成後且有關僱員的年度表現評估令人滿意方可作實。於截至二零一六年十二月三十一日止年度，概無確認就向若干本集團僱員授出獎勵股份的開支（二零一五年：人民幣1,932,000元）。

44. SHARE-BASED PAYMENT TRANSACTION

a. Pre-IPO share award scheme

The Group's Pre-IPO share award scheme, as amended in accordance with the proposed listing on the Stock Exchange, (the "Share Award Scheme") was adopted in December 2010 and then replaced the Pre-IPO share award scheme originally adopted pursuant to a resolution passed on 19 May 2007. Under the Share Award Scheme, Mr Lin Zhong, a controlling shareholder and director of the Company, awards the Company's shares (the "Awarded Shares") held by him to certain employees of the Group. The objective of the Share Award Scheme is to recognise the contributions of certain employees of the Group and to incentivise them.

Under the Share Award Scheme, the total percentage of equity interest in respect of which Awarded Shares had been granted on 31 December 2010 was 3.25% of the issued capital of the Company to be incorporated in connection with the proposed listing on the Stock Exchange. The Awarded Shares, subject to a vesting period, are being held by the trust on behalf of the grantees. The vesting period is four years, from the beginning of each instalment, during which 25% of the Award Shares granted to employee will vest on each anniversary of the first vesting date in equal portions. The first vesting date is 1 January of the year following the Company to be successfully listed on The Stock Exchange of Hong Kong Limited.

The fair value of the Awarded Shares granted under the Share Award Scheme at 31 December 2010 was RMB58,000,000, and was determined by using a mix of asset-based and market approach. The significant inputs into the model were estimated fair value of shares at the grant date and estimated price-to-book ratio. The price-to-book ratio is estimated by reference to comparable listed companies on the Stock Exchange engaged in property development in the PRC.

The Awarded Shares are contingent at grant date and are subject to the cancellation in the event of resignation of the grantees; and the vesting conditions of successful listing of the Company's shares on the Stock Exchange and satisfactory performance of such employee based on his or her annual performance appraisal. During the year ended 31 December 2016, no expense in relation to the Awarded Shares granted to certain employees of the Group was recognised (2015: RMB1,932,000).

44. 以股份支付的交易(續)

a. 首次公開發售前股份獎勵計劃(續)

年內所作授出的條款及條件如下：

	獎勵 股份數目 Number of share awards	歸屬條件 Vesting Conditions
授予僱員的股份獎勵： — 於二零一零年十二月三十一日	136,500,000	25%自二零一三年一月一日起至二零一三年十二月三十一日止 25% from 1 January 2013 to 31 December 2013
Share Award granted to employees: — on 31 December 2010		25%自二零一四年一月一日起至二零一四年十二月三十一日止 25% from 1 January 2014 to 31 December 2014
		25%自二零一五年一月一日起至二零一五年十二月三十一日止 25% from 1 January 2015 to 31 December 2015
		25%自二零一六年一月一日起至二零一六年十二月三十一日止 25% from 1 January 2016 to 31 December 2016

年內，僱員所持本公司股份獎勵的變動： The movements of the Company's share awards held by employees during the year:

	授出日期 Grant date	獎勵股份數目 Number of share awards		
		於二零一六年 一月一日 發行在外 Outstanding as at 1 January 2016	於年內歸屬 Vested during the year	於二零一六年 十二月三十一日 發行在外 Outstanding as at 31 December 2016
獎勵股份 Share awards	二零一零年十二月三十一日 31 December 2010	34,125,000	(34,125,000)	—

	授出日期 Grant date	獎勵股份數目 Number of share awards		
		於二零一五年 一月一日 發行在外 Outstanding as at 1 January 2015	於年內歸屬 Vested during the year	於二零一五年 十二月三十一日 發行在外 Outstanding as at 31 December 2015
獎勵股份 Share awards	二零一零年十二月三十一日 31 December 2010	68,250,000	(34,125,000)	34,125,000

44. 以股份支付的交易

(續)

b. 購股權計劃

根據本公司於二零一二年十月九日採納的購股權計劃(「購股權計劃」)，董事可邀請參與者按董事會釐定的價格獲得購股權，惟該價格須至少為以下三者的最高者：(a)於本公司向承授人提呈要約當日(該日須為營業日)(「要約日期」)聯交所日報表列明的股份收市價；(b)緊接要約日期前5個營業日聯交所日報表所列明本公司股份的平均收市價(惟發售價須用作本公司股份上市前期間任何營業日的收市價，而本公司已於要約日期前五個營業日內上市)；及(c)於要約日期當日本公司股份的面值。

根據購股權計劃及本公司任何其他購股權計劃將予授出的所有購股權獲行使後可予發行的股份總數不得超過合共666,640,000股股份(二零一五年：577,000,000股股份)(相當於本年報日期已發行股份總數的10%)，除非本公司另行取得股東批准以更新上限。

44. SHARE-BASED PAYMENT TRANSACTION

(Continued)

b. Share option scheme

Pursuant to the share option scheme ("Share Option Scheme") adopted by the Company on 9 October 2012, the directors may invite participants to take up options at a price determined by the board of directors provided that it shall be at least the highest of (a) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date on which an offer is made by the Company to the grantee (which date must be a business day, "Offer Date"); (b) a price being the average of the closing prices of the shares of the Company as stated in the Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the Offer Date (provided that the offer price shall be used as the closing price for any business day falling within the period before listing of the shares of the Company where the Company has been listed for less than five business days as at the Offer Date); and (c) the nominal value of a share of the Company on the Offer Date.

The total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme of the Company shall not in aggregate exceed 666,640,000 (2015: 577,000,000) shares, representing 10% of the total number of shares in issue as at the date of this annual report unless the Company obtains a fresh approval from the shareholders to refresh the limit.

44. 以股份支付的交易

(續)

b. 購股權計劃(續)

除股東於本公司股東大會上另行批准外，於任何12個月期間內，每位參與者因行使根據購股權計劃獲授的購股權(包括已行使及尚未行使購股權)而獲發行及將予發行的股份總數上限，不得超過已發行股份總數的1%。

承授人可於董事會提呈要約時釐定及知會承授人的購股權期間內隨時根據購股權計劃條款行使購股權，惟該期間不得於要約日期起計十年後屆滿。

四批購股權已於二零一六年十二月三十一日授出。該等購股權的公平值乃使用二項式模式計算。模式的輸入數據如下：

44. SHARE-BASED PAYMENT TRANSACTION

(Continued)

b. Share option scheme (Continued)

The maximum entitlement for any one participant is that the total number of the shares issued and to be issued upon exercise of the options granted under the Share Option Scheme to each participant (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares in issue unless otherwise approved by the shareholders at a general meeting of the Company.

The option may be exercised in accordance with the terms of the Share Option Scheme at any time during the option period which may be determined and notified by the board of directors to the grantee at the time of making an offer which shall not expire later than 10 years from the Offer Date.

Four tranche of share options have been granted as at 31 December 2016. Fair value of these share options were calculated using the binomial model. The inputs into the model were as follows:

		於以下日期授出的購股權			
		Share options granted on			
		二零一三年 二月二十六日 26 February 2013	二零一三年 十月二十九日 29 October 2013	二零一五年 七月十三日 13 July 2015	二零一六年 一月二十日 20 January 2016
授出日期股價	Grant date share price	HK\$1.58港元	HK\$1.51港元	HK\$1.77港元	HK\$1.47港元
行使價	Exercise price	HK\$1.684港元	HK\$1.55港元	HK\$1.77港元	HK\$1.478港元
預期年期	Expected life	Note 附註	Note 附註	Note 附註	Note 附註
預期波幅	Expected volatility	60%	57%	55%	56%
股息收益率	Dividend yield	2.53%	2.65%	6.21%	9.52%
無風險利率	Risk-free interest rate	0.624%	0.830%	0.972%	1.288%

附註：購股權的預期年期按(歸屬期間+行使期間)/2的算式計算。

Note: Expected life of the option is calculated by the formula of (vesting period + exercise period)/2.

44. 以股份支付的交易

(續)

b. 購股權計劃(續)

預期波幅乃根據可資比較公司每日回報的歷史波幅釐定。在管理層慎重估算下，模式中的預期年期已因應不可轉讓性、行使限制及行為考慮因素的影響而作出調整。

於二零一六年十二月三十一日，根據購股權計劃已授出而尚未行使的購股權所涉及的股份數目為477,494,000股(二零一五年：394,991,000股)，佔本公司於二零一六年十二月三十一日股份數目的7%(二零一五年：6%)。

於二零一三年二月二十六日、二零一三年十月二十九日、二零一五年七月十三日及二零一六年一月二十日授出的購股權的估計公平值分別為人民幣83,349,000元、人民幣75,912,000元、人民幣39,125,000元及人民幣30,054,000元。

44. SHARE-BASED PAYMENT TRANSACTION

(Continued)

b. Share option scheme (Continued)

Expected volatility was determined by using the historical volatility of the daily return of comparable companies. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The number of shares in respect of which options had been granted and remained outstanding under the Share Option Scheme as at 31 December 2016 was 447,494,000 (2015: 394,991,000), representing 7% (2015: 6%) of the shares of the Company as at 31 December 2016.

The estimated fair values of the options granted on 26 February 2013, 29 October 2013, 13 July 2015 and 20 January 2016 are RMB83,349,000, RMB75,912,000, RMB39,125,000 and RMB30,054,000 respectively.

44. 以股份支付的交易

(續)

b. 購股權計劃(續)

購股權的行使期間如下：

44. SHARE-BASED PAYMENT TRANSACTION

(Continued)

b. Share option scheme (Continued)

The exercisable period of the share options is as follows:

於二零一三年二月二十六日授出的購股權	Share options granted on 26 February 2013
25%：於二零一四年七月一日歸屬，並自二零一四年七月一日起至二零一八年六月三十日可行使	25%: vested on 1 July 2014 and exercisable from 1 July 2014 to 30 June 2018
25%：於二零一五年七月一日歸屬，並自二零一五年七月一日起至二零一八年六月三十日可行使	25%: vested on 1 July 2015 and exercisable from 1 July 2015 to 30 June 2018
25%：於二零一六年七月一日歸屬，並自二零一六年七月一日起至二零一八年六月三十日可行使	25%: vested on 1 July 2016 and exercisable from 1 July 2016 to 30 June 2018
25%：於二零一七年七月一日歸屬，並自二零一七年七月一日起至二零一八年六月三十日可行使	25%: vested on 1 July 2017 and exercisable from 1 July 2017 to 30 June 2018

於二零一三年十月二十九日授出的購股權	Share options granted on 29 October 2013
25%：於二零一四年七月一日歸屬，並自二零一四年七月一日起至二零一八年六月三十日可行使	25%: vested on 1 July 2014 and exercisable from 1 July 2014 to 30 June 2018
25%：於二零一五年七月一日歸屬，並自二零一五年七月一日起至二零一八年六月三十日可行使	25%: vested on 1 July 2015 and exercisable from 1 July 2015 to 30 June 2018
25%：於二零一六年七月一日歸屬，並自二零一六年七月一日起至二零一八年六月三十日可行使	25%: vested on 1 July 2016 and exercisable from 1 July 2016 to 30 June 2018
25%：於二零一七年七月一日歸屬，並自二零一七年七月一日起至二零一八年六月三十日可行使	25%: vested on 1 July 2017 and exercisable from 1 July 2017 to 30 June 2018

綜合財務報表附註

Notes to the Consolidated Financial Statements

44. 以股份支付的交易

(續)

b. 購股權計劃(續)

44. SHARE-BASED PAYMENT TRANSACTION

(Continued)

b. Share option scheme (Continued)

於二零一五年七月十三日授出的購股權	Share options granted on 13 July 2015
25%：於二零一五年七月十三日歸屬，並自二零一五年七月十三日起至二零一九年六月三十日可行使	25%: vested on 13 July 2015 and exercisable from 13 July 2015 to 30 June 2019
25%：於二零一六年七月一日歸屬，並自二零一六年七月一日起至二零一九年六月三十日可行使	25%: vested on 1 July 2016 and exercisable from 1 July 2016 to 30 June 2019
25%：於二零一七年七月一日歸屬，並自二零一七年七月一日起至二零一九年六月三十日可行使	25%: vested on 1 July 2017 and exercisable from 1 July 2017 to 30 June 2019
25%：於二零一八年七月一日歸屬，並自二零一八年七月一日起至二零一九年六月三十日可行使	25%: vested on 1 July 2018 and exercisable from 1 July 2018 to 30 June 2019

於二零一六年一月二十日授出的購股權	Share options granted on 20 January 2016
25%：於二零一六年七月一日歸屬，並自二零一六年七月一日起至二零二零年六月三十日可行使	25%: vested on 1 July 2016 and exercisable from 1 July 2016 to 30 June 2020
25%：於二零一七年七月一日歸屬，並自二零一七年七月一日起至二零二零年六月三十日可行使	25%: vested on 1 July 2017 and exercisable from 1 July 2017 to 30 June 2020
25%：於二零一八年七月一日歸屬，並自二零一八年七月一日起至二零二零年六月三十日可行使	25%: vested on 1 July 2018 and exercisable from 1 July 2018 to 30 June 2020
25%：於二零一九年七月一日歸屬，並自二零一九年七月一日起至二零二零年六月三十日可行使	25%: vested on 1 July 2019 and exercisable from 1 July 2019 to 30 June 2020

44. 以股份支付的交易

(續)

b. 購股權計劃(續)

本集團於截至二零一六年十二月三十一日止年度就本公司授出的購股權確認開支總額為人民幣47,971,000元(二零一五年：人民幣47,898,000元)。

44. SHARE-BASED PAYMENT TRANSACTION

(Continued)

b. Share option scheme (Continued)

The Group recognised the total expense of RMB47,971,000 (2015: RMB47,898,000) for the year ended 31 December 2016 in relation to share options granted by the Company.

	購股權數目 Number of Options	行使期間 Exercisable period	購股權 訂約年期 Contractual life of options
截至二零一三年十二月三十一日止 年度授出：			
Granted during the year ended 31 December 2013:			
授予董事的購股權： — 於二零一三年二月二十六日 Share options granted to directors: — on 26 February 2013	2,400,000	25%：於二零一四年七月一日歸屬，並自二零一四年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2014 and exercisable from 1 July 2014 to 30 June 2018	四年 4 years
		25%：於二零一五年七月一日歸屬，並自二零一五年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2015 and exercisable from 1 July 2015 to 30 June 2018	四年 4 years
		25%：於二零一六年七月一日歸屬，並自二零一六年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2016 and exercisable from 1 July 2016 to 30 June 2018	四年 4 years
		25%：於二零一七年七月一日歸屬，並自二零一七年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2017 and exercisable from 1 July 2017 to 30 June 2018	四年 4 years
— 於二零一三年十月二十九日 — on 29 October 2013	5,100,000	25%：於二零一四年七月一日歸屬，並自二零一四年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2014 and exercisable from 1 July 2014 to 30 June 2018	四年 4 years
		25%：於二零一五年七月一日歸屬，並自二零一五年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2015 and exercisable from 1 July 2015 to 30 June 2018	四年 4 years
		25%：於二零一六年七月一日歸屬，並自二零一六年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2016 and exercisable from 1 July 2016 to 30 June 2018	四年 4 years
		25%：於二零一七年七月一日歸屬，並自二零一七年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2017 and exercisable from 1 July 2017 to 30 June 2018	四年 4 years

綜合財務報表附註

Notes to the Consolidated Financial Statements

44. 以股份支付的交易

(續)

b. 購股權計劃(續)

44. SHARE-BASED PAYMENT TRANSACTION

(Continued)

b. Share option scheme (Continued)

	購股權數目 Number of Options	行使期間 Exercisable period	購股權 訂約年期 Contractual life of options
授予僱員的購股權：			
Share options granted to employees:			
— 於二零一三年二月二十六日 — on 26 February 2013	150,000,000	25%：於二零一四年七月一日歸屬，並自二零一四年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2014 and exercisable from 1 July 2014 to 30 June 2018	四年 4 years
		25%：於二零一五年七月一日歸屬，並自二零一五年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2015 and exercisable from 1 July 2015 to 30 June 2018	四年 4 years
		25%：於二零一六年七月一日歸屬，並自二零一六年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2016 and exercisable from 1 July 2016 to 30 June 2018	四年 4 years
		25%：於二零一七年七月一日歸屬，並自二零一七年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2017 and exercisable from 1 July 2017 to 30 June 2018	四年 4 years
— 於二零一三年十月二十九日 — on 29 October 2013	144,900,000	25%：於二零一四年七月一日歸屬，並自二零一四年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2014 and exercisable from 1 July 2014 to 30 June 2018	四年 4 years
		25%：於二零一五年七月一日歸屬，並自二零一五年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2015 and exercisable from 1 July 2015 to 30 June 2018	四年 4 years
		25%：於二零一六年七月一日歸屬，並自二零一六年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2016 and exercisable from 1 July 2016 to 30 June 2018	四年 4 years
		25%：於二零一七年七月一日歸屬，並自二零一七年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2017 and exercisable from 1 July 2017 to 30 June 2018	四年 4 years

44. 以股份支付的交易

(續)

b. 購股權計劃(續)

44. SHARE-BASED PAYMENT TRANSACTION

(Continued)

b. Share option scheme (Continued)

	購股權數目 Number of Options	行使期間 Exercisable period	購股權 訂約年期 Contractual life of options
截至二零一五年十二月三十一日止年度授出： Granted during the year ended 31 December 2015:			
授予董事的購股權： — 於二零一五年七月十三日 Share options granted to directors: — on 13 July 2015	4,600,000	25%：於二零一五年七月十三日歸屬，並自二零一五年七月十三日起至二零一九年六月三十日可行使 25%: vested on 13 July 2015 and exercisable from 13 July 2015 to 30 June 2019 25%：於二零一六年七月一日歸屬，並自二零一六年七月一日起至二零一九年六月三十日可行使 25%: vested on 1 July 2016 and exercisable from 1 July 2016 to 30 June 2019 25%：於二零一七年七月一日歸屬，並自二零一七年七月一日起至二零一九年六月三十日可行使 25%: vested on 1 July 2017 and exercisable from 1 July 2017 to 30 June 2019 25%：於二零一八年七月一日歸屬，並自二零一八年七月一日起至二零一九年六月三十日可行使 25%: vested on 1 July 2018 and exercisable from 1 July 2018 to 30 June 2019	四年 4 years 四年 4 years 四年 4 years 四年 4 years
授予僱員的購股權： — 於二零一五年七月十三日 Share options granted to employees: — on 13 July 2015	95,400,000	25%：於二零一五年七月十三日歸屬，並自二零一五年七月十三日起至二零一九年六月三十日可行使 25%: vested on 13 July 2015 and exercisable from 13 July 2015 to 30 June 2019 25%：於二零一六年七月一日歸屬，並自二零一六年七月一日起至二零一九年六月三十日可行使 25%: vested on 1 July 2016 and exercisable from 1 July 2016 to 30 June 2019 25%：於二零一七年七月一日歸屬，並自二零一七年七月一日起至二零一九年六月三十日可行使 25%: vested on 1 July 2017 and exercisable from 1 July 2017 to 30 June 2019 25%：於二零一八年七月一日歸屬，並自二零一八年七月一日起至二零一九年六月三十日可行使 25%: vested on 1 July 2018 and exercisable from 1 July 2018 to 30 June 2019	四年 4 years 四年 4 years 四年 4 years 四年 4 years

綜合財務報表附註

Notes to the Consolidated Financial Statements

44. 以股份支付的交易

(續)

b. 購股權計劃(續)

44. SHARE-BASED PAYMENT TRANSACTION

(Continued)

b. Share option scheme (Continued)

	購股權數目 Number of Options	行使期間 Exercisable period	購股權 訂約年期 Contractual life of options
截至二零一六年十二月三十一日止年度授出： Granted during the year ended 31 December 2016:			
授予董事的購股權： — 於二零一六年一月二十日 Share options granted to directors: — on 20 January 2016	100,000,000	25%：於二零一六年七月一日歸屬，並自二零一六年七月一日起至二零二零年六月三十日可行使 25%: vested on 1 July 2016 and exercisable from 1 July 2016 to 30 June 2020	四年 4 years
		25%：於二零一七年七月一日歸屬，並自二零一七年七月一日起至二零二零年六月三十日可行使 25%: vested on 1 July 2017 and exercisable from 1 July 2017 to 30 June 2020	四年 4 years
		25%：於二零一八年七月一日歸屬，並自二零一八年七月一日起至二零二零年六月三十日可行使 25%: vested on 1 July 2018 and exercisable from 1 July 2018 to 30 June 2020	四年 4 years
		25%：於二零一九年七月一日歸屬，並自二零一九年七月一日起至二零二零年六月三十日可行使 25%: vested on 1 July 2019 and exercisable from 1 July 2019 to 30 June 2020	四年 4 years

44. 以股份支付的交易

(續)

b. 購股權計劃(續)

下表披露董事及僱員持有本公司購股權的詳情：

截至二零一六年十二月三十一日止年度

44. SHARE-BASED PAYMENT TRANSACTION

(Continued)

b. Share option scheme (Continued)

The following tables disclose details of the Company's share options held by directors and employees:

For the year ended 31 December 2016

授出日期	每股 行使價	行使期間	購股權數目				於 二零一六年 十二月 三十一日 尚未行使
			於 二零一六年 一月一日 尚未行使	期內授出	期內已行使	期內已失效	
Date of grant	Exercise price per share	Exercisable period	Outstanding at 1.1.2016	Granted during the period	Exercised during the period	Lapsed during the period	Outstanding at 31.12.2016
	港元						
	HK\$						
購股權							
Share option							
二零一三年二月二十六日		二零一四年七月一日至二零一八年六月三十日					
26 February 2013	1.684	1 July 2014 to 30 June 2018	149,033,122	-	(17,521,782)	-	131,511,340
二零一三年十月二十九日		二零一四年七月一日至二零一八年六月三十日					
29 October 2013	1.55	1 July 2014 to 30 June 2018	145,957,780	-	(22,504,181)	-	123,453,599
二零一五年七月十三日		二零一五年七月十三日至二零一九年六月三十日					
13 July 2015	1.77	13 July 2015 to 30 June 2019	100,000,000	-	(5,008,000)	-	94,992,000
二零一六年一月二十日		二零一六年七月一日至二零二零年六月三十日					
20 January 2016	1.47	1 July 2016 to 30 June 2020	-	100,000,000	(2,463,000)	-	97,537,000
期末可行使							
Exercisable at the end of the period							
加權平均行使價(港元)							
Weighted average exercise price (HK\$)							
			1.66	1.47	1.63	-	1.62
於行使日期的加權平均行使價							
(港元)							
Weighted average exercise price							
at the date of exercise (HK\$)							
					1.62		

綜合財務報表附註

Notes to the Consolidated Financial Statements

44. 以股份支付的交易

(續)

b. 購股權計劃(續)

截至二零一五年十二月三十一日止年度

44. SHARE-BASED PAYMENT TRANSACTION

(Continued)

b. Share option scheme (Continued)

For the year ended 31 December 2015

授出日期	每股 行使價	可行使期間	購股權數目				於 二零一五年 十二月 三十一日 尚未行使
			於 二零一五年 一月一日 尚未行使	期內授出	期內已行使	期內已失效	
Date of grant	Exercise price per share	Exercisable period	Outstanding at 1.1.2015	Granted during the period	Exercised during the period	Lapsed during the period	Outstanding at 31.12.2015
	港元 HK\$						
二零一三年二月二十六日 26 February 2013	1.684	二零一四年七月一日至二零一八年六月三十日 1 July 2014 to 30 June 2018	152,400,000	-	(3,366,878)	-	149,033,122
二零一三年十月二十九日 29 October 2013	1.55	二零一四年七月一日至二零一八年六月三十日 1 July 2014 to 30 June 2018	150,000,000	-	(4,042,220)	-	145,957,780
二零一五年七月十三日 13 July 2015	1.77	二零一五年七月十三日至二零一九年六月三十日 13 July 2015 to 30 June 2019	-	100,000,000	-	-	100,000,000
期末可行使 Exercisable at the end of the period							93,190,902
加權平均行使價(港元) Weighted average exercise price (HK\$)			1.62	1.77	1.61	-	1.66
於行使日期的加權平均行使價 (港元) Weighted average exercise price at the date of exercise (HK\$)					1.61		

除披露者外，自該等購股權計劃獲採納以來，概無據此授出其他購股權。

Save as disclosed, no other option was granted under Share Option Scheme since their adoption.

45. 關聯方交易及結餘

本集團年內與其關聯方進行以下重大交易：

(a) 來自一間關聯公司的租金收入

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
上海建浦	Shanghai Jianpu	2,333	2,400

45. RELATED PARTY TRANSACTIONS AND BALANCES

During the year, the Group entered into the following significant transactions with its related parties:

(a) Rental income from a related company

(b) 來自一間合營企業的一間附屬公司的項目管理費收入

(b) Project management fee income from a subsidiary of a joint venture

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
來自上海旭涇置業有限公司 (本公司合營企業Coastwise的全資附屬公司)的項目管理費收入	Project management fee income from Shanghai Xujing Property Co., Ltd (Wholly-owned subsidiary of Coastwise, a joint venture of the Company)	–	287,134

(c) 來自一間聯營公司的項目管理開支

(c) Project management expense from an associate company

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
來自上海永升(一間聯營公司)的項目管理開支	Project management expense from Shanghai Yongsheng (an associate company)	16,743	–

綜合財務報表附註

Notes to the Consolidated Financial Statements

45. 關聯方交易及結餘

(續)

- (d) 向本公司一名董事、一間關聯公司及董事的一名聯繫人士預售物業收取的按金：

45. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

- (d) Deposit received from pre-sales of properties to a director of the Company, a related company and an associate of the directors:

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
上海懷馳實業發展有限公司 (「上海懷馳」)(由林中先生的 近親控制的公司)(附註i)	Shanghai Huaichi Industrial Development Co., Ltd. ("Shanghai Huaichi") (company controlled by close family member of Mr. Lin Zhong) (note i)	–	12,230
林峰先生(附註ii)	Mr. Lin Feng (note ii)	2,815	6,600
林偉先生(附註iii)	Mr. Lin Wei (note iii)	1,000	–
林祥麟先生(林中先生、林偉先生及 林峰先生的近親)	Mr. Lin Xiang Lin (close family member of Mr. Lin Zhong, Mr. Lin Wei and Mr. Lin Feng)	–	5,801
上海建浦	Shanghai Jianpu	–	3,022

附註：

- (i) 於截至二零一五年十二月三十一日止年度，本公司的一間附屬公司與上海懷馳就以代價人民幣48,930,000元出售一項物業訂立買賣協議。
- (ii) 於截至二零一六年十二月三十一日止年度，本公司的一間附屬公司與林峰先生就以總代價人民幣39,152,000元出售物業訂立兩份買賣協議。
- (iii) 於截至二零一六年十二月三十一日止年度，本公司的一間附屬公司與林偉先生就以代價人民幣29,069,000元出售一項物業訂立買賣協議。

Notes:

- (i) During the year ended 31 December 2015, a subsidiary of the Company entered into a sales and purchase agreement with Shanghai Huaichi in respect of the sales of a property at a consideration of RMB48,930,000.
- (ii) During the year ended 31 December 2016, a subsidiary of the Company entered into two sales and purchase agreements with Mr. Lin Feng in respect of the sales of properties at a total consideration of RMB39,152,000.
- (iii) During the year ended 31 December 2016, a subsidiary of the Company entered into a sales and purchase agreement with Mr. Lin Wei in respect of the sales of a property at a consideration of RMB29,069,000.

- (e) 應收嘉興旭彩產品有限公司
(「嘉興旭彩」)(由林中先生控制的公
司)款項詳情載列如下：

- (e) Particulars of the amounts due from Jiaxing Xucai Commodity Co., Ltd. ("Jiaxing Xucai"), a company controlled by Mr. Lin Zhong:

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
其他應收嘉興旭彩款項	Other receivables from Jiaxing Xucai	–	17,000

應收嘉興旭彩款項為無抵押、免息及須按
要求償還。

The amounts due from Jiaxing Xucai were unsecured, interest-free and repayable on demand.

45. 關聯方交易及結餘

(續)

(f) 應收(付)合營企業及聯營公司款項

45. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

(f) Amounts due from (to) joint ventures and associates

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
應收合營企業款項	Amounts due from joint ventures	2,801,445	1,346,770
應收聯營公司款項	Amounts due from associates	1,819,487	1,246,472
		4,620,932	2,593,242
應付合營企業款項	Amounts due to joint ventures	8,023,842	4,501,791
應付聯營公司款項	Amounts due to associates	6,395,599	2,393,271
		14,419,441	6,985,062

應收／應付若干合營企業及聯營公司款項為無抵押、免息及須按要求償還。

The amounts due from/to certain joint ventures and associates are unsecured, interest-free and repayable on demand.

(g) 於年內已付及應付兼任本公司董事的本集團主要管理人員的薪酬載於附註11。

(g) The remuneration paid and payable to the key management personnel of the Group who are also the directors of the Company for the year is set out in note 11.

(h) 於截至二零一六年十二月三十一日止年度，本集團將其附屬公司上海永升的70%股權出售予上海建浦。詳情載於附註38(a)。

(h) During the year ended 31 December 2016, the Group disposed of its 70% equity interest in its subsidiary, Shanghai Yongsheng to Shanghai Jianpu. Details are set out in note 38(a).

46. 資本風險管理

本集團管理其資本以確保本集團旗下實體將可持續經營，同時透過改善債務與股本權益結餘為股東帶來最大回報。

46. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

本集團的資本架構包括淨負債，而淨負債包括附註32、33及34各自所披露銀行及其他借款、優先票據及公司債券(扣除現金及現金等價物)及本公司擁有人應佔股本權益(包含已發行股本、儲備及保留利潤)。

The capital structure of the Group consists of net debt, which includes the bank and other borrowings, senior notes and corporate bonds disclosed in notes 32, 33 and 34, respectively, net of cash and cash equivalents, and equity attributable to owners of the Company, comprising issued share capital, reserves and retained profits.

本公司董事定期檢討資本架構。作為是項檢討其中一環，本公司董事考量資本成本及與各類資本有關的風險，並採取適當行動平衡整體資本架構。

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital, and take appropriate actions to balance its overall capital structure.

綜合財務報表附註

Notes to the Consolidated Financial Statements

47. 金融工具

(a) 重大會計政策

有關各類金融資產、金融負債及股本工具所採用的重大會計政策(包括確認的條件)、計量的基準以及收入及開支的確認基準的詳情於附註3披露。

(b) 金融工具的類別

47. FINANCIAL INSTRUMENTS

(a) Significant accounting policies

Details of the significant accounting policies adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial assets, financial liabilities and equity instruments are disclosed in note 3.

(b) Categories of financial instruments

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
金融資產	Financial assets		
可供出售投資	Available-for-sale investments	740,976	54,023
按公平值計入損益的金融資產	Financial assets at FVTPL		
衍生金融工具	Derivative financial instruments		
— 持作買賣	— Held for trading	314,768	—
上市股本工具	Listed equity instruments	352,829	—
		667,597	—
— 於物業項目的投資(指定為按公平值計入損益)	— Investments in property projects (Designated as at FVTPL)	529,225	—
		1,196,822	—
貸款及應收款項(包括現金及現金等價物)	Loans and receivables (including cash and cash equivalents)	36,378,194	23,608,495
		38,315,922	23,662,518
金融負債	Financial liabilities		
攤銷成本	Amortised cost	52,166,638	38,957,909

(c) 財務風險管理目標及政策

本集團的主要金融工具包括可供出售投資、衍生金融工具、貿易應收款項、其他應收款項、按公平值計入損益的金融資產、房地產項目投資、已抵押銀行存款、銀行結餘及現金、應收/應付非控股權益、合營企業及聯營公司款項、貿易應付款項、其他應付款項、銀行及其他借款、優先票據以及公司債券。該等金融工具的詳情載於相關附註。與此等金融工具有關的風險及如何減低該等風險的政策載列如下。管理層管理及監控該等風險，確保及時有效地採取適當措施。

(c) Financial risk management objectives and policies

The Group's major financial instruments include available-for-sale investments, derivative financial instruments, trade receivables, other receivables, financial assets at FVTPL, investment in property projects, pledged bank deposits, bank balances and cash, amounts due from/to non-controlling interests, joint ventures and associates, trade payables, other payables, bank and other borrowings, senior notes and corporate bonds. Details of these financial instruments are set out in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

47. 金融工具(續)

(d) 市場風險

本集團的業務主要面對利率、外幣匯率變動的市場風險及其他價格風險(參見下文)。

本集團於年內面對的市場風險或其管理及衡量風險的方式概無重大變動。

利率風險管理

由於銀行存款與銀行及其他借款(按中國人民銀行所報利率加額外費用的浮動利率計息)的現行市場利率波動，因此本集團承受現金流量利率風險。

本集團的公平值利率風險主要與按固定利率計息的銀行及其他借款、企業債券以及優先票據有關。本集團現時並無利用任何衍生工具合約對沖其面對的利率風險。然而，管理層於有需要時會考慮對沖重大利率風險。

本集團承受與金融負債有關的利率風險，詳情載於本附註流動資金風險管理一節。

利率敏感度

以下敏感度分析乃根據非衍生工具(銀行結餘以及銀行及其他借款)利率風險編製。分析乃假設於報告期末未到期金融工具於整年內均未到期而編製。向主要管理人員內部匯報利率風險時會以升跌100個基點(就銀行及其他借款而言)及升跌50個基點(就銀行存款而言)為基準，即管理人員分別對銀行及其他借款以及銀行存款利率可能變動的評估。

於報告期末，倘利率上升/下降100及50個基點(分別就銀行及其他借款以及銀行存款而言)，而所有其他變數維持不變，則本集團截至二零一六年十二月三十一日止年度的利潤會增加/減少約人民幣13,475,000元(二零一五年：人民幣27,198,000元)。

47. FINANCIAL INSTRUMENTS (Continued)

(d) Market risk

The Group's activities expose primarily to the market risks of changes in interest rates, foreign currency exchange rates and other price risk (see below).

There has been no significant change to the Group's exposure to market risks or the manner in which it manages and measures the risk over the year.

Interest rate risk management

The Group is exposed to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate on bank deposits and bank and other borrowings which carry at variable rates based on the interest rates quoted by the People's Bank of China plus a premium.

The Group's fair value interest rate risk relates primarily to its fixed rate bank and other borrowings, corporate bonds and senior notes. The Group currently does not use any derivative contracts to hedge its exposure to interest rate risk. However, the management will consider hedging significant interest rate exposure should the need arise.

The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate sensitivity

The sensitivity analyses below have been prepared based on the exposure to interest rates for non-derivative instruments (bank balances and bank and other borrowings). The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 100 basis point increase or decrease for bank and other borrowings and a 50 basis point increase or decrease for bank deposits are used when reporting interest rate risk internally to key management personnel and represent management's assessment of the possible change in interest rate in respect of bank and other borrowings and bank deposits respectively.

At the end of the reporting period, if interest rates had been increased/decreased by 100 and 50 basis points in respect of bank and other borrowings and bank deposits respectively and all other variables were held constant, the Group's profit would increase/decrease by approximately RMB13,475,000 (2015: RMB27,198,000) for the year ended 31 December 2016.

綜合財務報表附註

Notes to the Consolidated Financial Statements

47. 金融工具(續)

(d) 市場風險(續)

外幣風險管理

本集團以人民幣收取其所有收入，而大部分支出(包括物業銷售產生的支出以及資本開支)亦以人民幣計值。

本集團進行若干以外幣計值的交易，因而承受所產生的匯率波動風險。本集團目前並無外幣對沖政策。然而，管理層會監察外匯風險承受程度及於有需要時考慮對沖重大的外幣風險。

於二零一六年十二月三十一日，本集團擁有以外幣計值的指定為按公平值計入損益的金融資產、銀行結餘及現金、銀行及其他借款以及優先票據(分別載於附註29、30、32及33)，使本集團承受外幣風險。

外幣匯率敏感度

下表詳列本集團對人民幣兌相關外幣升值及貶值5%的敏感度。5%為向主要管理人員內部報告外幣風險所使用的敏感度，指管理層對外幣匯率可能合理變動的評估。敏感度分析僅包括以外幣計值的未到期貨幣項目，並於報告期末就外幣匯率的5%變動調整其換算。當人民幣相對於相關貨幣升值5%時，下表中的正數表示利潤增加；當人民幣相對於相關貨幣貶值5%時，會對利潤產生一個相等並相反的影響，以下結餘也將變成負數。

47. FINANCIAL INSTRUMENTS (Continued)

(d) Market risk (Continued)

Foreign currency risk management

The Group collects all of its revenue in RMB and most of the expenditures including expenditures incurred in property sales as well as capital expenditures are also denominated in RMB.

The Group undertakes certain transactions denominated in foreign currencies, hence exposure to exchange rate fluctuations arises. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

As at 31 December 2016, the Group had financial assets at FVTPL, bank balances and cash, bank and other borrowings and senior notes denominated in foreign currencies as set out in notes 29, 30, 32 and 33, respectively, which expose the Group to foreign currency risk.

Foreign currency rate sensitivity

The following table details the Group's sensitivity to a 5% increase and decrease in Renminbi against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjust their translation at the end of reporting period of 5% changes in foreign currency rates. A positive number below indicates an increase in profit where Renminbi strengthen 5% against the relevant currency. For a 5% weakening of Renminbi against the relevant currency, there would be an equal and opposite impact on the profit and the balances below would be negative.

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
港元	Hong Kong Dollars	64,474	75,183
美元	United States Dollars	469,642	440,013

47. 金融工具(續)

(e) 信貸風險管理

於報告期末，本集團所承受因對手方未能履行責任及本集團所發出財務擔保而導致本集團蒙受財務虧損的最大信貸風險，乃產生自綜合財務狀況表內所列各項已確認金融資產的賬面值，以及附註43所披露或然負債金額。為將信貸風險降至最低，已執行監控程序以確保採取跟進行動收回過期債務。此外，本集團於報告期末定期審閱每項個別賬款及其他應收款項以及應收關聯公司款項的可收回金額，確保就不可收回金額作出充分的減值虧損。呈列於綜合財務狀況表中的金額乃經扣除呆壞賬撥備，並由本集團管理層基於先前經驗及其對現時經濟環境的評估作出估計。

由於對手方為國際評級機構給予高信貸評級的銀行或中國的國有銀行，故流動資金信貸風險有限。

除存於多家高信貸評級銀行的流動資金有信貸風險集中的情況外，本集團的信貸風險並無顯著集中，風險分佈於多個對手方及客戶。

就已預售但未完成發展的物業而言，本集團通常就客戶借入按揭貸款以為購買物業籌集資金而向銀行提供擔保，擔保金額最高為個別物業購買價的70%至80%。如果買方於擔保期間未能償還按揭，則持有按揭的銀行可要求本集團償還未償還貸款及任何有關應計利息。在此等情況下，本集團可沒收已收銷售按金並轉售收回的物業。因此，管理層認為其將有可能收回本集團所提供擔保引致的任何虧損。管理層認為，由於該等融資以物業擔保而物業的市場價格高於擔保金額，故提供予物業買家的財務擔保承受的信貸風險有限。就此而言，本公司董事認為，本集團的信貸風險已顯著降低。

47. FINANCIAL INSTRUMENTS (Continued)

(e) Credit risk management

At the end of the reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees issued by the Group is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position and the amount of contingent liabilities disclosed in note 43. In order to minimise the credit risk, the monitoring procedures are carried out to ensure that follow up action is taken to recover overdue debts. In addition, the Group reviews regularly the recoverable amount of each individual accounts and other receivables and amounts due from related companies at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. The amounts presented in the consolidated statement of financial position are net of allowances for doubtful debts, estimated by the Group's management based on prior experience and their assessment of the current economic environment.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies or state-owned banks in the PRC.

Other than concentration of credit risk on liquid funds which are deposited with several banks with high credit ratings, the Group has no significant concentration of credit risk, which exposure spread over a number of counterparties and customers.

For properties that are presold but development has not been completed, the Group typically provides guarantees to banks in connection with the customers' borrowing of mortgage loans to finance their purchase of the properties for an amount up to 70% to 80% of the purchase price of the individual property. If a purchaser defaults on the payment of its mortgage during the period of guarantee, the bank holding the mortgage may demand the Group to repay the outstanding loan and any interest accrued thereon. Under such circumstances, the Group is able to forfeit the sales deposit received and re-sell the repossessed properties. Therefore, the management considers it would likely recover any loss incurred arising from the guarantee by the Group. The management considers the credit risk exposure to financial guarantees provided to property purchasers is limited because the facilities are secured by the properties and the market prices of the properties are higher than the guaranteed amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

綜合財務報表附註

Notes to the Consolidated Financial Statements

47. 金融工具(續)

(f) 流動資金風險

本集團的目標是透過使用借款在經營活動所得資金的持續性與靈活性之間取得平衡。本公司董事嚴密監察流動資金狀況，並預期會有足夠資金來源撥付本集團的項目及業務。

下表詳列本集團非衍生金融負債及衍生金融負債的預期剩餘合約到期日。該表按本集團可能須付款的最早日期的非衍生金融負債未貼現現金流量編製，表中包括利息及本金現金流量。

此外，下表詳列本集團對其衍生金融工具的流動性分析。本集團的衍生金融工具分析乃按照管理層參照房地產開發項目進度估計的到期日編製。

47. FINANCIAL INSTRUMENTS (Continued)

(f) Liquidity risk

The Group's objective is to maintain a balance between continuity of funding generated from operating activities and the flexibility through the use of borrowings. The directors of the Company closely monitor the liquidity position and expect to have adequate sources of funding to finance the Group's projects and operations.

The following table details the Group's expected remaining contractual maturity for its non-derivative financial liabilities and derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of non-derivative financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

In addition, the following table details the Group's liquidity analysis for its derivative financial instruments. The analysis for the Group's derivative financial instruments are prepared based on the maturities estimated by the management with reference to the progress of property development projects.

		於二零一六年 十二月三十一日 的賬面值							未貼現 現金流量總額
		Carrying amount	0到60日	61到180日	181至365日	1至2年	2至3年	3年以上	Total
		利率	0-60 days	61 to 180 days	181 to 365 days	1-2 years	2-3 years	Over 3 years	undiscounted
		Interest rate	2016	2016	2016	2016	2016	2016	cash flows
			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
			RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
非衍生金融負債	Non-derivative financial liabilities								
不計息	Non-interest bearing	-	22,775,512	22,775,512	-	-	-	-	22,775,512
定息工具	Fixed interest rate instruments	4.8% - 9.0%	17,704,969	223,643	403,638	913,007	3,843,073	4,082,755	20,918,904
浮息工具	Variable interest rate instruments	1.5% - 6.7%	11,686,157	-	436,927	1,411,711	3,774,560	5,598,894	13,014,109
財務擔保	Financial guarantees	-	-	7,794,577	194,400	46,000	1,818,747	447,345	11,218,569

		於二零一五年 十二月三十一日 的賬面值							未貼現 現金流量總額
		Carrying amount	0到60日	61到180日	181至365日	1至2年	2至3年	3年以上	Total
		利率	0-60 days	61 to 180 days	181 to 365 days	1-2 years	2-3 years	Over 3 years	undiscounted
		Interest rate	2015	2015	2015	2015	2015	2015	cash flows
			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
			RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
非衍生金融負債	Non-derivative financial liabilities								
不計息	Non-interest bearing	-	15,003,016	15,003,016	-	-	-	-	15,003,016
定息工具	Fixed interest rate instruments	5.1% - 13.3%	13,782,490	57,941	381,491	1,270,376	1,443,069	4,352,810	17,548,635
浮息工具	Variable interest rate instruments	2.9% - 8.6%	10,172,403	406,914	193,592	1,534,263	3,468,855	4,096,778	11,609,819
財務擔保	Financial guarantees	-	-	3,644,229	-	-	-	2,744,234	6,388,463

47. 金融工具(續)

(f) 流動資金風險(續)

上述財務擔保合約包含的金額為在擔保對手方索償情況下，本集團根據安排可能須結付全數擔保金額的最高金額。根據各報告期末的預期，本集團認為須根據安排付款的機會極微。然而，該估計將視乎對手方根據擔保提出索償的可能性而有所改變，而提出索償的可能性則取決於對手方所持獲擔保財務應收款項出現信貸虧損的可能性。

(g) 金融工具的公平值計量

按經常性基準以公平值計量的本集團金融資產及負債的公平值

本集團的部分金融資產及負債按於各報告期末的公平值釐定。下表提供有關如何釐定該等金融資產及負債公平值的資料(特別是所用的估值方法及輸入數據)，以及根據公平值計量輸入數據的可觀察程度而將公平值計量分類到所屬公平值架構級別(第一級至第三級)。

- 第一級公平值計量乃根據相同資產或負債於活躍市場中所報價格(未經調整)得出；
- 第二級公平值計量乃除第一級計入的報價外，根據資產或負債可直接(即價格)或間接(即自價格衍生)觀察的輸入數據得出；及
- 第三級公平值計量乃指由包含並非依據可觀察的市場數據的資產或負債的輸入數據(不可觀察輸入數據)的估價技術得出的公平值計量。

47. FINANCIAL INSTRUMENTS (Continued)

(f) Liquidity risk (Continued)

The amounts included above for financial guarantee contracts are the maximum amounts the Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of each reporting period, the Group considers that it is more likely than not that no amount will be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

(g) Fair value measurements of financial instruments

Fair value of the Group's financial assets and liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

綜合財務報表附註

Notes to the Consolidated Financial Statements

47. 金融工具(續)

(g) 金融工具的公平值計量(續)

按經常性基準以公平值計量的本集團金融資產及負債的公平值(續)

47. FINANCIAL INSTRUMENTS (Continued)

(g) Fair value measurements of financial instruments (Continued)

Fair value of the Group's financial assets and liabilities that are measured at fair value on a recurring basis (Continued)

金融資產 Financial assets	於以下日期的公平值 Fair value as at		公平值等級 Fair value hierarchy	估值技術及主要輸入數據 Valuation techniques and key inputs
	二零一六年 十二月三十一日 31 December 2016 人民幣千元 RMB'000	二零一五年 十二月三十一日 31 December 2015 人民幣千元 RMB'000		
作為衍生金融工具的外幣遠期合約 Foreign currency forward contracts as derivative financial instruments	資產 – 314,768 Assets – 314,768	–	第二級 Level 2	貼現現金流量。未來現金流量根據遠期利率(從報告期末可觀察的遠期利率)及合同利率進行估計，以反映各交易對手的信用風險的利率折現。 Discounted cash flow. Future cash flows are estimated based on forward interest rates (from observable forward interest rates at the end of the reporting period) and the contracted interest rates, discounted at a rate that reflects the credit risk of various counterparties.
分類為按公平值計入損益的金融資產的上市股份投資 Investments in listed shares classified as financial assets at FVTPL	資產 Assets	–	第一級 Level 1	活躍市場所報買入價 Quoted bid prices in an active market
– 在香港上市 – listed in HK	283,589			
– 在中國上市 – listed in the PRC	69,240			
	325,829			
分類為按公平值計入損益的金融資產的物業項目投資 Investments in property projects classified as financial assets at FVTPL	資產 – 529,225 Assets – 529,225	–	第三級別 Level 3	折現現金流量。未來現金流量根據預期回報及合同投資成本進行估計，以反映各物業項目的內部回報率的利率折現。 Discounted cash flow. Future cash flows are estimated based on expected return, and the contracted investment costs, discounted at a rate that reflects the internal rate of return of varies property projects.

除分別於附註33及34所披露具有公平值的優先票據及公司債券外，本集團管理層認為，綜合財務報表中以攤銷成本入賬的其他金融資產及金融負債的賬面值與其於報告期末的公平值相若。

本集團以攤銷成本入賬的金融資產及金融負債的公平值乃根據按照折現現金流量分析建立的公認定價模式而釐定。

Except for the senior notes and corporate bonds with fair value as disclosed in notes 33 and 34, respectively, the management of the Group consider that the carrying amounts of the other financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values at the end of the reporting period.

The fair value of financial assets and financial liabilities of the Group recorded at amortised cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

48. 本公司財務狀況表及儲備

(a) 本公司財務狀況表：

48. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

(a) Statement of the financial position of the Company:

		二零一六年 2016	二零一五年 2015
		附註 NOTE	人民幣千元 RMB'000
非流動資產	NON-CURRENT ASSETS		
物業、廠房及設備	Property, plant and equipment	34	16
於附屬公司的投資	Investments in a subsidiary	1,014,322	877,538
應收附屬公司款項	Amounts due from subsidiaries	22,837,541	9,458,058
收購股權的按金	Deposits for acquisitions of equity interests	142,047	—
長期保證金	Long-term deposit	34,639	—
衍生金融工具	Derivative financial instruments	314,768	—
		24,343,351	10,335,612
流動資產	CURRENT ASSETS		
應收賬款及其他應收款項、 按金及預付款項	Accounts and other receivables, deposits and prepayments	274,257	3,291
應收合營企業款項	Amounts due from joint ventures	3,109,249	1,934,052
銀行結餘及現金	Bank balances and cash	310,151	515,662
		3,693,657	2,453,005
流動負債	CURRENT LIABILITIES		
應付賬款及應計開支	Accounts payables and accrued charges	28	26
應付附屬公司款項	Amounts due to subsidiaries	1,458,348	1,114,637
應付合營企業款項	Amounts due to joint ventures	721,035	675,214
銀行借款—於一年內到期	Bank borrowings – due within one year	1,480,398	—
		3,659,809	1,789,877
流動資產淨值	NET CURRENT ASSETS	33,848	663,128
總資產減流動負債	TOTAL ASSETS LESS CURRENT LIABILITIES	24,377,199	10,998,740
資本及儲備	CAPITAL AND RESERVES		
股本	Share capital	542,797	537,157
儲備	Reserves	12,053,914	803,564
股本權益總額	TOTAL EQUITY	48(b) 12,596,711	1,340,721
非流動負債	NON-CURRENT LIABILITIES		
優先票據	Senior notes	5,683,011	8,275,958
銀行借款—一年後到期	Bank borrowings – due after one year	6,097,477	1,382,061
		11,780,488	9,658,019
		24,377,199	10,998,740

綜合財務報表附註

Notes to the Consolidated Financial Statements

48. 本公司財務狀況表及儲備(續)

48. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (Continued)

(b) 本公司儲備變動：

(b) Movements of the Company's reserve:

		股本	股份溢價	購股權儲備	出資儲備	(累計虧損)	
		Share	Share	Share option	Capital	保留利潤	總額
		capital	premium	reserve	contribution	(Accumulated	Total
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	retained profit	人民幣千元
		RMB'000	RMB'000	RMB'000	RMB'000	losses)	RMB'000
						losses)	
於二零一五年一月一日	At 1 January 2015	487,896	826,202	98,155	37,468	(253,959)	1,195,762
年內虧損及全面開支總額	Loss and total comprehensive expense for the year	-	-	-	-	(381,625)	(381,625)
行使購股權時發行股份	Issue of shares upon exercise of shares options	593	11,384	(2,428)	-	-	9,549
發行股份以配售股份	Issue of shares of share placement	47,280	980,272	-	-	-	1,027,552
就以股代息發行股份	Issue of shares for scrip-dividend	10,430	226,538	-	-	-	236,968
於購回股份時註銷	Cancelled upon repurchase of shares	(9,042)	(95,179)	-	-	-	(104,221)
確認以股本權益結算並以股份付款	Recognition of equity-settled share-based payments	-	-	47,898	1,972	-	49,870
已宣告股息	Dividend declared	-	(693,134)	-	-	-	(693,134)
於二零一五年十二月三十一日	At 31 December 2015	537,157	1,256,083	143,625	39,440	(635,584)	1,340,721
年內利潤及全面收入總額	Profit and total comprehensive income for the year	-	-	-	-	11,959,918	11,959,918
行使購股權時發行股份	Issue of shares upon exercise of shares options	4,073	79,708	(17,846)	-	-	65,935
就以股代息發行股份	Issue of shares for scrip-dividend	3,384	56,445	-	-	-	59,829
於購回股份時註銷	Cancelled upon repurchase of shares	(1,817)	(21,517)	-	-	-	(23,334)
確認以股本權益結算並以股份付款	Recognition of equity-settled share-based payments	-	-	47,971	-	-	47,971
已宣告股息	Dividend declared	-	(854,329)	-	-	-	(854,329)
於二零一六年十二月三十一日	At 31 December 2016	542,797	516,390	173,750	39,440	11,324,334	12,596,711

49. 主要附屬公司詳情

(a) 本公司的重大附屬公司

本公司的主要附屬公司於二零一六年及二零一五年十二月三十一日的詳情載列如下：

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(a) Material subsidiaries of the Company

Details of the Company's principal subsidiaries at 31 December 2016 and 2015 are set out below:

直接附屬公司名稱 Name of direct subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
旭昇有限公司 Xu Sheng Limited	英屬處女群島 二零一一年 五月九日 BVI 9 May 2011	100	100	註冊資本 50,000美元 實繳資本1美元 Registered USD50,000 paid up capital USD1	香港 Hong Kong	投資控股 Investment holding

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
北京望馨置業有限公司(附註) Beijing Wangxin Property Co., Ltd. (note)	中國 二零零三年 十二月八日 PRC 8 December 2003	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development
北京旭東物業管理有限公司(附註) Beijing Xudong Property Management Co., Ltd. (note)	中國 二零零二年 五月三十一日 PRC 31 May 2002	100	100	註冊資本 人民幣3,000,000元 實繳資本 人民幣3,000,000元 Registered RMB3,000,000 paid up capital RMB3,000,000	中國 PRC	物業管理 Property management

綜合財務報表附註

Notes to the Consolidated Financial Statements

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
北京旭輝順欣置業有限公司 (附註) Beijing Xuhui Shunxin Property Co., Ltd. (note)	中國 二零一一年 十二月十二日 PRC 12 December 2011	100	100	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development
北京旭輝陽光置業有限公司 (附註) Beijing Xuhui Sunshine Property Co., Ltd. (note)	中國 二零一一年 一月十三日 PRC 13 January 2011	80	80	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development
北京旭輝興勝置業有限公司 (附註) Beijing Xuhui Xingsheng Property Co. Ltd. (note)	中國 二零一一年 六月十六日 PRC 16 June 2011	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development
北京旭科置業有限公司(附註) Beijing Xuke Property Co., Ltd (note)	中國 二零一三年 三月十九日 PRC 19 March 2013	100	100	註冊資本 人民幣20,000,000元 實繳資本 人民幣20,000,000元 Registered RMB20,000,000 paid up capital RMB20,000,000	中國 PRC	房地產開發 Property development
北京旭興城置業有限公司 (附註) Beijing Xuxingcheng Property Co., Ltd. (note)	中國 二零一一年 一月十三日 PRC 13 January 2011	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
北京旭輝興科置業有限公司 (附註) Beijing Xuhui Xingke Property Co., Ltd. (note)	中國 二零零九年 八月十二日 PRC 12 August 2009	100	100	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development
北京旭輝興騰置業有限公司 (附註) Beijing Xuhui Xingteng Property Co., Ltd. (note)	中國 二零零九年 八月十二日 PRC 12 August 2009	100	100	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development
北京永旭置業有限公司(附註) Beijing Yongxu Property Co., Ltd. (note)	中國 二零零四年 四月五日 PRC 5 April 2004	100	100	註冊資本 人民幣20,000,000元 實繳資本 人民幣20,000,000元 Registered RMB20,000,000 paid up capital RMB20,000,000	中國 PRC	房地產開發 Property development
長沙鼎尊房地產開發有限公司 (附註) Changsha Dingzun Real Estate Development Co. Limited (note)	中國 二零一二年 十二月六日 PRC 6 December 2012	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development
長沙利隆昌房地產開發 有限公司(附註) Changsha Lilongchang Real Estate Development Co., Ltd. (note)	中國 二零一一年 九月六日 PRC 6 September 2011	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development

綜合財務報表附註

Notes to the Consolidated Financial Statements

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
長沙旭海房地產開發有限公司 (附註) Changsha Xuhai Real Estate Development Co., Ltd. (note)	中國 二零一一年 六月十日 PRC 10 June 2011	100	100	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development
長沙旭湘房地產開發有限公司 (附註) Changsha Xuxiang Real Estate Development Co., Ltd. (note)	中國 二零零七年 八月二十日 PRC 20 August 2007	100	100	註冊資本 人民幣50,000,000元 實繳資本 人民幣50,000,000元 Registered RMB50,000,000 paid up capital RMB50,000,000	中國 PRC	房地產開發 Property development
重慶旭昌房地產開發有限公司 (附註) Chongqing Xuchang Real Estate Development Co., Ltd. (note)	中國 二零一一年 三月十日 PRC 10 March 2011	100	100	註冊資本 人民幣20,000,000元 實繳資本 人民幣20,000,000元 Registered RMB20,000,000 paid up capital RMB20,000,000	中國 PRC	房地產開發 Property development
重慶旭鵬房地產開發有限公司 (附註) Chongqing Xupeng Real Estate Development Co., Ltd. (note)	中國 二零零五年 七月四日 PRC 4 July 2005	100	100	註冊資本 人民幣80,000,000元 實繳資本 人民幣80,000,000元 Registered RMB80,000,000 paid up capital RMB80,000,000	中國 PRC	房地產開發 Property development
重慶旭中房地產開發有限公司 (附註) Chongqing Xuzhong Real Estate Development Co., Ltd. (note)	中國 二零一四年 八月十九日 PRC 19 August 2014	100	100	註冊資本 50,000,000美元 實繳資本 50,000,000美元 Registered USD50,000,000 paid up capital USD50,000,000	中國 PRC	房地產開發 Property development

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
旭輝(中國) CIFI PRC	中國 二零零零年 八月十五日 PRC 15 August 2000	100	100	註冊資本 人民幣1,000,000,000元 實繳資本 人民幣1,000,000,000元 Registered RMB1,000,000,000 paid up capital RMB1,000,000,000	中國 PRC	投資控股 Investment holding
旭輝企發有限公司 CIFI Enterprises Co. Limited	香港 二零一一年 五月十二日 Hong Kong 12 May 2011	100	100	法定資本10,000港元 實繳資本1港元 Authorised HK\$10,000 paid up capital HK\$1	香港 Hong Kong	投資控股 Investment holding
福州萬誠房地產開發有限公司 (附註) Fuzhou Wancheng Real Estate Development Co., Ltd. (note)	中國 二零零四年 七月十四日 PRC 14 July 2004	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development
杭州旭廣 Hangzhou Xuguang	中國 二零一四年 六月二十日 PRC 20 June 2014	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development
合肥旭濱房地產開發有限公司 (附註) Hefei Xubin Real Estate Development Co., Ltd. (note)	中國 二零一一年 一月十九日 PRC 19 January 2011	100	100	註冊資本 人民幣200,000,000元 實繳資本 人民幣200,000,000元 Registered RMB200,000,000 paid up capital RMB200,000,000	中國 PRC	房地產開發 Property development

綜合財務報表附註

Notes to the Consolidated Financial Statements

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
合肥旭海房地產開發有限公司 (附註) Hefei Xuhai Real Estate Development Co., Ltd. (note)	中國 二零零七年 十一月十二日 PRC 12 November 2007	100	100	註冊資本 人民幣50,000,000元 實繳資本 人民幣50,000,000元 Registered RMB50,000,000 paid up capital RMB50,000,000	中國 PRC	房地產開發 Property development
合肥旭皖房地產開發有限公司 (附註) Hefei Xuwan Real Estate Development Co., Ltd. (note)	中國 二零一四年 六月七日 PRC 7 June 2014	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development
合肥旭遠 Hefei Xuyuan	中國 二零一四年 七月二日 PRC 2 July 2014	63	100	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development
湖南隆晟置業發展有限公司 (附註) Hunan Longsheng Property Development Co., Ltd. (note)	中國 二零零六年 五月二十九日 PRC 29 May 2006	100	100	註冊資本 人民幣50,000,000元 實繳資本 人民幣50,000,000元 Registered RMB50,000,000 paid up capital RMB50,000,000	中國 PRC	房地產開發 Property development
湖南融惠房地產開發有限公司 (附註) Hunan Ronghui Real Estate Development Co., Ltd. (note)	中國 二零一二年 十二月十八日 PRC 18 December 2012	80	80	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
嘉興旭誠置業有限公司(附註) Jiaxing Xucheng Property Co., Ltd (note)	中國 二零一四年 十一月一日 PRC 1 November 2014	100	100	註冊資本 60,000,000美元 實繳資本 60,000,000美元 Registered USD60,000,000 paid up capital USD60,000,000	中國 PRC	房地產開發 Property development
嘉興旭領置業有限公司(附註) Jiaxing Xuling Property Co., Ltd (note)	中國 二零一四年 三月六日 PRC 6 March 2014	100	100	註冊資本 25,500,000美元 實繳資本 25,500,000美元 Registered USD25,500,000 paid up capital USD25,500,000	中國 PRC	房地產開發 Property development
嘉興旭美商業管理有限公司 (附註) Jiaxing Xumei Business Management Co., Ltd. (note)	中國 二零一一年 一月二十日 PRC 20 January 2011	100	100	註冊資本 人民幣5,000,000元 實繳資本 人民幣5,000,000元 Registered RMB5,000,000 paid up capital RMB5,000,000	中國 PRC	物業管理 Property management
上海海際房地產有限公司 (附註) Shanghai Haiji Real Estate Co., Ltd. (note)	中國 二零零五年 三月十一日 PRC 11 March 2005	53 [#]	53 [#]	註冊資本 人民幣170,000,000元 實繳資本 人民幣170,000,000元 Registered RMB170,000,000 paid up capital RMB170,000,000	中國 PRC	房地產開發 Property development
上海漢普卡商業管理有限公司 (附註) Shanghai Hanpuka Commercial Management Co., Ltd. (note)	中國 二零一一年 八月十七日 PRC 17 August 2011	100	100	註冊資本 10,000,000美元 實繳資本 10,000,000美元 Registered USD10,000,000 paid up capital USD10,000,000	中國 PRC	投資控股 Investment holding

綜合財務報表附註

Notes to the Consolidated Financial Statements

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
上海旭邦置業有限公司(附註) Shanghai Xubang Property Co., Ltd. (note)	中國 二零一一年 四月十四日 PRC 14 April 2011	100	100	註冊資本 人民幣30,000,000元 實繳資本 人民幣30,000,000元 Registered RMB30,000,000 paid up capital RMB30,000,000	中國 PRC	房地產開發 Property development
上海旭和置業有限公司(附註) Shanghai Xuhe Property Co., Ltd. (note)	中國 二零一二年 十月二十四日 PRC 24 October 2012	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development
上海旭強置業有限公司(附註) Shanghai Xuqiang Property Co., Ltd. (note)	中國 二零一一年 九月十九日 PRC 19 September 2011	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development
上海旭為置業有限公司(附註) Shanghai Xuwei Property Co. Ltd. (note)	中國 二零一二年 十二月十日 PRC 10 December 2012	100	100	註冊資本 人民幣5,000,000元 實繳資本 人民幣5,000,000元 Registered RMB5,000,000 paid up capital RMB5,000,000	中國 PRC	房地產開發 Property development
上海旭祥置業有限公司(附註) Shanghai Xuxiang Property Co. Ltd. (note)	中國 二零一二年 十二月十日 PRC 10 December 2012	100	100	註冊資本 人民幣5,000,000元 實繳資本 人民幣5,000,000元 Registered RMB5,000,000 paid up capital RMB5,000,000	中國 PRC	房地產開發 Property development

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
上海旭煜置業有限公司(附註) Shanghai Xuyu Property Co. Ltd. (note)	中國 二零一一年 一月十二日 PRC 12 January 2011	100	100	註冊資本 人民幣44,000,000元 實繳資本 人民幣44,000,000元 Registered RMB44,000,000 paid up capital RMB44,000,000	中國 PRC	房地產開發 Property development
上海旭柏置業有限公司(附註) Shanghai Xubai Property Co., Ltd (note)	中國 二零一四年 一月五日 PRC 5 January 2014	100	100	註冊資本 人民幣5,000,000元 實繳資本 人民幣5,000,000元 Registered RMB5,000,000 paid up capital RMB5,000,000	中國 PRC	房地產開發 Property development
上海旭協酒店管理有限公司 (附註) Shanghai Xuxie Hotel Management Co., Ltd (note)	中國 二零一五年 五月三日 PRC 3 May 2015	100	100	註冊資本 人民幣1,000,000元 實繳資本 人民幣1,000,000元 Registered RMB1,000,000 paid up capital RMB1,000,000	中國 PRC	房地產開發 Property development
上海旭互實業有限公司(附註) Shanghai Xugen Enterprise Co., Ltd (note)	中國 二零一四年 十一月五日 PRC 5 November 2014	100	100	註冊資本 人民幣1,000,000元 實繳資本 人民幣1,000,000元 Registered RMB1,000,000 paid up capital RMB1,000,000	中國 PRC	房地產開發 Property development
上海豐旭置業有限公司(附註) (「上海豐旭」) Shanghai Fengxu Property Co., Ltd (note) ("Shanghai Fengxu")	中國 二零一四年 十二月二十五日 PRC 25 December 2014	45#	45#	註冊資本 人民幣220,000,000元 實繳資本 人民幣220,000,000元 Registered RMB220,000,000 paid up capital RMB220,000,000	中國 PRC	房地產開發 Property development

綜合財務報表附註

Notes to the Consolidated Financial Statements

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
瀋陽旭全置業有限公司(附註) Shengyeng Xuquan Property Co., Ltd (note)	中國 二零一四年 十月二十一日 PRC 21 October 2014	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development
上海同碩房地產發展有限公司 (附註) Shanghai Tongshuo Real Estate Development Co., Ltd. (note)	中國 二零零五年 二月一日 PRC 1 February 2005	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development
上海欣博房地產有限公司 (附註) Shanghai Xinbo Real Estate Co., Ltd (note)	中國 二零零三年 三月十三日 PRC 13 March 2003	100	100	註冊資本 人民幣80,000,000元 實繳資本 人民幣80,000,000元 Registered RMB80,000,000 paid up capital RMB80,000,000	中國 PRC	房地產開發 Property development
上海鑫辰置業發展有限公司 (附註) Shanghai Xincheng Property Development Co., Ltd. (note)	中國 一九九八年 四月十四日 PRC 14 April 1998	100	100	註冊資本 人民幣30,000,000元 實繳資本 人民幣30,000,000元 Registered RMB30,000,000 paid up capital RMB30,000,000	中國 PRC	房地產開發 Property development
上海新置建築工程有限公司 (附註) Shanghai Xinzhi Construction Co., Ltd. (note)	中國 二零零五年 七月二十日 PRC 20 July 2005	100	100	註冊資本 人民幣60,000,000元 實繳資本 人民幣60,000,000元 Registered RMB60,000,000 paid up capital RMB60,000,000	中國 PRC	物業建設 Property construction

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
上海旭輝投資諮詢有限公司 (附註) Shanghai Xuhui Investment Advisory Co., Ltd. (note)	中國 二零零六年 十一月九日 PRC 9 November 2006	100	100	註冊資本 人民幣160,000,000元 實繳資本 人民幣160,000,000元 Registered RMB160,000,000 paid up capital RMB160,000,000	中國 PRC	投資控股 Investment holding
上海旭美商業投資管理 有限公司(附註) Shanghai Xumei Business Investment Management Co., Ltd. (note)	中國 二零一零年 六月八日 PRC 8 June 2010	100	100	註冊資本 人民幣20,000,000元 實繳資本 人民幣20,000,000元 Registered RMB20,000,000 paid up capital RMB20,000,000	中國 PRC	物業管理 Property management
上海旭創置業有限公司(附註) Shanghai Xuchuang Property Co., Ltd. (note)	中國 二零零七年 九月十一日 PRC 11 September 2007	100	100	註冊資本 人民幣60,000,000元 實繳資本 人民幣60,000,000元 Registered RMB60,000,000 paid up capital RMB60,000,000	中國 PRC	房地產開發 Property development
上海旭匯置業有限公司(附註) Shanghai Xuhui Property Co., Ltd. (note)	中國 二零零九年 十月十四日 PRC 14 October 2009	100	100	註冊資本 人民幣35,000,000元 實繳資本 人民幣35,000,000元 Registered RMB35,000,000 paid up capital RMB35,000,000	中國 PRC	房地產開發 Property development
上海旭通置業有限公司(附註) Shanghai Xutong Property Co., Ltd. (note)	中國 二零一二年 八月八日 PRC 8 August 2012	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development

綜合財務報表附註

Notes to the Consolidated Financial Statements

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
蘇州旭名置業有限公司(附註) Suzhou Xu Ming Property Development Co., Ltd. (note)	中國 二零一二年 五月二十九日 PRC 29 May 2012	100	100	註冊資本 人民幣560,000,000元 實繳資本 人民幣560,000,000元 Registered RMB560,000,000 paid up capital RMB560,000,000	中國 PRC	房地產開發 Property development
蘇州旭峰置業有限公司(附註) Suzhou Xufeng Property Co., Ltd (note)	中國 二零一四年 二月二十二日 PRC 22 February 2014	100	100	註冊資本 人民幣20,000,000元 實繳資本 人民幣20,000,000元 Registered RMB20,000,000 paid up capital RMB20,000,000	中國 PRC	房地產開發 Property development
蘇州旭輝高科置業有限公司 (附註) Suzhou Xuhui High-Tech Property Co., Ltd. (note)	中國 二零零九年 十二月三日 PRC 3 December 2009	100	100	註冊資本 人民幣649,000,000元 實繳資本 人民幣649,000,000元 Registered RMB649,000,000 paid up capital RMB649,000,000	中國 PRC	房地產開發 Property development
蘇州旭輝置業有限公司(附註) Suzhou Xuhui Property Co. Ltd. (note)	中國 二零零七年 三月十三日 PRC 13 March 2007	100	100	註冊資本 人民幣140,000,000元 實繳資本 人民幣140,000,000元 Registered RMB140,000,000 paid up capital RMB140,000,000	中國 PRC	房地產開發 Property development
蘇州旭輝興騰置業有限公司 (附註) Suzhou Xuhui Xingteng Property Co., Ltd. (note)	中國 二零零九年 十二月三日 PRC 3 December 2009	100	100	註冊資本 人民幣191,000,000元 實繳資本 人民幣191,000,000元 Registered RMB191,000,000 paid up capital RMB191,000,000	中國 PRC	房地產開發 Property development

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
上海旭明置業有限公司(附註) Shanghai Xuming Property Co., Ltd. (note)	中國 二零一零年 十二月二十八日 PRC 28 December 2010	100	100	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development
上海旭浦置業有限公司 (附註) Shanghai Xupu Property Co., Ltd. (note)	中國 二零零三年 十一月五日 PRC 5 November 2003	100	100	註冊資本 人民幣30,000,000元 實繳資本 人民幣30,000,000元 Registered RMB30,000,000 paid up capital RMB30,000,000	中國 PRC	房地產開發 Property development
上海旭盛房地產經紀有限公司 (附註) Shanghai Xusheng Real Estate Agency Co., Ltd. (note)	中國 二零零六年 十一月二十七日 PRC 27 November 2006	100	100	註冊資本 人民幣1,000,000元 實繳資本 人民幣1,000,000元 Registered RMB1,000,000 paid up capital RMB1,000,000	中國 PRC	提供房地產代理服務 Provision of property agency service
上海旭豐房地產開發有限公司 (附註) Shanghai Xufeng Real Estate Development Co., Ltd. (note)	中國 二零零五年 一月二十五日 PRC 25 January 2005	100	100	註冊資本 人民幣80,000,000元 實繳資本 人民幣80,000,000元 Registered RMB80,000,000 paid up capital RMB80,000,000	中國 PRC	房地產開發 Property development
上海旭泰房地產有限公司 (附註) Shanghai Xutai Real Estate Co., Ltd. (note)	中國 二零一零年 十一月五日 PRC 5 November 2010	100	100	註冊資本 人民幣59,000,000元 實繳資本 人民幣59,000,000元 Registered RMB59,000,000 paid up capital RMB59,000,000	中國 PRC	房地產開發 Property development

綜合財務報表附註

Notes to the Consolidated Financial Statements

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
上海永匯房地產開發有限公司 (附註) Shanghai Yonghui Real Estate Development Co., Ltd. (note)	中國 二零零一年 四月十八日 PRC 18 April 2001	100	100	註冊資本 人民幣8,000,000元 實繳資本 人民幣8,000,000元 Registered RMB8,000,000 paid up capital RMB8,000,000	中國 PRC	房地產開發 Property development
上海藝建建築設計諮詢 有限公司(附註) Shanghai Yijian Architectural Design & Consulting Co., Ltd. (note)	中國 二零零二年 八月十二日 PRC 12 August 2002	100	100	註冊資本 人民幣1,000,000元 實繳資本 人民幣1,000,000元 Registered RMB1,000,000 paid up capital RMB1,000,000	中國 PRC	提供諮詢服務 Provision of consultancy services
天津旭濱創意產業園管理 有限公司(附註) Tianjin Xu Bin Creative Industrial Park Managements Limited (note)	中國 二零一二年 七月二十五日 PRC 25 July 2012	100	100	註冊資本 20,000,000美元 實繳資本 20,000,000美元 Registered USD20,000,000 paid up capital USD20,000,000	中國 PRC	房地產開發 Property development
天津旭海房地產開發有限公司 (附註) Tianjin Xuhai Real Estate Development Co. Ltd. (note)	中國 二零一一年 八月五日 PRC 5 August 2011	100	100	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development
武漢市旭潤投資諮詢 有限責任公司(附註) Wuhan Xurun Investment Advisory Co., Ltd (note)	中國 二零一四年 五月二十九日 PRC 29 May 2014	100	100	註冊資本 人民幣500,000元 實繳資本 人民幣500,000元 Registered RMB500,000 paid up capital RMB500,000	中國 PRC	提供諮詢服務 Provision of consultancy services

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
旭名(香港)有限公司 Xu Ming (HK) Limited	香港 二零一一年 九月二十七日 Hong Kong 27 September 2011	100	100	法定資本 10,000港元 實繳資本 1港元 Authorised HK\$10,000 paid up capital HK\$1	香港 Hong Kong	投資控股 Investment holding
旭名有限公司 Xu Ming Limited	英屬處女群島 二零一一年 九月二十日 BVI 20 September 2011	100	100	註冊資本 50,000美元 實繳資本 1美元 Registered USD50,000 paid up capital USD1	香港 Hong Kong	投資控股 Investment holding
旭凱(上海)投資顧問有限公司 (附註) Xukai (Shanghai) Investment Consultant Co., Ltd. (note)	中國 二零零五年 四月八日 PRC 8 April 2005	100	100	註冊資本 人民幣20,000,000元 實繳資本 人民幣20,000,000元 Registered RMB20,000,000 paid up capital RMB20,000,000	中國 PRC	投資控股 Investment holding
浙江旭輝置業有限公司 (附註) Zhejiang Xuhui Property Co., Ltd. (note)	中國 二零零六年 八月二十三日 PRC 23 August 2006	100	100	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development
鎮江市旭潤房地產開發 有限公司(附註) Zhenjiang City Xurun Real Estate Development Co., Ltd. (note)	中國 二零一零年 七月十九日 PRC 19 July 2010	100	100	註冊資本 人民幣50,000,000元 實繳資本 人民幣50,000,000元 paid up capital RMB50,000,000 paid up capital RMB50,000,000	中國 PRC	房地產開發 Property development

綜合財務報表附註

Notes to the Consolidated Financial Statements

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
中石房地產開發有限公司 (附註) Zhongshi Real Estate Development Co., Ltd. (note)	中國 二零零六年 十一月十四日 PRC 14 November 2006	100	100	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development
上海旭康(附註37) Shanghai Xukang (note 37)	中國 二零一三年 五月十日 PRC 10 May 2013	100	100	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development
蘇州旭陽(附註37) Suzhou Xuyang (note 37)	中國 二零一二年 十二月二十二日 PRC 22 December 2012	100	100	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development
北京旭輝德龍置業有限公司 (附註) Beijing Xuhui Delong Property Co., Ltd. (note)	中國 二零一五年 三月二日 PRC 2 March 2015	100	100	註冊資本 人民幣1,000,000元 實繳資本 人民幣1,000,000元 Registered RMB1,000,000 paid up capital RMB1,000,000	中國 PRC	房地產開發 Property development
北京樂優富拓投資有限公司 (附註) Beijing Yueyou Futuo Investment Co., Ltd. (note)	中國 二零一五年 二月二十八日 PRC 28 February 2015	100	100	註冊資本 人民幣1,000,000元 實繳資本 人民幣1,000,000元 Registered RMB1,000,000 paid up capital RMB1,000,000	中國 PRC	投資管理 Investment management

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
北京旭輝企業管理有限公司 (附註) Beijing Xuhui Business Management Co., Ltd (note)	中國 二零一五年 二月二十八日 PRC 28 February 2015	100	100	註冊資本 人民幣1,000,000元 實繳資本 人民幣1,000,000元 Registered RMB1,000,000 paid up capital RMB1,000,000	中國 PRC	投資管理 Investment management
北京德順 Beijing Deshun	中國 二零一五年 四月八日 PRC 8 April 2015	55#	100	註冊資本 人民幣20,000,000元 實繳資本 人民幣20,000,000元 Registered RMB20,000,000 paid up capital RMB20,000,000	中國 PRC	投資管理 Investment management
北京旭輝合創投資有限公司 (附註) Beijing Xuhui Hechuang Investment Co., Ltd (note)	中國 二零一五年 七月二十七日 PRC 27 July 2015	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	投資管理 Investment management
上海旭奕置業有限公司 (附註) Shanghai Xuyi Property Co., Ltd (note)	中國 二零一五年 二月十六日 PRC 16 February 2015	75	75	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development
上海新安亭 Shanghai Xinanting	中國 二零零五年 三月二十四日 PRC 24 March 2005	90#	51#	註冊資本 人民幣20,000,000元 實繳資本 人民幣20,000,000元 Registered RMB20,000,000 paid up capital RMB20,000,000	中國 PRC	房地產開發 Property development

綜合財務報表附註

Notes to the Consolidated Financial Statements

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
上海永磐實業有限公司 (附註) Shanghai Yongpan Enterprise Co., Ltd (note)	中國 二零一四年 四月十四日 PRC 14 April 2014	100	100	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development
上海旭度實業有限公司 (附註) Shanghai Xudu Enterprise Co., Ltd (note)	中國 二零一五年 十一月四日 PRC 4 November 2015	100	100	註冊資本 人民幣1,000,000元 實繳資本 人民幣1,000,000元 Registered RMB1,000,000 paid up capital RMB1,000,000	中國 PRC	房地產開發 Property development
上海友築實業有限公司(附註) Shanghai Youzhu Enterprise Co., Ltd (note)	中國 二零一五年 十一月六日 PRC 6 November 2015	100	100	註冊資本 人民幣1,000,000元 實繳資本 人民幣1,000,000元 Registered RMB1,000,000 paid up capital RMB1,000,000	中國 PRC	房地產開發 Property development
上海友導實業有限公司 (「友導」)(附註) Shanghai Youdao Enterprise Co., Ltd ("Youdao"), (note)	中國 二零一五年 十一月六日 PRC 6 November 2015	100	100	註冊資本 人民幣1,000,000元 實繳資本 人民幣1,000,000元 Registered RMB1,000,000 paid up capital RMB1,000,000	中國 PRC	房地產開發 Property development
天津旭元房地產資訊諮詢 有限公司(附註) Tianjin Xuyuan Real Estate Information Consulting Co., Ltd (note)	中國 二零一四年 十月十日 PRC 10 October 2014	100	100	註冊資本 人民幣1,000,000元 實繳資本 人民幣1,000,000元 Registered RMB1,000,000 paid up capital RMB1,000,000	中國 PRC	物業資訊諮詢 Property information consulting

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
天津旭興房地產開發有限公司(附註) Tianjin Xuxing Real Estate Development Co., Ltd (note)	中國 二零一五年 五月二十日 PRC 20 May 2015	100	100	註冊資本 人民幣30,000,000元 實繳資本 人民幣30,000,000元 Registered RMB30,000,000 paid up capital RMB30,000,000	中國 PRC	房地產開發 Property development
天津旭唯房地產開發有限公司(附註) Tianjin Xuwei Real Estate Development Co., Ltd (note)	中國 二零一五年 五月二十日 PRC 20 May 2015	100	100	註冊資本 人民幣30,000,000元 實繳資本 人民幣30,000,000元 Registered RMB30,000,000 paid up capital RMB30,000,000	中國 PRC	房地產開發 Property development
天津旭津(附註37) Tianjin Xujing (Note 37)	中國 二零一三年 二月二十六日 PRC 26 February 2013	100	100	註冊資本 人民幣103,000,000元 實繳資本 人民幣103,000,000元 Registered RMB103,000,000 paid up capital RMB103,000,000	中國 PRC	房地產開發 Property development
瀋陽旭強商業管理有限公司(附註) Shenyang Xuqiang Business Management Co., Ltd (note)	中國 二零一五年 一月一日 PRC 1 January 2015	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development
瀋陽旭盛企業管理有限公司(附註) Shenyang Xusheng Business Management Co., Ltd (note)	中國 二零一五年 十月十六日 PRC 16 October 2015	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	企業管理 Business management

綜合財務報表附註

Notes to the Consolidated Financial Statements

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
南京旭寧房地產開發有限公司 (附註) Nanjing Xuning Real Estate Development Co., Ltd (note)	中國 二零一四年 十二月二十六日 PRC 26 December 2014	100	100	註冊資本 人民幣20,000,000元 實繳資本 人民幣20,000,000元 Registered RMB20,000,000 paid up capital RMB20,000,000	中國 PRC	房地產開發 Property development
南京旭城房地產開發 有限公司(附註) Nanjing Xucheng Real Estate Development Co., Ltd (note)	中國 二零一四年 十二月三十一日 PRC 31 December 2014	51#	51#	註冊資本 人民幣50,000,000元 實繳資本 人民幣50,000,000元 Registered RMB50,000,000 paid up capital RMB50,000,000	中國 PRC	房地產開發 Property development
南京寧博投資管理 有限公司(附註) Nanjing Ningbo Investment Management Co., Ltd (note)	中國 二零一五年 五月七日 PRC 7 May 2015	100	100	註冊資本 人民幣1,000,000元 實繳資本 人民幣1,000,000元 Registered RMB1,000,000 paid up capital RMB1,000,000	中國 PRC	投資及投資管理 Investment and investment management
南京寧康投資管理有限公司 (附註) Nanjing Ningkang Investment Management Co., Ltd (note)	中國 二零一五年 五月七日 PRC 7 May 2015	100	100	註冊資本 人民幣1,000,000元 實繳資本 人民幣1,000,000元 Registered RMB1,000,000 paid up capital RMB1,000,000	中國 PRC	投資及投資管理 Investment and investment management
南京寧卓投資管理有限公司 (附註) Nanjing Ningzhuo Investment Management Co., Ltd (note)	中國 二零一五年 九月一日 PRC 1 September 2015	100	100	註冊資本 人民幣1,000,000元 實繳資本 人民幣1,000,000元 Registered RMB1,000,000 paid up capital RMB1,000,000	中國 PRC	投資及投資管理 Investment and investment management

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
蘇州旭蘇投資諮詢有限公司 (附註) Suzhou Xusu Investment Advisory Co., Ltd (note)	中國 二零一五年 一月二十九日 PRC 29 January 2015	100	100	註冊資本 人民幣500,000元 實繳資本 人民幣500,000元 Registered RMB500,000 paid up capital RMB500,000	中國 PRC	投資諮詢 Investment consultation
蘇州旭利投資諮詢有限公司 (附註) Suzhou Xuli Investment Advisory Co., Ltd (note)	中國 二零一四年 十二月二十五日 PRC 25 December 2014	100	100	註冊資本 人民幣500,000元 實繳資本 人民幣500,000元 Registered RMB500,000 paid up capital RMB500,000	中國 PRC	投資諮詢 Investment consultation
蘇州旭諧投資諮詢有限公司 (附註) Suzhou Xuxie Investment Advisory Co., Ltd (note)	中國 二零一五年 一月二十九日 PRC 29 January 2015	100	100	註冊資本 人民幣500,000元 實繳資本 人民幣500,000元 Registered RMB500,000 paid up capital RMB500,000	中國 PRC	投資諮詢 Investment consultation
合肥旭榮置業有限公司(附註) Hefei Xurong Property Co., Ltd (note)	中國 二零一五年 五月五日 PRC 5 May 2015	100	100	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development
合肥旭輝企業管理有限公司 (附註) Hefei Xuhui Business Management Co., Ltd (note)	中國 二零一五年 五月十八日 PRC 18 May 2015	100	100	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development

綜合財務報表附註

Notes to the Consolidated Financial Statements

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
杭州旭辰投資有限公司(附註) Hangzhou Xuchen Investment Co., Ltd (note)	中國 二零一五年 一月五日 PRC 5 January 2015	100	100	註冊資本 人民幣5,000,000元 實繳資本 人民幣5,000,000元 Registered RMB5,000,000 paid up capital RMB5,000,000	中國 PRC	房地產開發 Property development
杭州卓德投資管理有限公司 (附註) Hangzhou Zhoude Investment Management Co., Ltd (note)	中國 二零一四年 十二月二十八日 PRC 28 December 2014	100	100	註冊資本 人民幣100,000元 實繳資本 人民幣100,000元 Registered RMB100,000 paid up capital RMB100,000	中國 PRC	投資管理 Investment management
上海旭登實業有限公司(附註) Shanghai Xudeng Enterprise Co., Ltd (note)	中國 二零一五年 二月九日 PRC 9 February 2015	100	100	註冊資本 人民幣1,000,000元 實繳資本 人民幣1,000,000元 Registered RMB1,000,000 paid up capital RMB1,000,000	中國 PRC	房地產開發 Property development
杭州旭輝置業有限公司(附註) Hangzhou Xuhui Property Co., Ltd (note)	中國 二零一五年 四月二十日 PRC 20 April 2015	100	100	註冊資本 人民幣5,000,000元 實繳資本 人民幣5,000,000元 Registered RMB5,000,000 paid up capital RMB5,000,000	中國 PRC	房地產開發 Property development
武漢旭和投資諮詢 有限責任公司(附註) Wuhan Xuhe Investment Advisory Co., Ltd (note)	中國 二零一五年 七月十三日 PRC 13 July 2015	100	100	註冊資本 人民幣500,000元 實繳資本 人民幣500,000元 Registered RMB500,000 paid up capital RMB500,000	中國 PRC	投資諮詢公司 Investment consultancy corporation

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
武漢惠譽禦恒 Wuhan Huiyu Yuheng	中國 二零一二年 八月二日 PRC 2 August 2012	55#	55#	註冊資本 人民幣200,000,000元 實繳資本 人民幣200,000,000元 Registered RMB200,000,000 paid up capital RMB200,000,000	中國 PRC	房地產開發 Property development
武漢旭程(附註37) Wuhan Xucheng (note 37)	中國 二零一三年 九月五日 PRC 5 September 2013	100	100	註冊資本 人民幣200,000,000元 實繳資本 人民幣200,000,000元 Registered RMB200,000,000 paid up capital RMB200,000,000	中國 PRC	房地產開發 Property development
旭安有限公司 Xu An Co., Ltd	英屬處女群島 二零一三年 一月十七日 BVI 17 January 2013	50#	50#	註冊資本 50,000美元 實繳資本 2美元 Registered USD50,000 Paid up capital USD2	中國 PRC	投資控股 Investment holding
上海旭弘置業有限公司(附註) Shanghai Xuhong Property Co., Ltd (note)	中國 二零一三年 十二月二十日 PRC 20 December 2013	50#	50#	註冊資本 220,000,000美元 實繳資本 220,000,000美元 Registered USD220,000,000 paid up capital USD220,000,000	中國 PRC	房地產開發 Property development
杭州旭開置業 有限公司(附註) Hangzhou Xukai Real Estate Development Co., Ltd (note)	中國 二零一三年 八月二十二日 PRC 22 August 2013	100	100	註冊資本 130,000,000美元 實繳資本 130,000,000美元 Registered USD130,000,000 paid up capital USD130,000,000	中國 PRC	房地產開發 Property development

綜合財務報表附註

Notes to the Consolidated Financial Statements

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
湖南物華(附註37) Hunan Wuhua (note 37)	中國 二零一一年 十一月二十八日 PRC 28 November 2011	100	67	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 Paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development
旭正(附註37) Xu Zheng (note 37)	英屬處女群島 二零一二年 九月六日 BVI 6 September 2012	100	100	註冊資本 50,000美元 實繳資本 100美元 Registered USD50,000 Paid up capital USD100	中國 PRC	投資控股 Investment holding
天津旭達(附註37) Tianjin Xuda (note 37)	中國 二零一四年 十二月八日 PRC 8 December 2014	100	-	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 Paid up capital RMB10,000,000	中國 PRC	投資控股 Investment holding
天津旭科(附註37) Tianjin Xuke (note 37)	中國 二零一五年 四月三日 PRC 3 April 2015	100	50	註冊資本 人民幣700,000,000元 實繳資本 人民幣700,000,000元 Registered RMB700,000,000 Paid up capital RMB700,000,000	中國 PRC	房地產開發 Property development
佛山市華祥(附註37) Foshan Huaxiang (note 37)	中國 二零零六年 三月六日 PRC 6 March 2006	100	-	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 Paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
佛山市匯金(附註37) Foshan Huijin (note 37)	中國 二零零五年 十二月二十九日 PRC 29 December 2005	100	–	註冊資本 人民幣1,000,000元 實繳資本 人民幣1,000,000元 Registered RMB1,000,000 paid up capital RMB1,000,000	中國 PRC	房地產開發 Property development
武漢惠譽華天(附註37) Wuhan Huiyu Huatian (note 37)	中國 二零一二年 七月十九日 PRC 19 July 2012	100	–	註冊資本 人民幣20,000,000元 實繳資本 人民幣20,000,000元 Registered RMB20,000,000 paid up capital RMB20,000,000	中國 PRC	房地產開發 Property development
上海旭技實業有限公司(附註) Shanghai Xuji Enterprise Co.,Ltd (note)	中國 二零一五年 十二月二十八日 PRC 28 December 2015	100	–	註冊資本 人民幣1,000,000元 實繳資本 人民幣1,000,000元 Registered RMB1,000,000 paid up capital RMB1,000,000	中國 PRC	房地產開發 Property development
上海旭沃實業有限公司(附註) Shanghai Xuwo Enterprise Co.,Ltd (note)	中國 二零一五年 十二月二十八日 PRC 28 December 2015	100	–	註冊資本 人民幣1,000,000元 實繳資本 人民幣1,000,000元 Registered RMB1,000,000 paid up capital RMB1,000,000	中國 PRC	房地產開發 Property development
上海旭導實業有限公司(附註) Shanghai Xudao Enterprise Co.,Ltd (note)	中國 二零一五年 十二月二十八日 PRC 28 December 2015	100	–	註冊資本 人民幣1,000,000元 實繳資本 人民幣1,000,000元 Registered RMB1,000,000 paid up capital RMB1,000,000	中國 PRC	房地產開發 Property development

綜合財務報表附註

Notes to the Consolidated Financial Statements

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
寧波旭鄞置業有限公司(附註) Ningbo Xuying Property Co., Ltd (note)	中國 二零一六年 六月十三日 PRC 13 June 2016	100	—	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development
天津旭明房地產開發 有限公司(附註) Tianjin Xuming Enterprise Co., Ltd (note)	中國 二零一六年 十二月七日 PRC 7 December 2016	100	—	註冊資本 人民幣30,000,000元 實繳資本 人民幣30,000,000元 Registered RMB30,000,000 paid up capital RMB30,000,000	中國 PRC	房地產開發 Property development
天津旭同房地產開發 有限公司(附註) Tianjin Xutong Real Estate Development Co., Ltd (note)	中國 二零一五年 十一月二十五日 PRC 25 November 2015	100	—	註冊資本 人民幣30,000,000元 實繳資本 人民幣30,000,000元 Registered RMB30,000,000 paid up capital RMB30,000,000	中國 PRC	房地產開發 Property development
瀋陽金地順成房地產開發 有限公司(附註) Shenyang Jindi Shuncheng Real Estate Development Co., Ltd (note)	中國 二零一五年 十一月三日 PRC 3 November 2015	100	—	註冊資本 人民幣50,000,000元 實繳資本 人民幣50,000,000元 Registered RMB50,000,000 paid up capital RMB50,000,000	中國 PRC	房地產開發 Property development
瀋陽旭傑企業管理有限公司 (附註) Shenyang Xujie Business Management Co., Ltd (note)	中國 二零一五年 十二月一日 PRC 1 December 2015	100	—	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	企業管理 Business management

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
瀋陽旭騰企業管理有限公司 (附註) Shenyang Xuteng Business Management Co., Ltd (note)	中國 二零一五年 十一月四日 PRC 4 November 2015	100	—	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	企業管理 Business management
瀋陽輝能置業有限公司 (附註) Shenyang Huineng Property Co., Ltd (note)	中國 二零一六年 三月十六日 PRC 16 March 2016	100	—	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	企業管理 Business management
武漢旭恒管理諮詢 有限責任公司(附註) Wuhan Xuheng Management Consultancy Co., Ltd (note)	中國 二零一六年 一月十一日 PRC 11 January 2016	100	—	註冊資本 人民幣500,000元 實繳資本 人民幣500,000元 Registered RMB500,000 paid up capital RMB500,000	中國 PRC	企業管理 Business management
合肥輝泰房地產開發 有限公司(附註) Hefei Huitai Real Estate Development Co., Ltd (note)	中國 二零一六年 四月十五日 PRC 15 April 2016	100	—	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development
重慶輝平房地產開發 有限公司(附註) Chongqing Huiping Real Estate Development Co., Ltd (note)	中國 二零一六年 四月十四日 PRC 14 April 2016	100	—	註冊資本 人民幣8,000,000元 實繳資本 人民幣8,000,000元 Registered RMB8,000,000 paid up capital RMB8,000,000	中國 PRC	房地產開發 Property development

綜合財務報表附註

Notes to the Consolidated Financial Statements

49. 主要附屬公司詳情(續)

(a) 本公司的重大附屬公司(續)

49. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES (Continued)

(a) Material subsidiaries of the Company (Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一六年 2016 %	二零一五年 2015 %			
佛山輝泰昌房地產開發有限公司(附註) Foshan Huitaichang Real Estate Development Co., Ltd (note)	中國 二零一六年 五月十二日 PRC 12 May 2016	100	–	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development
鄭州輝秀企業管理諮詢有限公司(附註) Zhengzhou Huixiu Business Management Consultancy Co., Ltd (note)	中國 二零一六年 四月十五日 PRC 15 April 2016	100	–	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	企業管理 Business management

根據公司的備忘錄及章程，該等公司在各自期間結束日期入賬列作本公司的附屬公司，且該等公司的主要財務及經營政策須獲董事會以簡單多數票同意。本集團在董事會中有過半董事，因此，本集團可對該等公司行使控制權。

附註：由於該等公司並無註冊任何正式英文名稱，故其英文名稱乃由本公司的管理層竭力直譯其中文名稱得來。

上表列出董事認為主要影響年內業績或構成本集團資產淨值絕大部分的本公司附屬公司。董事認為列出其他附屬公司詳情會令篇幅過份冗長。

董事認為，概無附屬公司個別地擁有對本集團屬重大的非控股權益，因此，並無就此等非全資附屬公司披露任何資料。

These companies are accounted for as subsidiaries of the Company as at respective period end date as in accordance with the memorandum and article of the companies, major financial and operating policies of these companies require consent with simple majority in the board of directors. The Group has over a half of directors in the board, thus, the Group can exercise control over those companies.

Note: The English names of these companies represent the best effort made by management of the Company to directly translate their Chinese names as they did not register any official English names.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

In the opinion of the directors, there are no subsidiaries that have non-controlling interest individually that are material to the Group and therefore no information is disclosed for these non-wholly owned subsidiaries.

50. 報告期末後事項

- (a) 於二零一七年一月二十四日，本公司發行面值總額達285,000,000美元有擔保定息優先票據（「二零二二年到期票據」），以年利率5.5厘的定息計息（每半年期末支付利息），並將於二零二二年一月二十三日悉數償還。

二零二二年到期票據均於聯交所上市，為本公司無抵押優先責任，由本公司若干並非根據中國法律成立的現有附屬公司擔保。該等擔保實際從屬於各擔保方的其他有抵押承擔，惟以所抵押的資產價值為限。

- (b) 於二零一七年二月二十日，本公司完成悉數贖回二零一九年到期原先票據及二零一九年到期額外票據，贖回價為104.438%另加計至（惟不包括）贖回日期的應計及未付利息。

- (c) 上海市土地交易事務中心於二零一六年十二月十二日發出公示，指出本公司的全資附屬公司上海旭備申請就上海地塊相關的國有建設用地使用權進行投標，但未於投標文件所規定的時間內參加預定的投標活動，其行為屬於投標文件中有關上海地塊出讓的違約情形，因此不予退還上海旭備已就上海地塊投標支付的保證金人民幣373,950,000元。

於二零一七年一月二十六日，本公司的間接全資附屬公司友導與寧波昌瑞投資有限公司（「昌瑞」）就其於一間本公司的間接全資附屬公司上海旭備的全部已發行股本訂立買賣協議，據此，友導同意出售，而昌瑞同意以代價人民幣1,000,000元購買旭備的全部已發行股本。旭備亦同意向友導繳還人民幣373,955,000元的股東貸款，而昌瑞則就旭備的該繳還責任提供擔保。

根據買賣協議，於友導與昌瑞買賣旭備的全部已發行股本後，旭備不再為本公司附屬公司。本交易使本集團得以消除收回就地塊投標已付上海市土地交易事務中心的保證金的不確定因素。

於二零一七年二月十日，昌瑞悉數向本公司支付代價及股東貸款人民幣374,955,000元。因此對本集團並無重大財務影響。

50. EVENTS AFTER THE END OF THE REPORTING PERIOD

- (a) On 24 January 2017, the Company issued guaranteed fixed rate senior notes with aggregate nominal value of US\$285,000,000 (the "2022 due Notes") which carry fixed interest of 5.5% per annum (interest payable semi-annually in arrears) and will be fully repayable by 23 January 2022.

The 2022 due Notes are listed on the Stock Exchange. They are unsecured, senior obligations of the Company and guaranteed by certain of the Company's existing subsidiaries, other than those organized under the laws of the PRC. The guarantees are effectively subordinated to the other secured obligations of each guarantor, to the extent of the value of assets serving as security.

- (b) On 20 February 2017, the Company fully redeemed the 2019 due Original Notes and 2019 due Additional Notes at a redemption price equal to 104.438% of the principal amount plus accrued and unpaid interest.

- (c) On 12 December 2016, the Shanghai Land Transaction Affairs Center made a public notice stating that Shanghai Xubei, a wholly owned subsidiary of the Company, applied for the tender of the land use rights of the state-owned construction land in relation to land plots in Shanghai, but did not attend the scheduled tender activity within the time stipulated under tender requirements, which constituted breach of conditions stated in the tender documents concerning transfer of the land plots in Shanghai. As such, the security deposit already paid by Shanghai Xubei of RMB373,950,000 for the tender of the land plots in Shanghai will not be returned.

On 26 January 2017, Youdao, an indirect wholly owned subsidiary of the Company, and Ningbo Changrui Investments Co., Ltd. (寧波昌瑞投資有限公司), ("Changrui"), entered into a sale and purchase agreement relating to the sale and purchase of the entire issued share capital of Shanghai Xubei, an indirect wholly owned subsidiary of the Company, pursuant to which Youdao agreed to sell and Changrui agreed to purchase, the entire issued share capital of Xubei for a consideration of RMB1,000,000. Xubei also agreed to repay the shareholder's loan for the amount of RMB373,955,000 to Youdao. Such repayment obligation of Xubei was guaranteed by Changrui.

Upon completion of the sale and purchase of the entire issued share capital of Xubei between Youdao and Changrui as pursuant to the sale and purchase agreement, Xubei ceased to be a subsidiary of the Company. The transaction enables the Group to eliminate uncertainty in recovery of the security deposit paid for the tender of land plots to Shanghai Land Transaction Affairs Center.

On 10 February 2017, the Changrui fully repaid the consideration and shareholder's loan to the Company, amounted to RMB374,955,000. Accordingly, there is no significant financial impact to the Group.

獨立核數師報告

INDEPENDENT AUDITOR'S REPORT



致旭輝控股(集團)有限公司各股東
(於開曼群島註冊成立的有限公司)

吾等已審核載列於第109至279頁旭輝控股(集團)有限公司(「貴公司」)及其附屬公司(合稱「貴集團」)的綜合財務報表，此綜合財務報表包括於二零一五年十二月三十一日的綜合財務狀況表、截至該日止年度的綜合損益及其他全面收益表、綜合股本權益變動表及綜合現金流量表，以及主要會計政策概要及其他解釋資料。

董事就綜合財務報表須承擔的責任

貴公司的董事須負責根據國際會計準則委員會頒佈的國際財務報告準則及香港公司條例的披露規定編製表達真實且公平意見的綜合財務報表，以及落實董事認為必要的有關內部控制，以確保編製綜合財務報表時不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師的責任

吾等的責任是根據吾等的審核對該等綜合財務報表作出意見，並按照協定的委聘條款，僅向整體股東報告，除此之外本報告別無其他目的。吾等概不就本報告的內容，對任何其他人士負責或承擔法律責任。吾等已根據香港會計師公會頒佈的香港審計準則進行審核。該等準則要求吾等遵守道德規範，並規劃及執行審核，以合理確定綜合財務報表是否並無任何重大錯誤陳述。

TO THE MEMBERS OF CIFI HOLDINGS (GROUP) CO. LTD.
(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of CIFI Holdings (Group) Co. Ltd. (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 109 to 279, which comprise the consolidated statement of financial position as at 31 December 2015, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

獨立核數師報告 INDEPENDENT AUDITOR'S REPORT

審核涉及執程序以取得有關綜合財務報表所載金額及披露的審核憑證。所選用的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表中存有重大錯誤陳述的風險。在作出風險評估時，核數師會考慮與實體編製真實與公平的綜合財務報表相關的內部監控，以設計適當的審核程序，而並非就實體的內部監控的有效性提出意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價綜合財務報表的整體列報方式。

吾等相信，吾等所獲得的審核憑證充足及適當，足以為吾等的審核意見提供基礎。

意見

吾等認為，該等綜合財務報表均已按照國際財務報告準則的規定真實與公平地反映 貴集團於二零一五年十二月三十一日的財務狀況及其截至該日止年度的財務表現和現金流量，並已按照香港公司條例的披露規定妥為編製。

德勤•關黃陳方會計師行
執業會計師
香港
二零一六年三月九日

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2015, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
9 March 2016

綜合損益及其他全面收益表

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

截至二零一五年十二月三十一日止年度 For the year ended 31 December 2015

			二零一五年 2015	二零一四年 2014
		附註 NOTES	人民幣千元 RMB'000	人民幣千元 RMB'000
收入	Revenue	5	18,230,788	16,179,334
銷售及服務成本	Cost of sales and services		(14,087,196)	(11,992,548)
毛利	Gross profit		4,143,592	4,186,786
其他收入、收益及虧損	Other income, gains and losses	7	541,660	246,604
投資物業公平值變動	Change in fair value of investment properties		128,100	241,166
信託及其他貸款相關衍生工具的 公平值變動	Change in fair value of trust and other loans related derivatives		–	4,000
營銷及市場推廣開支	Selling and marketing expenses		(370,910)	(319,404)
行政開支	Administrative expenses		(607,355)	(529,391)
應佔合營企業業績	Share of results of joint ventures		205,533	(118,708)
應佔聯營公司業績	Share of results of associates		(32,908)	–
融資成本	Finance costs	8	(202,885)	(386,228)
除稅前利潤	Profit before taxation		3,804,827	3,324,825
所得稅開支	Income tax expense	9	(1,334,039)	(1,325,237)
年內利潤及全面收入總額	Profit and total comprehensive income for the year	10	2,470,788	1,999,588
以下各項應佔：	Attributable to:			
本公司股東權益	Equity owners of the Company		2,095,464	1,861,149
永久資本工具擁有人	Owners of perpetual capital instruments		38,030	35,913
其他非控股權益	Other non-controlling interests		337,294	102,526
			375,324	138,439
年內利潤及全面收入總額	Profit and total comprehensive income for the year		2,470,788	1,999,588
每股盈利(人民幣元)：	Earnings per share, in RMB:			
基本	Basic	13	0.32	0.31
攤薄	Diluted	13	0.32	0.31

綜合財務狀況表

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

於二零一五年十二月三十一日 At 31 December 2015

			二零一五年 2015	二零一四年 2014
		附註 NOTES	人民幣千元 RMB'000	人民幣千元 RMB'000
非流動資產	NON-CURRENT ASSETS			
投資物業	Investment properties	14	5,842,300	5,206,200
物業、廠房及設備	Property, plant and equipment	15	48,604	48,078
預付租賃款項	Prepaid lease payments	16	32,742	57,645
於聯營公司的權益	Interests in associates	17	588,620	15,300
於合營企業的權益	Interests in joint ventures	18	7,109,797	7,891,784
可供出售投資	Available-for-sale investments	19	54,023	54,023
遞延稅項資產	Deferred taxation assets	31	286,753	213,551
			13,962,839	13,486,581
流動資產	CURRENT ASSETS			
持作出售物業	Properties held for sale	20	6,917,170	5,419,473
擬作出售的開發中物業	Properties under development for sale	21	20,167,382	9,803,747
應收賬款及其他應收款項、 按金及預付款項	Accounts and other receivables, deposits and prepayments	22	5,711,469	3,975,308
應收非控股權益款項	Amounts due from non-controlling interests	23	831,339	104,704
應收合營企業及聯營公司的款項	Amounts due from joint ventures and associates	24	2,593,242	1,041,654
持作出售物業土地使用權按金	Deposits for land use rights for properties held for sale		1,818,236	2,256,720
可收回稅項	Taxation recoverable		544,851	326,798
已質押銀行存款	Pledged bank deposits	25	31,500	30,000
銀行結餘及現金	Bank balances and cash	25	14,873,736	7,093,654
			53,488,925	30,052,058
流動負債	CURRENT LIABILITIES			
應付賬款及應計開支	Accounts payables and accrued charges	26	7,319,089	5,183,049
已收物業銷售按金	Deposits received from property sales		10,396,275	5,015,996
應付非控股權益款項	Amounts due to non-controlling interests	23	995,208	477,307
應付合營企業及聯營公司的款項	Amounts due to joint ventures and associates	24	6,895,062	4,926,725
應付稅項	Taxation payable		1,334,245	1,472,710
銀行及其他借款－於一年內到期	Bank and other borrowings – due within one year	27	2,793,500	3,035,362
			29,733,379	20,111,149
流動資產淨值	NET CURRENT ASSETS		23,755,546	9,940,909
總資產減流動負債	TOTAL ASSETS LESS CURRENT LIABILITIES		37,718,385	23,427,490

			二零一五年 2015	二零一四年 2014
		附註 NOTES	人民幣千元 RMB'000	人民幣千元 RMB'000
資本及儲備	CAPITAL AND RESERVES			
股本	Share capital	30	537,157	487,896
儲備	Reserves		12,289,940	9,717,153
本公司股東權益 應佔股本權益	Equity attributable to equity owners of the Company		12,827,097	10,205,049
永久資本工具	Perpetual capital instruments	29	–	585,710
其他非控股權益	Other non-controlling interests		2,456,065	792,159
			2,456,065	1,377,869
股本權益總額	TOTAL EQUITY		15,283,162	11,582,918
非流動負債	NON-CURRENT LIABILITIES			
銀行及其他借款－於一年後到期	Bank and other borrowings – due after one year	27	8,864,403	6,468,435
優先票據	Senior notes	28(a)	8,275,958	4,356,950
公司債券	Corporate bonds	28(b)	4,021,032	–
遞延稅項負債	Deferred taxation liabilities	31	1,273,830	1,019,187
			22,435,223	11,844,572
			37,718,385	23,427,490

第109至279頁的綜合財務報表已於二零一六年三月九日獲董事會批准及授權刊發，並由下列人士代表簽署：

The consolidated financial statements on pages 109 to 279 were approved and authorized for issue by the Board of directors on 9 March 2016 and are signed on its behalf by:

林中
董事

林峰
董事

LIN Zhong
DIRECTOR

LIN Feng
DIRECTOR

綜合股本權益變動表

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

截至二零一五年十二月三十一日止年度 For the year ended 31 December 2015

		本公司股東權益總佔 Attributable to equity owners of the Company											
		股本	股份溢價	特別及 其他儲備	法定 盈餘儲備	購股權儲備	出資儲備	保留利潤	總計	永久 資本工具	非控股權益	小計	總計
		Share capital	Share premium	Special and other reserve	Statutory surplus reserve	Share option reserve	Capital contribution reserve	Retained profits	Total	Perpetual capital instruments	Non- controlling interests	Subtotal	Total
		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
		RMB'000	RMB'000	RMB'000 (附註1) (Note 1)	RMB'000 (附註3) (Note 3)	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
於二零一四年一月一日	At 1 January 2014	487,896	1,159,472	202,078	484,523	36,581	33,031	6,207,372	8,610,953	-	544,442	544,442	9,155,395
年內利潤及全面收入總額	Profit and total comprehensive income for the year	-	-	-	-	-	-	1,861,149	1,861,149	35,913	102,526	138,439	1,999,588
轉撥至儲備	Appropriations to reserve	-	-	-	251,745	-	-	(251,745)	-	-	-	-	-
非控股權益出資(附註2)	Capital contributions from non-controlling interests (Note 2)	-	-	-	-	-	-	-	-	-	79,000	79,000	79,000
向非控股權益出售附屬公司 部分權益(附註1)	Disposal of partial interests in subsidiaries to non-controlling interests (Note 1)	-	-	206	-	-	-	-	206	-	76,616	76,616	76,822
出售附屬公司	Disposal of subsidiaries	-	-	-	-	-	-	-	-	-	(10,425)	(10,425)	(10,425)
確認以股本權益結算 並以股份付款	Recognition of equity-settled share based payments	-	-	-	-	61,574	4,437	-	66,011	-	-	-	66,011
發行永久資本工具(附註29)	Issue of perpetual capital instruments (Note 29)	-	-	-	-	-	-	-	-	585,710	-	585,710	585,710
分派予永久資本工具擁有人	Distribution to owners of perpetual capital instruments	-	-	-	-	-	-	-	-	(35,913)	-	(35,913)	(35,913)
已付股息	Dividend paid	-	(333,270)	-	-	-	-	-	(333,270)	-	-	-	(333,270)
於二零一四年 十二月三十一日	At 31 December 2014	487,896	826,202	202,284	736,268	98,155	37,468	7,816,776	10,205,049	585,710	792,159	1,377,869	11,582,918
年內利潤及全面收入總額	Profit and total comprehensive income for the year	-	-	-	-	-	-	2,095,464	2,095,464	38,030	337,294	375,324	2,470,788
轉撥至儲備	Appropriations to reserve	-	-	-	108,792	-	-	(108,792)	-	-	-	-	-
收購附屬公司(附註32)	Acquisition of subsidiaries (Note 32)	-	-	-	-	-	-	-	-	-	1,166,952	1,166,952	1,166,952
非控股權益出資	Capital contributions from non-controlling interests	-	-	-	-	-	-	-	-	-	173,496	173,496	173,496
向非控股權益出售附屬公司 部分權益(附註33b)	Disposal of partial interests in subsidiaries to non-controlling interests (Note 33b)	-	-	-	-	-	-	-	-	-	(13,836)	(13,836)	(13,836)
確認以股本權益結算 並以股份付款	Recognition of equity-settled share based payments	-	-	-	-	47,898	1,972	-	49,870	-	-	-	49,870
行使購股權時發行股份 (附註30)	Issue of shares upon exercise of share options (Note 30)	593	11,384	-	-	(2,428)	-	-	9,549	-	-	-	9,549
發行股份以配售股份(附註30)	Issue of shares for share placement (Note 30)	47,280	980,272	-	-	-	-	-	1,027,552	-	-	-	1,027,552
就以股代息發行股份(附註30)	Issue of shares for scrip - dividend (Note 30)	10,430	(10,430)	-	-	-	-	-	-	-	-	-	-
購回股份時註銷(附註30)	Cancelled upon repurchase of shares (Note 30)	(9,042)	(95,179)	-	-	-	-	-	(104,221)	-	-	-	(104,221)
贖回永久資本工具(附註29)	Redemption of perpetual capital instrument (Note 29)	-	-	-	-	-	-	-	-	(585,710)	-	(585,710)	(585,710)
分派予永久資本工具擁有人	Distribution to owners of perpetual capital instruments	-	-	-	-	-	-	-	-	(38,030)	-	(38,030)	(38,030)
已付股息	Dividend paid	-	(456,166)	-	-	-	-	-	(456,166)	-	-	-	(456,166)
於二零一五年 十二月三十一日	At 31 December 2015	537,157	1,256,083	202,284	845,060	143,625	39,440	9,803,448	12,827,097	-	2,456,065	2,456,065	15,283,162

附註：

1. 於二零一四年一月七日，本公司全資附屬公司旭輝集團股份有限公司(「旭輝中國」)以現金代價人民幣19,600,000元向非控股權益出售蘇州旭邦置業有限公司49%股權。已收代價與於出售蘇州旭邦置業有限公司部分股權當日所佔股權的差額人民幣75,950元獲確認為儲備。

於二零一四年四月十六日，旭輝中國以總現金代價人民幣55,000,000元向兩名非控股權益分別出售上海豐旭置業有限公司(「上海豐旭」)的40%及15%股權。已收代價與於出售上海豐旭部分權益當日所佔股權的差額人民幣130,530元獲確認為儲備。儘管本集團於完成出售事項後僅保留上海豐旭45%股權，其仍保持上海豐旭董事會的大多數投票權，讓本集團可以簡單大多數票批准相關業務活動。就此，上海豐旭仍屬本公司的附屬公司。

於二零一四年十月二十三日，旭輝中國以現金代價人民幣2,222,000元向非控股權益出售蘇州旭茂置業有限公司10%股權。

2. 於二零一四年一月二日，非控股權益向本公司一間非全資附屬公司湖南融惠房地產開發有限公司注資人民幣13,000,000元。於二零一四年六月十八日，兩名非控股權益向上海豐旭注資合共人民幣66,000,000元。有關注資並無攤薄擁有權權益，此乃由於注資款項乃由本集團及該等非控股權益按比例出資。
3. 根據於中華人民共和國成立的所有附屬公司的組織章程細則，該等附屬公司須轉撥5%至10%除稅後利潤至法定盈餘儲備，直至該儲備達到註冊資本的50%。轉撥至此儲備須於向股本權益持有人分派股息前作出。法定盈餘儲備可用作彌補過往年度的虧損、擴充現時經營的業務或轉換為附屬公司的額外資本。

Notes:

1. On 7 January 2014, CIFI Group Co., Ltd. (旭輝集團股份有限公司) ("CIFI (PRC)"), a wholly owned subsidiary of the Company, disposed of 49% equity interest in Suzhou Xubang Property Co., Ltd. to a non-controlling interest at a cash consideration of RMB19,600,000. The difference between the consideration received and the equity interest at the date of disposal of partial interest in Suzhou Xubang Property Co., Ltd. amounted to RMB75,950 was recognized in the reserve.

On 16 April 2014, CIFI (PRC) disposed of 40% and 15% equity interest in Shanghai Fengxu Property Co., Ltd. ("Shanghai Fengxu") to two non-controlling interests at an aggregate cash consideration of RMB55,000,000. The difference between the consideration received and the equity interest at the date of disposal of partial interest in Shanghai Fengxu amounted to RMB130,530 was recognized in the reserve. Though the Group only retains 45% equity interest in Shanghai Fengxu after the disposal, it continues to maintain the majority of the voting rights in the board of directors of Shanghai Fengxu, which enables the Group to approve relevant activities by simple majority. As such, Shanghai Fengxu remains as a subsidiary of the Company.

On 23 October 2014, CIFI (PRC) disposed of 10% equity interest of Suzhou Xumao Property Co., Ltd. to a non-controlling interest at a cash consideration of RMB2,222,000.

2. On 2 January 2014, a non-controlling interest provided a capital contribution of RMB13,000,000 to Hunan Ronghui Properties Development Co., Ltd., a non-wholly owned subsidiary of the Company. On 18 June 2014, two non-controlling interests provided an aggregate capital contribution of RMB66,000,000 to Shanghai Fengxu. No dilution of ownership interest resulted from these capital contributions as capital monies were injected by the Group and these non-controlling interests on a pro-rata basis.
3. In accordance with the Articles of Association of all subsidiaries established in the People's Republic of China, those subsidiaries are required to transfer 5% to 10% of the profit after taxation to the statutory surplus reserve until the reserve reaches 50% of the registered capital. Transfer to reserve must be made before the distribution of dividends to equity holders. The statutory surplus reserve can be used to make up for previous years' losses, expand the existing operations or convert into additional capital of the subsidiaries.

綜合現金流量表

CONSOLIDATED STATEMENT OF CASH FLOWS

截至二零一五年十二月三十一日止年度 For the year ended 31 December 2015

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
經營活動	OPERATING ACTIVITIES		
除稅前利潤	Profit before taxation	3,804,827	3,324,825
就以下各項作出調整：	Adjustments for:		
融資成本	Finance costs	202,885	386,228
呆賬撥備	Allowance for doubtful debts	2,573	711
物業、廠房及設備折舊	Depreciation of property, plant and equipment	18,280	14,171
信託及其他貸款相關衍生工具的 公平值收益	Fair value gain on trust and other loans related derivatives	–	(4,000)
投資物業公平值的增加	Increase in fair value of investment properties	(128,100)	(241,166)
重新計量視作出售收益	Gain on remeasurement of deemed disposal	(166,498)	–
議價收購收益	Gain on bargain purchase	(76,770)	–
出售一間合營企業收益	Gain on disposal of a joint venture	–	(80,243)
出售附屬公司收益	Gain on disposal of subsidiaries	(219,296)	(62,412)
出售物業、廠房及設備的 虧損(收益)淨額	Loss (gain) on disposal of property, plant and equipment, net	216	(837)
出售預付租賃款項收益	Gain on disposal of prepaid lease payments	(60,097)	–
應佔合營企業業績	Share of results of joint ventures	(205,533)	118,708
應佔聯營公司業績	Share of results of associates	32,908	–
利息收入	Interest income	(97,372)	(53,949)
可供出售投資股息收入	Dividend income from available-for-sale investments	(3,628)	(1,958)
確認以股本權益結算並以股份付款	Recognition of equity-settled share based payments	49,870	66,011
未變現匯兌虧損	Unrealized exchange loss	302,127	20,084
營運資金變動前經營現金流量	Operating cash flows before movements in working capital	3,456,392	3,486,173
持作出售物業減少(增加)	Decrease (increase) in properties held for sale	12,265,516	(1,539,006)
擬作出售的開發中物業(增加)減少	(Increase) decrease in properties under development for sale	(9,433,955)	3,650,830
應收賬款及其他應收款項、按金及 預付款項減少(增加)	Decrease (increase) in accounts and other receivables, deposits and prepayments	1,956,855	(858,435)
持作出售物業土地使用權按金減少	Decrease in deposits for land use rights for properties held for sale	(1,721,298)	(284,158)
應付賬款及應計開支(減少)增加	(Decrease) increase in accounts payables and accrued charges	(328,872)	456,154
已收物業銷售按金減少	Decrease in deposits received from property sales	(58,204)	(3,051,882)
經營所用現金	Cash used in operations	6,136,434	1,859,676
已付中國所得稅	PRC income tax paid	(1,882,189)	(706,659)
經營活動所得現金淨額	NET CASH FROM OPERATING ACTIVITIES	4,254,245	1,153,017

	附註 NOTES	二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
投資活動	INVESTING ACTIVITIES		
向合營企業及聯營公司墊款	Advances to joint ventures and associates	(2,565,542)	(818,004)
合營企業及聯營公司還款	Repayment from joint ventures and associates	1,013,954	–
向非控股權益墊款	Advances to non-controlling interests	(726,635)	(40,000)
購買已竣工投資物業	Purchase of completed investment properties	–	(135,914)
添置在建投資物業	Additions to investment properties under construction	(494,101)	(149,012)
購買物業、廠房及設備	Purchase of property, plant and equipment	(15,444)	(16,317)
出售物業、廠房及設備所得款項	Proceeds from disposal of property, plant and equipment	1,651	1,951
出售預付租賃款項所得款項	Proceeds from disposal of prepaid lease payments	85,000	–
收購附屬公司的現金流入淨額	Net cash inflow from acquisition of subsidiaries	32 1,992,452	–
配售已質押銀行存款	Placement of pledged bank deposits	(31,500)	(30,000)
提取已質押銀行存款	Withdrawal of pledged bank deposits	30,000	100,000
提取受限制現金	Withdrawal of restricted cash	–	21,768
向合營企業注入資本	Capital injection into joint ventures	(3,120,982)	(3,882,155)
向聯營公司注入資本	Capital injection into associates	(221,410)	–
購買可供出售投資	Purchase of available-for-sale investments	(3,500)	(10,000)
已收利息	Interest received	97,372	53,949
已收可供出售投資股息	Dividends received from available-for-sale investments	3,628	1,958
出售附屬公司的現金流入淨額	Net cash inflow from disposal of subsidiaries	33 61,680	39,175
出售一間合營企業的現金流入淨額	Net cash inflow from disposal of a joint venture	–	196,081
投資活動所用現金淨額	NET CASH USED IN INVESTING ACTIVITIES	(3,893,377)	(4,666,520)
融資活動	FINANCING ACTIVITIES		
合營企業及聯營公司的墊款	Advances from joint ventures and associates	5,233,769	3,736,967
向合營企業及聯營公司還款	Repayment to joint ventures and associates	(3,265,432)	–
非控股權益的墊款	Advances from non-controlling interests	759,770	44,105
向非控股權益還款	Repayment to non-controlling interests	(241,469)	–
新增銀行及其他借款	New bank and other borrowings raised	10,543,338	7,634,148
償還銀行及其他借款	Repayment of bank and other borrowings	(11,494,864)	(8,188,226)
發行優先票據及公司債券 所得款項淨額	Net proceeds from issue of senior notes and corporate bonds	7,659,767	1,174,463
償還優先票據	Repayment of senior notes	(174,002)	–
已付利息	Interest paid	(1,628,133)	(1,227,397)
發行永久資本工具所得款項	Proceeds from issue of perpetual capital instruments	29 –	585,710
償還永久資本工具	Repayment of perpetual capital instruments	29 (585,710)	–
分派予永久資本工具擁有人	Distribution to owners of perpetual capital instruments	(38,030)	(35,913)
向非控股股東出售附屬公司 部分權益的所得款項	Proceeds from disposal of partial interests in subsidiaries to non-controlling interests	33 –	76,822
非控股權益注資	Capital contributions from non-controlling interests	173,496	79,000
發行股份所得款項淨額	Net proceeds from issue of shares	1,037,101	–
購回股份款項	Payment on repurchase of shares	(104,221)	–
已付股息	Dividend paid	(456,166)	(333,270)
融資活動所得現金淨額	NET CASH FROM FINANCING ACTIVITIES	7,419,214	3,546,409
現金及現金等價物增加淨額	NET INCREASE IN CASH AND CASH EQUIVALENTS	7,780,082	32,906
年初現金及現金等價物	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	7,093,654	7,060,748
年末現金及現金等價物	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	14,873,736	7,093,654
現金及現金等價物結餘分析	ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
銀行結餘及現金	Bank balances and cash	14,873,736	7,093,654

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一五年十二月三十一日止年度 For the year ended 31 December 2015

1. 一般資料

本公司乃於開曼群島註冊成立的公眾有限公司，其股份於香港聯合交易所有限公司(「聯交所」)上市。本公司的註冊辦事處地址及主要營業地點於年報內公司資料一節披露。

本公司為投資控股公司。其附屬公司的主要業務詳情載於附註44。

綜合財務報表乃以本公司的功能貨幣人民幣(「人民幣」)呈列。

2. 應用新訂及經修訂國際財務報告準則

本集團已於本年度首次應用以下由國際會計準則委員會(「國際會計準則委員會」)頒佈的國際財務報告準則(「國際財務報告準則」)的修訂本及國際會計準則(「國際會計準則」)。

國際會計準則第19號 (修訂本)	定額福利計劃： 僱員供款
國際財務報告準則 (修訂本)	二零一零年至 二零一二年期間 國際財務報告準則的 年度改善
國際財務報告準則 (修訂本)	二零一一年至 二零一三年期間 國際財務報告準則的 年度改善

於本年度應用上述國際財務報告準則及國際會計準則的修訂本並無對本集團本年度及過往年度的財務表現與狀況及／或對該等綜合財務報表所載的披露構成重大影響。

本集團並無提早應用以下已頒佈但尚未生效的新訂及經修訂國際財務報告準則及國際會計準則以及其修訂本。

1. GENERAL

The Company is a public limited company incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section to the annual report.

The Company acts as an investment holding company. Details of the principal activities of its subsidiaries are set out in note 44.

The consolidated financial statements are presented in Renminbi ("RMB"), which is the functional currency of the Company.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Group has applied for the first time in the current year the following amendments to International Financial Reporting Standards ("IFRSs") and International Accounting Standards ("IAS") issued by the International Accounting Standards Board ("IASB").

Amendments to IAS 19	Defined Benefit Plans: Employee Contributions
Amendments to IFRSs	Annual Improvements to IFRSs 2010-2012 Cycle
Amendments to IFRSs	Annual Improvements to IFRSs 2011-2013 Cycle

The application of the above amendments to IFRSs and IAS in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

The Group has not early applied the following new and revised and amendment to IFRSs and IAS that have been issued but are not yet effective.

2. 應用新訂及經修訂國際財務報告準則(續)

國際財務報告準則第9號	金融工具 ¹
國際財務報告準則第14號	監管遞延賬戶 ²
國際財務報告準則第15號	客戶合同收入 ¹
國際財務報告準則第16號	租賃 ³
國際財務報告準則第11號 (修訂本)	收購合營業務權益的會計處理 ⁴
國際會計準則第1號 (修訂本)	披露計劃 ⁴
國際會計準則第16號及 國際會計準則第38號 (修訂本)	澄清可接受的折舊及攤銷方法 ⁴
國際財務報告準則 (修訂本)	二零一二年至二零一四年期間國際財務報告準則的年度改進 ⁴
國際會計準則第16號及 國際會計準則第41號 (修訂本)	農業：生產性植物 ⁴
國際會計準則第27號 (修訂本)	獨立財務報表的權益法 ⁴
國際財務報告準則第10號及 國際會計準則第28號 (修訂本)	投資者與其聯營公司或合營公司之間的資產出售或出資 ⁵
國際財務報告準則第10號、 國際財務報告準則第12號 及國際會計準則第28號 (修訂本)	投資實體：應用綜合入賬的例外情況 ⁴
國際會計準則第7號 (修訂本)	披露計劃 ⁶
國際會計準則第12號 (修訂本)	就未變現虧損確認遞延稅項 ⁶

1	於二零一八年一月一日或之後開始的年度期間生效
2	於二零一六年一月一日或之後開始的首份按照國際財務報告準則編製的年度財務報表生效
3	於二零一九年一月一日或之後開始的年度期間生效
4	於二零一六年一月一日或之後開始的年度期間生效
5	於待定日期或之後開始的年度期間生效
6	於二零一七年一月一日或之後開始的年度期間生效

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

IFRS 9	Financial Instruments ¹
IFRS 14	Regulatory Deferral Accounts ²
IFRS 15	Revenue from Contracts with Customers ¹
IFRS 16	Leases ³
Amendments to IFRS 11	Accounting for Acquisitions of Interests in Joint Operations ⁴
Amendments to IAS 1	Disclosure Initiative ⁴
Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortization ⁴
Amendments to IFRSs	Annual Improvements to IFRSs 2012–2014 Cycle ⁴
Amendments to IAS 16 and IAS 41	Agriculture: Bearer Plants ⁴
Amendments to IAS 27	Equity Method in Separate Financial Statements ⁴
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁵
Amendments to IFRS 10, IFRS 12 and IAS 28	Investment Entities: Applying the Consolidation Exception ⁴
Amendments to IAS 7	Disclosure Initiative ⁶
Amendments to IAS 12	Recognition of Deferred Tax Assets for Unrealized Losses ⁶

1	Effective for annual periods beginning on or after 1 January 2018
2	Effective for first annual IFRS financial statements beginning on or after 1 January 2016
3	Effective for annual periods beginning on or after 1 January 2019
4	Effective for annual periods beginning on or after 1 January 2016
5	Effective for annual periods beginning on or after a date to be determined
6	Effective for annual periods beginning on or after 1 January 2017

綜合財務報表附註

Notes to the Consolidated Financial Statements

2. 應用新訂及經修訂國際財務報告準則(續)

國際財務報告準則第15號「客戶合同收入」

國際財務報告準則第15號已獲頒佈，其確立實體對客戶合同所產生的收入進行會計處理的單一全面模式。國際財務報告準則第15號將於生效後取代現有收入確認指引，包括國際會計準則第18號「收入」、國際會計準則第11號「建築合同」及相關詮釋。國際財務報告準則第15號的核心原則為實體所確認描述向客戶轉讓承諾貨品或服務的收入金額，應能反映該實體預期就交換該等貨品及服務有權獲得的代價。具體而言，該準則引入確認收入的五個步驟：

- 步驟1：識別與客戶的合同
- 步驟2：識別合同內的履約責任
- 步驟3：釐定交易價格
- 步驟4：將交易價格分配至合同內的履約責任
- 步驟5：當(或於)實體履行履約責任時確認收入

根據國際財務報告準則第15號，當(或於)履行履約責任時，即於特定履約責任相關的貨品或服務的「控制權」轉讓予客戶時，實體確認收入。國際財務報告準則第15號已就特別情況的處理方法收錄更多說明指引。此外，國際財務報告準則第15號要求作出詳盡披露。

本公司董事預期，日後應用國際財務報告準則第15號可能對已呈報金額及相關披露資料構成影響。然而，於本集團進行詳細審閱前，對國際財務報告準則第15號的影響作出合理估計並不切實可行。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

IFRS 15 “Revenue from contracts with Customer”

IFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 “Revenue”, IAS 11 “Construction Contracts” and the related interpretations when it becomes effective. The core principle of IFRS 15 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for goods and services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

Under IFRS 15, an entity recognizes revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.

The directors of the Company anticipate that the application of IFRS 15 in the future may affect the amounts reported and related disclosures. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 15 until the Group performs a detailed review.

2. 應用新訂及經修訂國際財務報告準則(續)

國際財務報告準則第11號「收購合營業務權益的會計處理」(修訂本)

國際財務報告準則第11號(修訂本)就如何為收購構成國際財務報告準則第3號「業務合併」所界定業務的合營業務作會計處理提供指引。具體而言，修訂本規定，有關國際財務報告準則第3號中業務合併會計處理的有關原則及其他準則(如國際會計準則第36號「資產減值」，內容有關已獲分配收購合營業務產生商譽的現金產生單位的減值測試)應予應用。在及僅在現有業務通過參與合營業務的一方對合營業務作出貢獻的情況下，上述規定方會適用於合營業務的成立。

共同經營者亦須披露國際財務報告準則第3號及業務合併的其他準則規定的有關資料。

國際財務報告準則第11號(修訂本)按未來適用基準適用於二零一六年一月一日或之後開始的年度期間應用。本公司董事預期，應用國際財務報告準則第11號的該等修訂本將不會對本集團的綜合財務報表構成重大影響。

二零一二年至二零一四年期間國際財務報告準則的年度改善

二零一二年至二零一四年期間國際財務報告準則的年度改善包括對各項國際財務報告準則的若干修訂，概述如下。

國際財務報告準則第5號(修訂本)於內文對實體何時將資產(或出售組別)從持作出售重新分類為持作向擁有人分銷(反之亦然)或持作分銷何時終止入賬引入特別指引。可能按未來適用基準應用該等修訂本。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

Amendments to IFRS 11 “Accounting for Acquisitions of Interests in Joint Operations”

The amendments to IFRS 11 provide guidance on how to account for the acquisition of a joint operation that constitutes a business as defined in IFRS 3 “Business Combinations”. Specifically, the amendments state that the relevant principles on accounting for business combinations in IFRS 3 and other standards (e.g. IAS 36 “Impairment of Assets” regarding impairment testing of a cash generating unit to which goodwill on acquisition of a joint operation has been allocated) should be applied. The same requirements should be applied to the formation of a joint operation if and only if an existing business is contributed to the joint operation by one of the parties that participate in the joint operation.

A joint operator is also required to disclose the relevant information required by IFRS 3 and other standards for business combinations.

The amendments to IFRS 11 apply prospectively for annual periods beginning on or after 1 January 2016. The directors of the Company do not anticipate that the application of these amendments to IFRS 11 will have a material impact on the Group’s consolidated financial statements.

Annual Improvements to IFRSs 2012–2014 Cycle

The Annual Improvement to IFRSs 2012–2014 Cycle include a number of amendments to various IFRSs, which are summarized below.

The amendments to IFRS 5 introduce special guidance in IFRS 5 for when an entity reclassifies an asset (or disposal group) from held for sale to held for distribution to owners (or vice versa), or when held-for-distribution accounting is discontinued. The amendments apply prospectively.

2. 應用新訂及經修訂國際財務報告準則(續)

二零一二年至二零一四年期間國際財務報告準則的年度改善(續)

國際財務報告準則第7號(修訂本)提供額外指引，以澄清服務合同是否持續牽涉轉讓資產(就有關轉讓資產所要求的披露而言)，並澄清對所有中期期間並無明確要求抵銷披露(於二零一一年十二月頒佈並於二零一三年一月一日或之後開始的期間生效的國際財務報告準則第7號「披露－抵銷金融資產及金融負債」(修訂本)中引入)。然而，披露或需載入簡明中期財務報表，以符合國際會計準則第34號「中期財務報告」。

國際會計準則第19號(修訂本)澄清優質公司債券(用於估計退休後福利的貼現率)應按與將予支付福利的相同貨幣發行。該等修訂本會導致按貨幣層面評估的優質公司債券的市場深度。修訂本從首次應用修訂本的財務報表所呈列最早比較期間期初起應用。所引致的任何初步調整應於該期間期初在盈利內確認。

國際會計準則第34號(修訂本)釐清與國際會計準則第34號要求於中期財務報告內其他部分但於中期財務報表外呈列的資料有關的規定。修訂本要求有關資料從中期財務報表以交叉引用方式併入中期財務報告其他部分(按與中期財務報表相同的條款及時間提供予使用者)。

本公司董事預計應用該等修訂本將不會對本集團的綜合財務報表造成重大影響。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

Annual Improvements to IFRSs 2012–2014 Cycle (Continued)

The amendments to IFRS 7 provide additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset for the purpose of the disclosures required in relation to transferred assets and clarify that the offsetting disclosures (introduced in the amendments to IFRS 7 “Disclosure-Offsetting Financial Assets and Financial Liabilities” issued in December 2011 and effective for periods beginning on or after 1 January 2013) are not explicitly required for all interim periods. However, the disclosures may need to be included in condensed interim financial statements to comply with IAS 34 “Interim Financial Reporting”.

The amendments to IAS 19 clarify that the high quality corporate bonds used to estimate the discount rate for post-employment benefits should be issued in the same currency as the benefits to be paid. These amendments would result in the depth of the market for high quality corporate bonds being assessed at currency level. The amendments apply from the beginning of the earliest comparative period presented in the financial statements in which the amendments are first applied. Any initial adjustment arising should be recognized in earnings at the beginning of that period.

The amendments to IAS 34 clarify the requirements relating to information required by IAS 34 that is presented elsewhere within the interim financial report but outside the interim financial statements. The amendments require that such information be incorporated by way of a cross-reference from the interim financial statements to the other part of the interim financial report that is available to users on the same terms and at the same time as the interim financial statements.

The directors of the Company do not anticipate that the application of these will have a material effect on the Group’s consolidated financial statements.

2. 應用新訂及經修訂國際財務報告準則(續)

國際財務報告準則第16號「租賃」

根據國際財務報告準則第16號，租賃確認為有權使用之資產及租賃負債。有權使用資產以類似其他非金融資產之方式處理及相應折舊，負債產生利息。此舉將產生前期載入之支出資料(國際會計準則第17號下之經營租賃一般應有直線支出)作為有權使用資產的假設直線折舊，而負債減少之利息將導致報告期間之開支整體下降。

租賃負債初步按租期內應付之租金現值計算，倘可即時釐定租賃隱含的費率，則按該費率貼現。倘該費率不能即時釐定，則承租人應使用其累計的借貸率。

透過國際財務報告準則第16號之前身國際會計準則第17號，出租人將租賃分類為經營租賃或融資租賃。倘租賃將相關租賃所有權相關之絕大部分風險與回報轉讓，則分類為融資租賃，否則，租賃分類為經營租賃。

就融資租賃而言，出租人於租賃期按反映投資淨額的持續週期回報率的方式確認融資收入。出租人以直線法確認經營租賃款項為收入，或倘使用相關資產的利益減少的模式更具代表性，則按另一種有系統性基準確認。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

IFRS 16 "Leases"

Under IFRS 16 a lessee recognizes a right-of-use asset and a lease liability. The right-of-use asset is treated similarly to other non-financial assets and depreciated accordingly and the liability accrues interest. This will typically produce a front-loaded expense profile (whereas operating leases under IAS 17 would typically have had straight-line expenses) as an assumed linear depreciation of the right-of-use asset and the decreasing interest on the liability will lead to an overall decrease of expense over the reporting period.

The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the lessee shall use their incremental borrowing rate.

As with IFRS 16's predecessor, IAS 17, lessors classify leases as operating or finance in nature. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise a lease is classified as an operating lease.

For finance leases a lessor recognizes finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the net investment. A lessor recognizes operating lease payments as income on a straight-line basis or, if more representative of the pattern in which benefit from use of the underlying asset is diminished, another systematic basis.

綜合財務報表附註

Notes to the Consolidated Financial Statements

2. 應用新訂及經修訂國際財務報告準則(續)

確認豁免

除應用上述國際財務報告準則第16號之確認規定，承租人可選擇就以下兩類租賃將租賃款項於租賃期內按直線法或另一種有系統性基準列賬為開支：

- 租賃期為十二個月或以內的租賃且並無包含購買權－此選擇可按相關資產類別進行；及
- 相關資產當屬新置時價值較低的租賃(例如個人電腦或少數辦公室傢俬)－此選擇可按個別租賃進行。

本公司董事預期應用國際財務報告準則第16號在日後或會影響所呈報的金額及相關披露資料。然而，在本集團進行詳細檢討前，對國際財務報告準則第16號的影響作出合理估計屬不切實際。

本公司董事預計，除上述影響外，應用其他新訂及經修訂國際財務報告準則將不會對本集團的綜合財務報表造成重大影響。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

Recognition exemptions

Instead of applying the recognition requirements of IFRS 16 described above, a lessee may elect to account for lease payments as an expense on a straight-line basis over the lease term or another systematic basis for the following two types of leases:

- leases with a lease term of 12 months or less and containing no purchase options – this election is made by class of underlying asset; and
- leases where the underlying asset has a low value when new (such as personal computers or small items of office furniture) – this election can be made on a lease-by-lease basis.

The directors of the Company anticipate that the application of IFRS 16 in the future may affect amounts reported and related disclosure. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 16 until the Group performs a detail review.

Except for the above impact, the directors of the Company do not anticipate that the application of other new and revised IFRSs will have significant impact on the Group's consolidated financial statements.

3. 重大會計政策

綜合財務報表乃根據國際會計準則委員會頒佈的國際財務報告準則編製。此外，綜合財務報表載有香港聯合交易所有限公司證券上市規則(「上市規則」)及香港公司條例(「公司條例」)所規定的適用披露事項。

新香港公司條例(第622章)有關編製賬目及董事報告及審核的條文已對本公司截至二零一五年十二月三十一日止財政年度生效。此外，上市規則所載有關年度賬目的披露規定已參考新公司條例而修訂並藉此與香港財務報告準則精簡一致。因此，截至二零一五年十二月三十一日止財政年度綜合財務報表內的資料呈列及披露已予更改以遵守此等新規定。有關截至二零一四年十二月三十一日止財政年度的比較資料已根據新規定於綜合財務報表內呈列或披露。根據前公司條例或上市規則在以往須予披露但根據新公司條例或經修訂上市規則毋須披露的資料，在本綜合財務報表中已再無披露。

綜合財務報表已根據歷史成本基準編製，惟根據下文載列的會計政策所說明在各報告期末以公平值計量的投資物業及金融工具除外。

歷史成本一般根據貨物及服務交換所得代價的公平值釐定。

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with IFRSs issued by the IASB. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") and by the Hong Kong Companies Ordinance ("CO").

The provisions of the new Hong Kong Companies Ordinance (Cap 622) regarding preparation of accounts and directors' reports and audits became effective for the Company for the financial year ended 31 December 2015. Further, the disclosure requirements set out in the Listing Rules regarding annual accounts have been amended with reference to the new CO and to streamline with HKFRSs. Accordingly the presentation and disclosure of information in the consolidated financial statements for the financial year ended 31 December 2015 have been changed to comply with these new requirements. Comparative information in respect of the financial year ended 31 December 2014 are presented or disclosed in the consolidated financial statements based on the new requirements. Information previously required to be disclosed under the predecessor CO or Listing Rules but not under the new CO or amended Listing Rules are not disclosed in these consolidated financial statements.

The consolidated financial statements have been prepared on the historical cost basis except for certain investment properties and financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

綜合財務報表附註

Notes to the Consolidated Financial Statements

3. 重大會計政策(續)

公平值是於計量日市場參與者間於有秩序交易中出售資產所收取或轉讓負債所支付的價格，而不論該價格是否可直接觀察取得或可使用其他估值方法估計。於估計資產或負債的公平值時，本集團會考慮該等市場參與者於計量日對資產或負債定價時所考慮的資產或負債的特點。於該等綜合財務報表中作計量及／或披露用途的公平值乃按此基準釐定，惟屬國際財務報告準則第2號範疇內以股份支付的交易及屬國際會計準則第17號範疇的租賃交易除外，以及與公平值存在一些相似之處但並非公平值(例如國際會計準則第2號的可變現淨值或國際會計準則第36號的使用價值)的計量則除外。

此外，就財務報告而言，公平值計量按公平值計量的輸入數據的可觀察程度及該等輸入數據對公平值計量整體的重要性劃分為第一、二或三級，詳情如下：

- 第一級輸入數據為實體於計量日可獲得的相同資產或負債於活躍市場的報價(未調整)；
- 第二級輸入數據為不包括計入第一級報價的資產或負債的可直接或間接觀察的輸入數據；及
- 第三級輸入數據為資產或負債的無法觀察輸入數據。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3. 重大會計政策(續)

主要會計政策載列如下。

綜合基準

綜合財務報表包括本公司以及本公司及其附屬公司所控制實體的財務報表。當本公司符合以下各項時，即取得控制權：

- 對投資對象擁有權力；
- 於來自參與投資對象業務的可變回報上承受風險或擁有權利；及
- 擁有使用其權力影響回報的能力。

本集團重新評估在事實及情況表明上文所列控制權的三個元素中的一個或多個有變時是否控制投資對象。

倘本集團未能佔有投資對象的大多數投票權，但只要投票權足以賦予本集團實際能力可單方面掌控投資對象的相關業務時，本集團即對投資對象擁有權力。在評估本集團於投資對象的投票權是否足以賦予其權力時，本集團考慮所有相關事實及情況，包括：

- 本集團持有投票權的規模相對於其他選票持有人持有投票權的規模及分散性；
- 本集團、其他選票權持有人或其他各方持有的潛在投票權；
- 其他合同安排產生的權利；及
- 於將需作出決定時，表明本集團當前是否有能力掌控相關活動的任何額外事實及情況(包括於過往股東大會上的投票方式)。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

綜合財務報表附註

Notes to the Consolidated Financial Statements

3. 重大會計政策(續)

綜合基準(續)

附屬公司於本集團取得對該附屬公司的控制權時綜合入賬，並於本集團喪失對該附屬公司的控制權時終止綜合入賬。具體而言，自本集團取得控制權當日起直至本集團不再控制附屬公司當日，於年內收購或出售的附屬公司收支均計入綜合損益及其他全面收益表。

損益及其他全面收入各組成部分歸屬至本公司擁有人及非控股權益。附屬公司的全面收入總額歸屬至本公司擁有人及非控股權益，即使此舉會導致非控股權益出現虧絀結餘。

倘有需要，會對附屬公司的財務報表作出調整，以使其會計政策與本集團的會計政策一致。

所有集團內公司間的資產與負債、股本權益、收入、開支及與本集團成員公司間交易相關的現金流，均於綜合入賬時全數對銷。

本集團於現有附屬公司擁有權權益的變動

本集團於附屬公司擁有權權益的變動如不會導致本集團對該等附屬公司喪失控制權，將作為股權交易入賬。本集團的權益與非控股權益的賬面值應予調整，以反映附屬公司中相關權益的變動。所調整非控股權益金額與所支付或收取代價的公平值之間的任何差額直接於股本權益確認並歸屬於本公司擁有人。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of the other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

3. 重大會計政策(續)

綜合基準(續)

本集團於現有附屬公司擁有權益的變動(續)

當本集團喪失對附屬公司的控制權時，收益或虧損於損益中確認，並以(i)所收代價公平值及任何保留權益公平值的總額與(ii)附屬公司資產(包括商譽)及負債以及任何非控股權益的原賬面值之間的差額計算。過往於其他全面收入確認與該附屬公司有關的所有金額，採用如同本集團已直接出售該附屬公司相關資產或負債的方法入賬，即重新分類至損益或按適用國際財務報告準則所規定／所准許者轉撥至另一類別股本權益。前附屬公司在喪失控制權之日所保留的任何投資公平值於其後的會計處理中被視為按照國際會計準則第39號進行初步確認的公平值，或(如適用)於聯營公司或合營企業的投資初步確認的成本。

於一間附屬公司的投資

於一間附屬公司的投資按成本減任何已識別減值虧損計入本公司的財務狀況表。

於合營企業及聯營公司的投資

合營企業是指對安排擁有共同控制權的各方對該合營安排的資產淨值享有權利的合營安排。共同控制權是指對安排合約約定的共享控制權，其僅在有關活動決定須獲共享控制權的各方一致同意時存在。

聯營公司為本集團對其具有重大影響的實體。重大影響指本集團有權參與投資對象的財務及營運政策決定，但未能控制或共同控制該等政策。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

Changes in the Group's ownership interests in existing subsidiaries (Continued)

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Investment in a subsidiary

Investment in a subsidiary is included in the Company's statement of financial position at cost less any identified impairment loss.

Investments in joint ventures and associates

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

3. 重大會計政策(續)**於合營企業及聯營公司的投資**(續)

合營企業及聯營公司的業績以及資產及負債以權益會計法於該等綜合財務報表入賬。根據權益法，於合營企業或聯營公司的投資初步按成本於綜合財務狀況表確認，並於其後就確認本集團應佔該合營企業或聯營公司的損益及其他全面收入予以調整。當本集團應佔合營企業或聯營公司的虧損超出本集團於該合營企業及聯營公司的權益(包括實質上成為本集團於該合營企業投資淨額一部分的任何長期權益)時，本集團終止確認其應佔的進一步虧損。僅於本集團已產生法定或推定責任，或已代表該合營企業或聯營公司支付款項的情況下，方會確認額外虧損。

於合營企業或聯營公司的投資於投資對象成為合營企業或聯營公司之日採用權益法入賬。在收購合營企業投資時，投資成本超過本集團應佔該投資對象可識別資產及負債公平淨值的任何部分確認為商譽，並計入投資的賬面值。本集團應佔可識別資產及負債的公平淨值超過投資成本的任何部分，於重新評估後在投資被收購的期間即時於損益確認。

國際會計準則第39號的規定獲應用，以釐定是否需要確認有關本集團投資合營企業及聯營公司的任何減值虧損。於有需要時，投資(包括商譽)的全部賬面值將會根據國際會計準則第36號「資產減值」按單一資產進行減值測試，方法為比較其可收回金額(使用價值與公平值減出售成本的較高者)與其賬面值。被確認的任何減值虧損為投資賬面值的一部分。該減值虧損的任何撥回根據國際會計準則第36號確認，惟受隨後增加的可收回投資金額規限。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**Investments in joint ventures and associates** (Continued)

The results and assets and liabilities of joint ventures and associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in a joint venture or an associate is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the joint venture and associate. When the Group's share of losses of a joint venture or an associate exceeds the Group's interest in that joint venture and associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture and associate.

An investment in a joint venture and an associate is accounted for using the equity method from the date on which the investee becomes a joint venture and an associate. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognized immediately in profit or loss in the period in which the investment is acquired.

The requirements of IAS 39 are applied to determine whether it is necessary to recognize any impairment loss with respect to the Group's investment in a joint venture and an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 "Impairment of Assets" as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

3. 重大會計政策(續)

於合營企業及聯營公司的投資(續)

本集團自投資不再為合營企業當日起終止採用權益法。倘本集團保留前合營企業權益且該保留權益為金融資產，則本集團會於該日按公平值計量保留權益，而該公平值被視為根據國際會計準則第39號其於初步確認時的公平值。合營企業於終止採用權益法當日的賬面值與任何保留權益及出售合營企業部分權益的任何所得款項公平值間的差額，會於釐定出售該合營企業的收益或虧損時入賬。此外，本集團會將先前在其他全面收入就該合營企業確認的所有金額入賬，基準與該合營企業直接出售相關資產或負債所需基準相同。因此，倘該合營企業先前已於其他全面收入確認的收益或虧損，會於出售相關資產或負債時重新分類至損益，則本集團會於終止採用權益法時將收益或虧損由股本權益重新分類至損益(作為重新分類調整)。

當集團實體與本集團的合營企業或聯營公司進行交易時，則與合營企業或聯營公司交易所產生損益僅於合營企業及聯營公司的權益與本集團無關時，方於本集團綜合財務報表確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in joint ventures and associates (Continued)

The Group discontinues the use of the equity method from the date when the investment ceases to be a joint venture. When the Group retains an interest in the former joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IAS 39. The difference between the carrying amount of the joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the joint venture is included in the determination of the gain or loss on disposal of the joint venture. In addition, the Group accounts for all amounts previously recognized in other comprehensive income in relation to that joint venture on the same basis as would be required if that joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognized in other comprehensive income by that joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

When a group entity transacts with a joint venture or an associate of the Group, profits and losses resulting from the transactions with the joint venture and associate are recognized in the Group's consolidated financial statements only to the extent of interests in the joint venture and associate that are not related to the Group.

綜合財務報表附註

Notes to the Consolidated Financial Statements

3. 重大會計政策(續)

收入確認

收入按已收或應收代價的公平值計量。收入已就估計客戶退貨、回扣及其他類似備抵作出扣減。

日常業務過程中銷售物業的收入須滿足下列所有標準後，方予確認：

- 物業擁有權的重大風險及回報已轉移買方；
- 並無保留一般與擁有權有關的持續管理權或對物業的實際控制權；
- 收入金額能夠可靠地計量；
- 與交易相關的經濟利益很可能流入本集團；及
- 有關交易所產生或將予產生的成本能夠可靠地計量。

於達到上述收入確認標準前向買家收取的按金計入綜合財務狀況表流動負債項下。

來自經營租賃的租金收入於有關租賃期內以直線法確認。

物業管理收入於提供服務的期間確認。

項目管理及其他物業相關服務收入於提供服務時確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue from sales of properties in the ordinary course of business is recognized when all of the following criteria are satisfied:

- the significant risks and rewards of ownership of the properties are transferred to buyers;
- neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the properties are retained;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Deposits received from purchasers prior to meeting the above criteria for revenue recognition are included in the consolidated statement of financial position under current liabilities.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease.

Property management income is recognized over the period in which the services are rendered.

Project management and other property related services income is recognized over the period in which the services are rendered.

3. 重大會計政策(續)

收入確認(續)

當經濟利益很可能流入本集團，且收入金額能夠可靠計量時，會確認金融資產的利息收入。金融資產的利息收入參考未償還本金及適用實際利率按時間基準累計。實際利率指於金融資產預計年期將估計未來現金收入準確貼現至該資產初步確認時的賬面淨值的利率。

投資的股息收入於本集團收取款項的權利確立時確認，前提為經濟利益很可能流入本集團，且收入金額能夠可靠計量。

投資物業

投資物業指為賺取租金及／或為資本增值而持有的物業(包括就該等目的而興建的在建物業)。投資物業初步按成本(包括交易成本)計量。於初步確認後，投資物業按公平值計量。投資物業公平值變動所產生的收益或虧損於其產生期間計入損益。

在建投資物業產生的建築成本資本化為在建投資物業的部分賬面值。

投資物業於出售或於其被永久終止使用或預期不會因出售而獲得未來經濟利益時終止確認。終止確認物業所產生的任何收益或虧損(按出售所得款項淨額與資產賬面值之間的差額計算)於該項目終止確認期間計入損益。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognized when the Group's rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably).

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including properties under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair values. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

Construction costs incurred for investment properties under construction are capitalized as part of the carrying amount of the investment properties under construction.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the item is derecognized.

綜合財務報表附註

Notes to the Consolidated Financial Statements

3. 重大會計政策(續)

物業、廠房及設備

物業、廠房及設備(包括持作生產或供應貨品或服務之用，或作行政用途的樓宇，但不包括下述在建物業)乃以成本扣減其後累計折舊及累計減值虧損(如有)列賬。

於估計可使用年期內撇銷物業、廠房及設備項目的成本減殘值後，以直線法確認折舊。估計可使用年期、殘值及折舊法均於各報告期末檢討，任何估計變動影響均按未來適用基準入賬。

物業、廠房及設備項目於出售後或當預期繼續使用該資產不會於日後產生經濟利益時終止確認。出售或報廢物業、廠房及設備項目時產生的任何收益或虧損按出售所得款項與該資產賬面值之間的差額計算並於損益確認。

預付租賃款項

預付租賃款項指土地使用權的預付款項，初步按成本確認及於租期內以直線法轉撥至損益，惟分類並入賬列為擬持作出售的開發中物業者除外。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment

Property, plant and equipment including buildings held for use in the production or supply of goods or services, or for administrative purposes (other than properties under construction as described below) are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognized so as to write off the cost of items of property, plant and equipment less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Prepaid lease payments

The prepaid lease payments represent upfront payments for land use rights and are initially recognized at cost and released to profit or loss over the lease term on a straight-line basis, except for those that are classified and accounted for as properties under development intended to be held for sale.

3. 重大會計政策(續)

開發中物業

當租賃土地及樓宇處於發展作銷售的過程中，租賃土地部分以直線法於租期攤銷。於建設期間內，就租賃土地所計提的攤銷費用列作開發中物業成本一部分。

擬持作自用或潛在投資的開發中物業列作非流動資產。

擬持作出售的開發中物業列作流動資產，按成本與可變現淨值兩者中較低者列賬。

持作出售物業

持作出售物業按成本與可變現淨值兩者中較低者列賬。成本包括土地成本、所產生發展開支及(倘適用)已資本化的借款成本。可變現淨值按當時市況釐定。

有形資產減值虧損

本集團於各報告期末檢討其有形資產的賬面值，以確定有關資產是否出現減值虧損跡象。如有任何有關跡象，則會估計資產的可收回金額(使用價值與公平值減出售成本兩者中的較高者)，以確定減值虧損(如有)的程度。若資產的可收回金額估計低於其賬面值，則資產的賬面值下調至其可收回金額。減值虧損會即時確認為開支。

倘其後撥回減值虧損，該資產賬面值會調高至其經修訂的估計可收回金額，但增加的賬面值不得超出該資產於過往年度並無確認減值虧損時原應釐定的賬面值。撥回的減值虧損會即時確認為收入。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Properties under development for sale

When the leasehold land and buildings are in the course of development for sale, the leasehold land component is amortized over a straight-line basis over the lease term. During the construction period, the amortization charge provided for the leasehold land is included as part of the costs of the properties under development.

Properties under development for sale which are intended to be held for own use or their investment potential are shown as non-current assets.

Properties under development for sale which are intended to be held for sale are shown as current assets and carried at the lower of cost and net realisable value.

Properties held for sale

Properties held for sale are stated at the lower of cost and net realisable value. Cost includes the costs of land, development expenditure incurred and, where appropriate, borrowing costs capitalized. Net realisable value is determined based on prevailing market conditions.

Impairment losses on tangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount (the higher of value in use and fair value less costs to sell) of the asset is estimated in order to determine the extent of the impairment loss, if any. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately.

3. 重大會計政策(續)**租賃**

凡租賃條款將擁有權絕大部分風險及回報轉移予承租人的租賃均分類為融資租賃。所有其他租賃均分類為經營租賃。

本集團作為出租人

經營租賃的租金收入乃於有關租期內以直線法確認。於協商及安排經營租賃時引致的初步直接成本乃加至租賃資產的賬面值，並按租期以直線法確認。

本集團作為承租人

經營租賃項下應付租金於有關租期內以直線法在損益中扣除。如因訂立經營租賃而收取租賃優惠，則該優惠會確認為負債。優惠利益總額以直線法確認為租賃開支減少。

租賃土地及樓宇

當租賃包括土地及樓宇部分時，本集團會根據評估各部分所有權的風險與回報是否已絕大部分轉移至本集團而將其分別劃分為融資租賃或經營租賃，除非兩個部分均明顯屬於經營租賃，在該情況下，整項租賃會劃分為經營租賃。具體而言，最低租賃款項(包括任何一筆過預付款項)於租賃開始時按租賃土地部分及樓宇部分中的租賃權益相對公平值比例於土地與樓宇部分之間分配。

在租賃款項能可靠分配的情況下，作為經營租賃入賬的租賃土地權益於綜合財務狀況表中呈列為「預付租賃款項」，並於租期內以直線法解除，惟根據公平值模式分類為投資物業及按投資物業入賬者除外。當租賃款項未能於土地及樓宇部分之間可靠分配時，整項租賃一般會分類為融資租賃，並按物業、廠房及設備入賬。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**Leasing**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

The Group as lessee

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis.

Leasehold land and building

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases, in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid lease payments" in the consolidated statement of financial position and is released over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under the fair value model. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

3. 重大會計政策(續)

借款成本

收購、建造或生產合資格資產(即需等待一段頗長時間後方可用作擬定用途或出售的資產)直接應佔的借款成本，計入該等資產的成本，直至該等資產大致可作擬定用途或出售為止。

特定借款有待用於合資格資產開支期間臨時投資所賺取的投資收入，從合資格撥充資本的借款成本中扣除。

所有其他借款成本於其產生期間於損益中確認。

外幣

各集團實體的個別財務報表均以實體經營所在主要經濟環境的貨幣(其功能貨幣，即人民幣)呈列。

編製個別實體的財務報表時，以該實體的功能貨幣以外的貨幣(外幣)進行的交易按交易當日適用的匯率記賬。於各報告期末，以外幣計值的貨幣項目按該日適用的匯率重新換算。按歷史成本以外幣計量的非貨幣項目概不會重新換算。

於結算及重新換算貨幣項目時所產生的匯兌差額於其產生期間在損益確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowings costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

Foreign currencies

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency, i.e., RMB).

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognized in profit or loss in the period in which they arise.

綜合財務報表附註

Notes to the Consolidated Financial Statements

3. 重大會計政策(續)

稅項

所得稅開支指即期應付稅項與遞延稅項的總額。

即期應付稅項根據年度應課稅利潤計算。應課稅利潤與在綜合損益及其他全面收益表中呈報的除稅前利潤有別，原因是應課稅利潤不包括其他年度的應課稅收入項目或可扣稅開支項目，亦不包括毋須課稅或不可扣稅的項目。本集團的即期稅項乃按報告期末已頒佈或實際上已頒佈的稅率計算。

遞延稅項按綜合財務狀況表內資產及負債的賬面值與計算應課稅利潤所用相應稅基之間的臨時差額確認。遞延稅項負債通常會就所有應課稅臨時差額確認，而遞延稅項資產通常就所有可扣減臨時差額，在很可能會有應課稅利潤可用於抵銷可扣減臨時差額時確認。倘於一項交易中因初步確認遞延稅項資產及負債而引致的臨時差額(業務合併除外)既不影響應課稅利潤亦不影響會計利潤，則不會確認該等資產及負債。

遞延稅項負債乃按於附屬公司及合營企業的投資所產生的應課稅臨時差額予以確認，惟倘本集團可控制臨時差額的撥回且該臨時差額很可能不會於可見將來撥回則除外。與該等投資相關的可扣減臨時差額所產生的遞延稅項資產，僅於很可能有足夠應課稅利潤可用於抵銷臨時差額且預計於可見將來可以撥回時確認。

遞延稅項資產的賬面值於各報告期末進行檢討，並於不大可能有足夠應課稅利潤收回全部或部分資產時作出調減。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred taxation.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before taxation as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred taxation is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred taxation liabilities are generally recognized for all taxable temporary differences and deferred taxation assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred taxation liabilities are recognized for taxable temporary differences arising on investments in subsidiaries and joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred taxation assets arising from deductible temporary differences associated with such investments are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred taxation assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

3. 重大會計政策(續)

稅項(續)

遞延稅項資產及負債乃按償還負債或變現資產的期間內預期適用的稅率，根據報告期末已頒佈或實際上已頒佈的稅率(及稅法)計量。

遞延稅項負債及資產的計量反映按照本集團預期於報告期末收回或結算其資產及負債賬面值的方式計算而得出的稅務結果。

即期及遞延稅項乃於損益中確認，惟當涉及於其他全面收入中或直接於股本權益中確認的項目除外，屆時即期及遞延稅項亦分別於其他全面收入中或直接於股本權益中確認。

就計量採用公平值模式計量的投資物業的遞延稅項負債及遞延稅項資產而言，除非假設不成立，否則假設該等物業賬面值可透過銷售完全收回。當投資物業可予折舊及於業務模式(其目標是隨時間而非透過銷售消耗投資物業所包含的絕大部分經濟利益)內持有時，有關假設會不成立。

退休福利成本

定額供款退休福利計劃的供款乃於僱員提供可使其享有供款的服務時作為開支扣除。倘本集團在國家管理的退休福利計劃下的責任與定額供款退休福利計劃所產生者相等，則國家管理的退休福利計劃供款視同定額供款計劃的供款予以處理。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

Deferred taxation assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred taxation liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred taxation are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case the current and deferred taxation is also recognized in other comprehensive income or directly in equity respectively.

For the purposes of measuring deferred taxation liabilities and deferred taxation assets for investment properties that are measured using the fair value model the carrying amounts of such properties are presumed to be recovered entirely through sale unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

Retirement benefit costs

Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered service entitling them to the contributions. Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution plans where the Group's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit plan.

3. 重大會計政策(續)

以股份支付的交易

以股本權益結算並以股份支付的交易

向僱員授出購股權／股份獎勵

參照於授出日期授出的購股權或股份公平值釐定的已獲提供服務公平值以直線法於歸屬期間以支出列賬，並相應增加儲備。

於各報告期末，本集團會修訂其對預計最終歸屬股份數目的估計。修訂估計產生的影響(如有)於損益確認，並相應調整儲備。

在購股權獲行使時，先前於購股權儲備確認的金額將轉撥至股份溢價。當購股權於歸屬日期後遭沒收或於屆滿當日尚未行使，則先前於購股權儲備確認的金額將轉撥至保留利潤。

政府補貼

政府補貼於能合理保證本集團將會遵守附帶的條件且接獲撥款後，方會確認。

政府補貼按系統基準於本集團確認擬用補貼補償的相關成本為開支的各期間在損益內確認。具體而言，主要條件為本集團應購買、興建或以其他方式收購非流動資產的政府補貼，於綜合財務狀況表確認為遞延收入，並在有關資產的可使用年期內有系統及合理地轉撥至損益。

可收取作為已產生開支或虧損的補償或以向本集團提供即時財務資助(並無日後相關成本)的政府補貼，於可收取期間在損益確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payment transactions

Equity-settled share-based payment transactions

Share options/share awards to employees

The fair value of services received determined by reference to the fair value of shares options or share granted at the grant date is expensed on a straight-line basis over the vesting period with a corresponding increase in reserve.

At the end of each reporting period, the Group revises its estimates of the number of shares that are expected to ultimately vest. The impact of the revision of the estimates, if any, is recognized in profit or loss, with a corresponding adjustment to reserve.

When share options are exercised, the amount previously recognized in share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognized in share option reserve will be transferred to retained profits.

Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they become receivable.

3. 重大會計政策(續)

金融工具

當一間集團實體成為工具合約條文的訂約方時，金融資產及金融負債予以確認。金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債(按公平值計入損益的金融資產及金融負債除外)直接應佔的交易成本於初步確認時加入金融資產公平值或從金融負債公平值扣除(視適用情況而定)。收購按公平值計入損益的金融資產或金融負債直接應佔的交易成本即時於損益確認。

金融資產

金融資產分為貸款及應收款項以及可供出售金融資產。分類視乎金融資產的性質及用途而定，於初步確認時釐定。所有常規買賣的金融資產於交易日確認及終止確認。常規買賣指須於根據市場規則或慣例訂立的時間內交收資產的金融資產買賣。

實際利息法

實際利息法為計算金融資產攤銷成本及於有關期間內攤分利息收入的方法。實際利率是按金融資產預計年期或(倘適用)較短期間將估計未來現金收入(包括所支付或收取構成實際利率組成部分的所有費用及點子、交易成本及其他溢價或折讓)準確貼現至初步確認時的賬面淨值的比率。

利息收入透過應用實際利息(實際利率，惟確認利息影響不大的短期應收賬款除外)確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments

Financial assets and financial liabilities are recognized when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets

Financial assets are classified into loans and receivables and available-for-sale financial assets. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognized by applying the effective interest (rate, except for short-term receivables where the recognition of interest would be immaterial).

綜合財務報表附註

Notes to the Consolidated Financial Statements

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

貸款及應收款項

貸款及應收款項為無活躍市場報價而附帶固定或可釐定付款的非衍生金融資產。貸款及應收款項(包括應收賬款及其他應收款項、應收非控股權益、合營企業及聯營公司的款項、已質押銀行存款以及銀行結餘及現金)採用實際利息法按攤銷成本減任何已識別減值虧損計量(請參閱下文有關金融資產減值的會計政策)。

可供出售金融資產

可供出售金融資產為指定為可供出售或未分類為按公平值計入損益的金融資產、貸款及應收款項或持有至到期投資的非衍生工具。

無活躍市場報價且其公平值無法可靠計量的可供出售股本投資，須於初步確認後的各報告期末按成本減任何已識別減值虧損計量(請參閱下文有關金融資產減值的會計政策)。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including accounts and other receivables, amounts due from non-controlling interests, joint ventures and associates, pledged bank deposits, and bank balances and cash) are measured at amortized cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment of financial assets below).

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated as available-for-sale or not classified as financial assets at FVTPL, loans and receivables or held-to-maturity investments.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured they are measured at cost less any identified impairment losses at the end of each reporting period subsequent to initial recognition (see accounting policy on impairment of financial assets below).

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值

金融資產會於各報告期末評定是否有減值跡象。於有客觀憑證顯示金融資產的估計未來現金流因於初步確認該金融資產後發生的一件或多件事而受到影響時，金融資產會被視作已減值。

就可供出售股本投資而言，該投資的公平值大幅或長期下跌至低於其成本，即視為減值的客觀憑證。

就所有其他金融資產而言，減值的客觀憑證可能包括：

- 發行人或交易對手出現重大財政困難；或
- 違反合約，如逾期支付或拖欠利息或本金；或
- 借款人很可能破產或進行財務重組；或
- 該金融資產的活躍市場因財政困難而消失。

就按攤銷成本列賬的金融資產而言，所確認的減值虧損金額為資產賬面值與以金融資產原實際利率貼現的估計未來現金流現值間的差額。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For an available-for-sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organization; or
- the disappearance of an active market for that financial asset because of financial difficulties.

For financial assets carried at amortized cost, the amount of the impairment loss recognized is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate.

綜合財務報表附註

Notes to the Consolidated Financial Statements

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

就所有金融資產而言，金融資產賬面值會直接因減值虧損而作出扣減，惟賬面值會透過使用撥備賬作出扣減的應收賬款及其他應收款項除外。當應收賬款或其他應收款項被視為不可收回時，其會於撥備賬內撇銷。先前已撇銷款項如其後收回，會計入損益內。撥備賬的賬面值變動於損益中確認。

當可供出售金融資產被認為出現減值時，先前於其他全面收入中確認的累計收益或虧損於該期間重新分類至損益。

就按成本列賬的金融資產而言，減值虧損金額按該資產賬面值與估計未來現金流按類似金融資產現時市場回報率貼現的現值之間的差額計量。該減值虧損不會於其後期間撥回。

就按攤銷成本計量的金融資產而言，如在其後期間，減值虧損金額減少，而有關減少客觀上與確認減值虧損後發生的事件有關，則先前已確認的減值虧損會透過損益予以撥回，惟該資產於減值撥回當日的賬面值不得超過未確認減值時的攤銷成本。

可供出售股本投資的減值虧損不會於其後期間透過損益撥回。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of accounts and other receivables, where the carrying amount is reduced through the use of an allowance account. When an account or other receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss. Changes in the carrying amount of the allowance account are recognized in profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognized in other comprehensive income are reclassified to profit or loss in the period.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

For financial assets measured at amortized cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Impairment losses on available-for-sale equity investments will not be reversed through profit or loss in subsequent periods.

3. 重大會計政策(續)

金融工具(續)

金融負債及股本工具

本集團所發行的金融負債及股本工具根據所訂立合約安排的內容及金融負債與股本工具的定義予以分類。

股本工具指證明本集團資產經扣除所有負債後的剩餘權益的任何合約。本集團發行的股本工具乃按已收取所得款項扣除直接發行成本確認。

並無訂約責任償還其本金或支付任何分派的永久資本工具乃分類作股本權益的一部分。

本公司購回自有股本工具於權益直接確認及扣除。概不會於損益確認購買、出售、發行或註銷本公司自有股本工具的收益或虧損。

優先票據及公司債券

本公司發行含有負債、提早贖回選擇權及認沽權(與主合約並無密切關係)的優先票據及公司債券在初步確認時獨立分類為相關項目。於發行日,負債、提早贖回選擇權及認沽權部分均按公平值確認。

在其後期間,優先票據的負債部分使用實際利息法按攤銷成本列賬。提早贖回選擇權按公平值計量,而公平值變動則在損益中確認。

與發行優先票據及公司債券有關的交易成本按有關公平值比例分配予負債及提早贖回選擇權部分。與提早贖回選擇權及認沽權有關的交易成本即時於損益中扣除。與負債部分有關的交易成本計入負債部分的賬面值,並使用實際利息法在優先票據及公司債券期間內攤銷。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

Perpetual capital instruments with no contracted obligation to repay its principal or to pay any distribution are classified as part of equity.

Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Senior notes and corporate bonds

Senior notes and corporate bonds issued by the Company that contain both liability, early redemption option and put option (which are not closely related to the host contract) are classified separately into respective items on initial recognition. At the date of issue, the liability, early redemption option and put option components are recognized at fair value.

In subsequent periods, the liability component of the senior notes is carried at amortized cost using the effective interest method. The early redemption option is measured at fair value with changes in fair value recognized in profit or loss.

Transaction costs that relate to the issue of the senior notes and corporate bonds are allocated to the liability, early redemption option and put option components in proportion to their relative fair values. Transaction costs relating to the early redemption option and put option are charged to profit or loss immediately. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortized over the period of the senior notes and corporate bonds using the effective interest method.

綜合財務報表附註

Notes to the Consolidated Financial Statements

3. 重大會計政策(續)

金融工具(續)

優先票據及公司債券(續)

實際利息法

實際利息法為計算金融負債攤銷成本及於有關期間內攤分利息開支的方法。實際利率是按金融負債預計年期或(倘適用)較短期間將估計未來現金付款(包括所支付或收取構成實際利率組成部分的所有費用、交易成本及其他溢價或折讓)準確貼現至初步確認時的賬面淨值的比率。

利息開支按實際利息基準確認。

金融負債

本集團的金融負債(包括應付賬款及其他應付款項、應付非控股權益、合營企業及聯營公司的款項、銀行及其他借款、優先票據及公司債券)其後使用實際利息法按攤銷成本計量。

股本工具

股本工具指證明本集團資產經扣除所有負債後的剩餘權益的任何合約。集團實體發行的股本工具按已收所得款項扣除直接發行成本入賬。

財務擔保合約

財務擔保合約為發行人因指定債務人未能按債務工具條款如期付款而須向持有人支付指定款項以補償其所遭受虧損的合約。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Senior notes and corporate bonds (Continued)

Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest expense is recognized on an effective interest basis.

Financial liabilities

Financial liabilities of the Group (including accounts and other payable, amounts due to non-controlling interests, joint ventures and associates, bank and other borrowings, senior notes and corporate bonds) are subsequently measured at amortized cost using effective interest method.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the group entities are recorded at the proceeds received, net of direct issue costs.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

3. 重大會計政策(續)

金融工具(續)

優先票據(續)

財務擔保合約(續)

本集團所發行的財務擔保合約初步按其公平值計量，且倘並非指定為按公平值計入損益，則隨後按以下的較高者計量：

- (i) 根據國際會計準則第37號「撥備、或然負債及或然資產」釐定的合約責任金額；及
- (ii) 初步確認的金額減(倘適用)根據收入確認政策確認的累計攤銷。

終止確認

僅在從資產收取現金流的合約權利屆滿，或者本集團將金融資產轉讓及將該資產所有權的絕大部分風險及回報轉嫁另一實體的情況下，本集團方會終止確認金融資產。

全面終止確認金融資產後，資產賬面值與已收及應收代價及已在其他全面收入確認並在股本權益累計的累計收益或虧損總額之間的差額，會在損益中確認。

於及僅於本集團的責任已經履行、註銷或屆滿時，本集團方會終止確認金融負債。終止確認的金融負債賬面值與已付及應付代價之間的差額，會在損益中確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Senior notes and corporate bonds (Continued)

Financial guarantee contracts (Continued)

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- (i) the amount of the obligation under the contract, as determined in accordance with IAS 37 "Provision, Contingent Liabilities and Contingent Assets"; and
- (ii) the amount initially recognized less, where appropriate, cumulative amortization recognized in accordance with the revenue recognition policies.

Derecognition

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

4. 重大判斷及估計不明朗因素的主要來源

於應用附註3所述本集團的會計政策時，本公司董事須就無法透過其他來源確定的資產及負債的賬面值作出判斷、估計及假設。估計及相關假設乃根據過往經驗及被視為相關的其他因素作出。實際結果可能與該等估計不盡相同。

估計及相關假設會持續獲審閱。就會計估計所作的修訂於該估計修訂的期間確認(倘該修訂僅影響該期間)，或於修訂期間及未來期間確認(倘該修訂影響本期間及未來期間)。

以下為於報告期末有關未來的主要假設及估計不明朗因素的其他主要來源，有關假設及來源具有導致資產及負債的賬面值於下一財政年度內作出大幅調整的重大風險。

投資物業的遞延稅項

就計量利用公平值模式計量的投資物業所產生遞延稅項負債或遞延稅項資產而言，董事已審閱本集團的投資物業組合並斷定本集團投資物業乃以旨在隨著時間推移而消耗該等投資物業包含的絕大部分經濟利益的商業模式持有。因此，在釐定本集團投資物業的遞延稅項時，董事認為，載於國際會計準則第12號「所得稅」以公平值模式計量的投資物業可因出售而收回的假設並不成立。

4. CRITICAL JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Deferred taxation on investment properties

For the purposes of measuring deferred taxation liabilities or deferred taxation assets arising from investment properties that are measured using the fair value model, the directors have reviewed the Group's investment property portfolios and concluded that the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time. Therefore, in determining the Group's deferred taxation on investment properties, the directors have determined that the presumption set out in IAS 12 "Income Taxes" that investment properties measured using the fair value model are recovered through sale is rebutted.

4. 重大判斷及估計不明朗因素的主要來源(續)

估計建造成本作收入確認

本集團的若干項目根據開發及交付計劃分為若干階段。本集團於交付物業時確認銷售。銷售成本(包括各階段的建造成本及可分攤至各階段的共同成本)乃根據管理層對整個項目的總開發成本及物業交付時分攤至各階段的費用所作最佳估計而計算。

投資物業

投資物業根據獨立專業估值師進行的估值按公平值列賬。釐定公平值時，估值師以涉及若干市況估計的估值法為基準計算。在依賴估值報告時，本公司董事已自行作出判斷，並信納估值所用假設能反映現時市況。該等假設的任何變動均會改變本集團投資物業的公平值，並須對綜合損益及其他全面收益表所報損益金額作出相應調整。

所得稅開支

如附註31所載，於二零一五年十二月三十一日已確認約人民幣286,753,000元(二零一四年：人民幣213,551,000元)的遞延稅項資產，主要有關稅項虧損及土地增值稅(「土地增值稅」)。遞延稅項資產是否可予變現主要視乎未來有否足夠可供動用的未來利潤或應課稅臨時差額。本公司董事根據已頒佈或實際已頒佈的稅率，以及本集團對預期動用稅項虧損或／及可扣減臨時差額的未來數年所作利潤預測的最佳資料釐定遞延稅項資產。本公司董事於報告期末前審閱假設及利潤預測。倘所產生實際未來利潤低於預期，則可能須撥回遞延稅項資產，並於撥回期間於綜合損益及其他全面收益表內確認。

4. CRITICAL JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Construction costs estimation for revenue recognition

Certain projects of the Group are divided into several phases according to the development and delivery plans. The Group recognizes sales upon delivery of properties. Cost of sales including construction costs specific to the phases and common costs allocable to the phases are calculated based on management's best estimation of the total development costs for the whole project and the allocation to each phase at the time when the properties are delivered.

Investment properties

Investment properties are stated at fair values based on the valuations performed by independent professional valuers. In determining the fair values, the valuers have based on a method of valuation which involves certain estimates of market condition. In relying on the valuation report, the directors of the Company have exercised their judgement and are satisfied that the assumptions used in the valuation are reflective of the current market conditions. Changes to these assumptions would result in changes in the fair values of the Group's investment properties and the corresponding adjustments to the amount of gain or loss reported in the consolidated statement of profit or loss and other comprehensive income.

Income tax expense

Deferred taxation assets of approximately RMB286,753,000 (2014: RMB213,551,000) mainly in relation to tax losses and land appreciation tax ("LAT") that have been recognized at 31 December 2015 as set out in note 31. The realisability of the deferred taxation assets mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. The directors of the Company determine the deferred taxation assets based on the enacted or substantially enacted tax rates and the best knowledge of profit projections of the Group for coming years during which the tax losses or/and the deductible temporary differences are expected to be utilized. The directors of the Company will review the assumptions and profit projections by the end of the reporting period. In cases where the actual future profits generated are less than expected, a reversal of deferred taxation assets may arise, which would be recognized in the consolidated statement of profit or loss and other comprehensive income for the period in which such a reversal takes place.

4. 重大判斷及估計不明朗因素的主要來源(續)**土地增值稅**

本集團在中華人民共和國(「中國」)須繳付土地增值稅。然而，有關稅項的執行因中國不同城市的不同稅務司法權區而異，且本集團若干項目尚未與中國任何地方稅務機關落實土地增值稅的計算方法。因此，本集團於釐定土地增值稅及其相關所得稅撥備的金額時須作出重大判斷。本集團根據管理層的最佳估計確認土地增值稅。最後稅務結果可能有別於最初入賬金額，而相關差額將於本集團與地方稅務機關落實有關稅項期間對所得稅開支及相關所得稅撥備構成影響。

公平值計量及估值流程

就財務呈報而言，本集團部分資產及負債按公平值計量。本公司董事負責就公平值計量釐定適當估值方法及輸入數據。

於估計資產或負債的公平值時，本集團使用可供參考的市場可觀察數據。倘並無第一級輸入數據，本集團委聘獨立合資格專業估值師進行估值。本公司董事與獨立合資格專業估值師緊密合作，為模式制定適當估值方法及輸入數據。董事定期評估資產及負債公平值波動的影響及原因。

本集團使用包含並非基於市場可觀察數據的輸入數據的估值方法估計若干類型投資物業及金融工具的公平值。附註14及附註42載列於釐定不同資產及負債公平值時所使用的有關估值方法、輸入數據及主要假設的詳細資料。

4. CRITICAL JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)**Land appreciation tax**

The Group is subject to LAT in the People's Republic of China (the "PRC"). However, the implementation of the tax varies amongst different tax jurisdictions in various cities of the PRC and certain projects of the Group have not finalized their LAT calculations with any local tax authorities in the PRC. Accordingly, significant judgement is required in determining the amount of land appreciation and its related income tax provisions. The Group recognized the LAT based on management's best estimates. The final tax outcome could be different from the amounts that were initially recorded, and these differences will impact the income tax expense and the related income tax provisions in the periods in which such tax is finalized with local tax authorities.

Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The directors of the Company are responsible in determining the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages independent qualified professional valuers to perform the valuation. The directors of the Company work closely with the independent qualified professional valuers to establish the appropriate valuation techniques and inputs to the model. The directors regularly assess the impact and the cause of fluctuations in the fair value of the assets and liabilities.

The Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of certain types of investment properties and financial instruments. Notes 14 and 42 provide detailed information about the valuation techniques, inputs and key assumptions used in the determination of the fair value of various assets and liabilities.

4. 重大判斷及估計不明朗因素的主要來源(續)

控制旭安有限公司

旭安由本集團與另一名股東分別持有50%權益，先前已作為共同控制實體列賬。截至二零一五年十二月三十一日止年度，本集團與該名股東訂立補充協議。透過簽立補充協議，本集團對旭安擁有實際控制權，故旭安已成為本公司之附屬公司。有關詳情載於附註32(g)。

本公司管理層已評估本集團是否對旭安擁有控制權乃基於本集團是否有實際能力單方面指示旭安的相關活動。作出彼等判斷時，董事考慮本集團於旭安持有的投票權。透過簽立補充協議，旭安董事會增加至七名董事，而所有戰略融資及經營決策必須由董事會大多數成員批准，當中四名董事及三名董事分別由本集團及其他股東提名。經評估後，董事作出結論，認為本集團有足夠支配比例的投票權以指示旭安的相關活動，因此，本集團對旭安擁有控制權。

4. CRITICAL JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Control over Xu An Co. Limited

Xu An was 50% held by the Group and 50% held by the other shareholder, and was accounted for as a jointly controlled entity previously. During the year ended 31 December 2015, the Group entered into a supplemental agreement with the other shareholder. By execution of the supplemental agreement, the Group had effective control over Xu An and Xu An became a subsidiary of the Company. Details of these are set out in notes 32(g).

The directors of the Company assessed whether or not the Group has control over Xu An based on whether the Group has the practical ability to direct the relevant activities of Xu An unilaterally. In making their judgement, the directors considered the Group's voting power of holding in Xu An. By execution of the aforesaid supplemental agreement, the board of directors of Xu An increased to comprise of seven directors and all of the strategic financial and operating decisions must be approved by simple majority of the board of directors, of which four directors and three directors are to be nominated by the Group and the other shareholder, respectively. After assessment, the directors concluded that the Group has sufficiently dominant voting power to direct the relevant activities of Xu An and therefore the Group has control over Xu An.

綜合財務報表附註

Notes to the Consolidated Financial Statements

5. 收入

收入指於年內(扣除折扣後)銷售物業的收入、租金收入及提供物業管理以及物業相關服務所收取的收入，其分析如下：

5. REVENUE

Revenue represents income from sales of properties, rental income and income from provision of property management and property related services earned during the year, net of discounts allowed, and is analysed as follows:

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
銷售物業	Sales of properties	17,046,700	15,653,684
租金收入	Rental income	40,973	41,688
物業管理收入	Property management income	343,638	197,579
項目管理以及其他物業 相關服務收入	Project management and other property related services income	799,477	286,383
		18,230,788	16,179,334

6. 分部資料

本集團根據主要經營決策者(即本公司董事會)為按分部分配資源及評估其表現而定期審閱的有關本集團組成部分的內部報告，確定其經營分部。

6. SEGMENT INFORMATION

The Group determines its operating segments based on internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (being the board of directors of the Company) in order to allocate resources to the segment and to assess its performance.

向本集團主要經營決策者就分配資源及評估表現而報告的資料集中於以下三項主要業務：

Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of performance is focused on three main operations:

- 房地產開發：此分部指開發及銷售辦公室及商業物業以及住宅物業。本集團所有該方面的業務均在中國開展。
- 房地產投資：此分部指租賃本集團開發或購買的投資物業，以賺取租金收入並長期從物業升值中受益。本集團目前的投資物業組合全部位於中國。
- 物業管理、項目管理及其他物業相關服務：此分部主要指物業管理及項目管理所產生的收入。本集團此方面的業務目前乃於中國開展。
- Property development: this segment represents the development and sales of office and commercial premises and residential properties. All the Group's activities in this regard are carried out in the PRC.
- Property investment: this segment represents the lease of investment properties, which are developed or purchased by the Group to generate rental income and to gain from the appreciation of the properties' values in the long term. Currently the Group's investment property portfolio is located entirely in the PRC.
- Property management, project management and other property related services: this segment mainly represents the income generated from property management and project management. Currently the Group's activities in this regard are carried out in the PRC.

主要經營決策者定期審閱各房地產開發項目的經營業績。由於房地產開發項目均位於中國，其收入主要來自物業銷售，且牽涉及承擔相同風險與回報。所有房地產開發項目已根據國際財務報告準則第8號「經營分部」合併為單一可呈報分部(房地產開發)。

The chief operating decision maker regularly reviews the operating results by property development projects. As property development projects are all located in the PRC, their revenue is primarily derived from the sales of properties, and is related and subject to common risk and returns. All property development projects are aggregated into a single reportable segment, property development, in accordance with IFRS 8 "Operating Segments".

6. 分部資料(續)

(a) 分部收入及利潤

年內，提供予本集團主要經營決策者以分配資源及評估分部表現的有關本集團可呈報分部的資料載列如下。

6. SEGMENT INFORMATION (Continued)

(a) Segment revenue and profit

Information regarding the Group's reportable segments as provided to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance for the year is set out below.

		房地產開發 Property development 人民幣千元 RMB'000	房地產投資 Property investment 人民幣千元 RMB'000	物業管理、 項目管理及 其他相關服務 Property management, project management and other related services 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
截至二零一五年十二月三十一日止年度	Year ended 31 December 2015				
來自外部客戶的可呈報分部收入	Reportable segment revenue from external customers	17,046,700	40,973	1,143,115	18,230,788
可呈報分部利潤	Reportable segment profit	3,295,706	26,755	450,221	3,772,682

		房地產開發 Property development 人民幣千元 RMB'000	房地產投資 Property investment 人民幣千元 RMB'000	物業管理、 項目管理及 其他相關服務 Property management, project management and other related services 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
截至二零一四年十二月三十一日止年度	Year ended 31 December 2014				
來自外部客戶的可呈報分部收入	Reportable segment revenue from external customers	15,653,684	41,688	483,962	16,179,334
可呈報分部利潤	Reportable segment profit	3,656,574	32,200	178,608	3,867,382

(b) 分部資產及負債

由於主要經營決策者於計算本集團分部呈報時並無計入資產及負債，因此並無呈列分部資產及負債。

(b) Segment assets and liabilities

No assets and liabilities are included in the measures of the Group's segment reporting that are used by the chief operating decision maker. Accordingly, no segment assets and liabilities are presented.

綜合財務報表附註

Notes to the Consolidated Financial Statements

6. 分部資料(續)

(c) 可呈報分部收入及利潤的對賬

可呈報分部利潤指各分部業績，未計及本集團主要業務以外業務所產生其他收入的分配、未分配總部及企業開支、物業、廠房及設備折舊、呆賬撥備、投資物業公平值變動、信託及其他貸款相關衍生工具公平值變動、融資成本以及應佔合營企業及聯營公司業績的任何影響。此乃向主要經營決策者匯報以分配資源及評估表現的計量基礎。

6. SEGMENT INFORMATION (Continued)

(c) Reconciliations of reportable segment revenue and profit

The reportable segment profit represents the results by each segment without including any effect of allocation of other income earned from operations other than the Group's main operations, unallocated head office and corporate expenses, depreciation of property, plant and equipment, allowance for doubtful debts, change in fair value of investment properties, change in fair value of trust and other loans related derivatives, finance costs and share of results of joint ventures and associates. This is the measurement basis reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
收入	Revenue		
可呈報分部及綜合收入	Reportable segment and consolidated revenue	18,230,788	16,179,334
利潤	Profit		
可呈報分部利潤	Reportable segment profit	3,772,682	3,867,382
其他收入、收益及虧損	Other income, gains and losses	541,660	246,604
信託及其他貸款相關衍生工具 公平值變動	Change in fair value of trust and other loans related derivatives	–	4,000
投資物業公平值變動	Change in fair value of investment properties	128,100	241,166
融資成本	Finance costs	(202,885)	(386,228)
應佔合營企業業績	Share of results of joint ventures	205,533	(118,708)
應佔聯營公司業績	Share of results of associates	(32,908)	–
物業、廠房及設備折舊	Depreciation of property, plant and equipment	(18,280)	(14,171)
呆賬撥備	Allowance for doubtful debts	(2,573)	(711)
未分配總部及企業開支	Unallocated head office and corporate expenses	(586,502)	(514,509)
除稅前綜合利潤	Consolidated profit before taxation	3,804,827	3,324,825

(d) 地區資料

由於本集團的經營活動乃於中國進行，故並無呈列地區資料。

(d) Geographic information

No geographic information has been presented as the Group's operating activities are carried out in the PRC.

(e) 主要客戶

並無與單一外部客戶進行的交易所得收入佔本集團收入10%或以上。

(e) Major customers

No revenue from transactions with a single external customer amounted to 10% or more of the Group's revenue.

7. 其他收入、收益及虧損

7. OTHER INCOME, GAINS AND LOSSES

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
可供出售投資的股息收入	Dividend income from available-for-sale investment	3,628	1,958
利息收入	Interest income	97,372	53,949
重新計量收益(附註32)	Gain on remeasurement (note 32)	166,498	—
業務合併收益(附註32)	Gain from business combinations (note 32)	76,770	—
出售物業、廠房及 設備的(虧損)收益淨額	(Loss) gain on disposal of property, plant and equipment, net	(216)	837
出售預付租賃款項收益	Gain on disposal of prepaid lease payments	60,097	—
出售一間合營企業的收益	Gain on disposal of a joint venture	—	80,243
出售附屬公司的收益(附註33)	Gain on disposal of subsidiaries (note 33)	219,296	62,412
政府補貼	Government grants	38,679	39,058
沒收買家支付的按金	Forfeited deposits paid by purchasers	109,860	2,742
匯兌虧損	Exchange loss	(302,127)	(19,790)
雜項收入	Sundry income	71,803	25,195
		541,660	246,604

8. 融資成本

8. FINANCE COSTS

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
銀行及其他借款及應付非控股 權益款項的利息	Interest on bank and other borrowings and amounts due to non-controlling interests	(994,751)	(764,011)
優先票據及公司債券的利息開支	Interest expense on senior notes and corporate bonds	(779,275)	(503,932)
結算具衍生工具性質的信託及 其他貸款的利息開支	Interest expense on settlement of trust and other loans with derivatives nature	—	(167,638)
減：擬作出售的開發中物業及 在建投資物業的資本化金額	Less: Amount capitalized to properties under development for sale and investment properties under construction	1,571,141	1,049,353
		(202,885)	(386,228)

開發中物業及在建投資物業已資本化的借款成本乃根據各銀行及其他借款、優先票據及公司債券的合約利率(分別於附註27及28中披露)釐定。

Borrowing costs capitalized to properties under development for sale and investment properties under construction were determined by the contracted interest rates of respective bank and other borrowings, senior notes and corporate bonds as disclosed in notes 27 and 28 respectively.

綜合財務報表附註

Notes to the Consolidated Financial Statements

9. 所得稅開支

9. INCOME TAX EXPENSE

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
中國企業所得稅：	PRC Enterprise Income Tax:		
即期所得稅	Current income tax	(950,358)	(860,973)
過往年度超額撥備	Overprovision in respect of prior years	–	462
		(950,358)	(860,511)
土地增值稅	LAT	(317,872)	(472,916)
		(1,268,230)	(1,333,427)
遞延稅項(附註31)	Deferred taxation (note 31)	(65,809)	8,190
		(1,334,039)	(1,325,237)

根據自二零零八年一月一日起生效的中國企業所得稅法及實施條例，本公司中國附屬公司的法定稅率為25%。

經多個稅務主管當局批准，若干中國附屬公司就其各自視作應課稅收入須按法定稅率25%納稅，而應課稅收入按根據適用中國稅務法規的規定計稅方法介乎收入的8%至10%。

土地增值稅撥備乃根據相關中國稅務法律及法規所載規定估計。土地增值稅已按增值價值的累進稅率範圍計提撥備(附帶若干許可的豁免及減免)。

根據英屬處女群島(「英屬處女群島」)及開曼群島的規則及法規，本集團毋須在英屬處女群島及開曼群島繳納任何所得稅。

由於本集團旗下各公司的收入既不產自亦非來自香港，故並無就香港利得稅作出撥備。

遞延稅項的詳情載於附註31。

Under the Law of Enterprise Income Tax and Implementation Rules of the PRC effective since 1 January 2008, the statutory tax rate of the Company's PRC subsidiaries is 25%.

As approved by various competent tax bureaus, certain PRC subsidiaries are subject to statutory tax rate of 25% on their respective deemed taxable income, ranging from 8% to 10% of revenue in accordance with the prescribed tax calculation method pursuant to the applicable PRC tax regulations.

The provision of LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable exemptions and deductions.

Pursuant to the rules and regulations of the British Virgin Islands ("BVI") and the Cayman Islands, the Group is not subject to any income tax in the BVI and the Cayman Islands.

No provision for Hong Kong Profits Tax has been made as the income of the companies comprising the Group neither arises in, nor is derived from, Hong Kong.

Details of the deferred taxation are set out in note 31.

9. 所得稅開支(續)

年度的稅項費用與綜合損益及其他全面收益表內除稅前利潤的對賬如下：

9. INCOME TAX EXPENSE (Continued)

The tax charge for the year can be reconciled to the profit before taxation per consolidated statement of profit or loss and other comprehensive income as follows:

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
除稅前利潤	Profit before taxation	3,804,827	3,324,825
按25%繳納的中國企業所得稅	PRC Enterprise Income Tax at 25%	(951,207)	(831,206)
不可扣稅開支的稅務影響	Tax effect of expenses not deductible for tax purposes	(97,775)	(79,661)
毋須課稅收入的稅務影響	Tax effect of income not taxable for tax purposes	9,108	7,703
土地增值稅	LAT	(317,872)	(472,916)
土地增值稅的稅務影響	Tax effect of LAT	79,468	118,229
過往年度超額撥備	Overprovision in respect of prior years	–	462
未確認稅項虧損的稅務影響	Tax effect of tax losses not recognized	(88,420)	(71,276)
動用先前未確認的稅項虧損	Utilization of tax losses previously not recognized	14,280	3,225
未確認可扣減臨時差額的稅務影響	Tax effect of deductible temporary differences not recognized	(41,508)	(8,540)
動用先前未確認的可扣減臨時差額	Utilization of deductible temporary differences previously not recognized	10,859	18,610
若干中國附屬公司採納規定計稅方法的影響	Effect of adopting prescribed tax calculation method by certain PRC subsidiaries	15,745	18,547
應佔合營企業業績的稅務影響	Tax effect of share of result of joint ventures	51,383	(29,677)
應佔聯營公司業績的稅務影響	Tax effect of share of result of associates	(8,227)	–
其他	Others	(9,873)	1,263
年度稅項費用	Tax charge for the year	(1,334,039)	(1,325,237)

附註：

1. 未確認可扣減臨時差額的稅務影響指調整有關興建物業的公司間交易所產生的可扣減臨時差額。

Note:

1. Tax effect of deductible temporary differences not recognized represents the adjustments of deductible temporary differences arising from inter-company transactions in relation to construction of properties.

綜合財務報表附註

Notes to the Consolidated Financial Statements

10. 年內利潤及全面收入總額

10. PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
年內利潤及全面收入總額乃經扣除 (計入)下列各項：	Profit and total comprehensive income for the year has been arrived at after charging (crediting):		
核數師酬金	Auditors' remuneration	5,225	4,716
計入銷售及服務成本的已售物業成本	Cost of properties sold included in cost of sales and services	12,265,516	11,678,446
物業、廠房及設備折舊	Depreciation of property, plant and equipment	18,280	14,171
出售物業、廠房及 設備的虧損(收益)淨額	Loss (gain) on disposal of property, plant and equipment, net	216	(837)
呆賬撥備	Allowance for doubtful debts	2,573	711
匯兌虧損淨額	Net exchange loss	302,127	19,790
土地及樓宇的經營租賃租金	Operating lease rentals in respect of land and buildings	34,423	40,822
提早贖回優先票據虧損	Loss on senior note early redemption	20,725	—
員工成本	Staff costs		
董事薪酬(附註11)	Directors' emoluments (note 11)	10,396	9,963
其他員工成本	Other staff costs		
員工成本(不包括退休福利成本)	Staff costs excluding retirement benefit costs	451,286	368,599
退休福利成本	Retirement benefit costs	42,804	32,495
以股本權益結算並以股份付款	Equity-settled share-based payments	49,058	64,392
其他員工成本總額	Total other staff costs	543,148	465,486
減：開發中物業的資本化金額	Less: Amount capitalized to properties under development for sale	(197,985)	(148,995)
		345,163	316,491
投資物業租金收入	Rental income from investment properties	(40,973)	(41,688)
減：相關開支	Less: Related outgoings	14,218	9,488
		(26,755)	(32,200)

11. 董事及僱員薪酬

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
董事薪酬	Directors' emoluments		
董事袍金	Directors' fees	676	633
獨立非執行董事的以股本權益結算並以股份付款	Equity-settled share-based payment for independent non-executive directors	471	907
執行董事的其他薪酬	Other emoluments for executive directors		
– 基本薪金及津貼	– basic salaries and allowances	7,481	6,526
– 以股本權益結算並以股份付款	– equity-settled share-based payment	341	712
– 花紅	– bonus	1,124	908
– 退休福利供款	– retirement benefit contributions	303	277
		10,396	9,963

		董事袍金	基本薪金及津貼	以股本權益結算並以股份付款	花紅	退休福利供款	總計
		Directors' fees	Basic salaries and allowances	Equity-settled share-based payment	Bonus	Retirement benefit contributions	Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
截至二零一五年十二月三十一日止年度	Year ended 31 December 2015						
執行董事姓名	Name of executive director						
林中先生	Mr. LIN Zhong	–	2,544	–	–	95	2,639
林偉先生	Mr. LIN Wei	–	1,752	–	–	113	1,865
林峰先生	Mr. LIN Feng	–	3,185	341	1,124	95	4,745
獨立非執行董事姓名	Name of independent non-executive director						
顧雲昌先生	Mr. GU Yunchang	200	–	157	–	–	357
張永岳先生	Mr. ZHANG Yongyue	200	–	157	–	–	357
陳偉成先生	Mr. TAN Wee Seng	276	–	157	–	–	433
		676	7,481	812	1,124	303	10,396

綜合財務報表附註

Notes to the Consolidated Financial Statements

11. 董事及僱員薪酬(續)

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

(Continued)

	董事袍金	基本薪金及 津貼	以股本權益 結算並以 股份付款	花紅	退休福利 供款	總計
	Directors' fees	Basic salaries and allowances	Equity-settled share-based payment	Bonus	Retirement benefit contributions	Total
	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
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
截至二零一四年 十二月三十一日止年度	Year ended 31 December 2014					
執行董事姓名	Name of executive director					
林中先生	Mr. LIN Zhong	–	1,838	–	87	1,925
林偉先生	Mr. LIN Wei	–	1,740	–	88	1,828
林峰先生	Mr. LIN Feng	–	2,948	712	102	4,670
獨立非執行董事姓名	Name of independent non-executive director					
顧雲昌先生	Mr. GU Yunchang	198	–	302	–	500
張永岳先生	Mr. ZHANG Yongyue	198	–	302	–	500
陳偉成先生	Mr. TAN Wee Seng	237	–	303	–	540
		633	6,526	1,619	277	9,963

上文呈列的執行董事薪酬主要有關彼等就管理本公司及本集團事務所提供的服務而作出。

The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group.

上文呈列的獨立執行董事薪酬主要就彼等出任本公司董事所提供的服務而作出。

The independent non-executive directors' emoluments shown above were mainly for their services as director of the Company.

林峰先生為本公司行政總裁，而上文所披露其薪酬包括其擔任行政總裁的薪酬。

Mr. LIN Feng is the Chief Executive of the Company and his emoluments disclosed above include those for services rendered by him as the Chief Executive.

年內，概無董事或主要行政人員可據此放棄或同意放棄任何薪酬的安排。

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year.

年內，若干董事根據本公司購股權計劃就其對本集團提供的服務獲授予購股權。購股權計劃的詳情載列於附註39。

During the year, certain directors were granted share options, in respect of their services to the Group under the share option scheme of the Company. Details of the share option scheme are set out in note 39.

11. 董事及僱員薪酬(續)

五名最高薪酬人士

截至二零一五年十二月三十一日止年度，五名最高薪酬人士包括一名董事(二零一四年：一名董事)。截至二零一五年十二月三十一日止年度的其餘四名最高薪酬人士(二零一四年：四名)的薪酬如下：

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

(Continued)

Five highest paid individuals

The five highest paid individuals included 1 (2014: 1) director for the year ended 31 December 2015. The emoluments of the remaining 4 (2014: 4) highest paid individuals for the year ended 31 December 2015 are as follows:

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
僱員	Employees		
— 基本薪金及津貼	— basic salaries and allowances	8,510	7,934
— 花紅	— bonus	4,163	3,272
— 以股本權益結算並以股份付款	— equity-settled share-based payments	274	251
— 退休福利供款	— retirement benefit contributions	1,078	2,358
		14,025	13,815

彼等的薪酬屬以下範圍：

Their emoluments were within the following bands:

		人數 Number of individuals 二零一五年 2015	人數 Number of individuals 二零一四年 2014
3,000,001港元至3,500,000港元	HK\$3,000,001 to HK\$3,500,000	1	—
3,500,001港元至4,000,000港元	HK\$3,500,001 to HK\$4,000,000	1	2
4,000,001港元至4,500,000港元	HK\$4,000,001 to HK\$4,500,000	1	1
6,000,001港元至6,500,000港元	HK\$6,000,001 to HK\$6,500,000	1	1

本集團並無向本公司董事或五名最高薪酬人士支付任何薪酬作為加盟本集團或加盟本集團時的獎勵或離職補償。

No emoluments were paid by the Group to the directors of the Company or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

綜合財務報表附註

Notes to the Consolidated Financial Statements

12. 股息

12. DIVIDEND

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
建議末期股息－每股普通股 人民幣9.35仙(相當於11港仙) (二零一四年：11港仙)	Proposed final dividend – RMB9.35 cents (equivalent to HK11 cents (2014: HK11 cents) per ordinary share	624,270	524,572

董事會建議，派發二零一五年度末期股息為每股人民幣9.35仙(相當於11港仙)(二零一四年：11港仙)(「建議末期股息」)。本年度的建議末期股息連同已派發本年度之首六個月的中期股息每股3港仙，合共股息為每股14港仙。建議末期股息可由股東選擇以現金支付或以部分或全部收取本公司之新繳足股份方式收取此末期股息。

截至二零一五年十二月三十一日止年度的建議末期股息須獲本公司股東於應屆股東週年大會批准。

於截至二零一五年十二月三十一日止年度內，股東獲派發末期股息每股11港仙(包括供股東選擇以獲配發新股份代替現金的形式收取末期股息的以股代息選擇)及中期現金股息3港仙，分別作為截至二零一四年十二月三十一日財政年度的末期股息及截至二零一五年六月三十日止六個月的中期股息。詳情如下：

The Board recommends the payment of a final dividend for 2015 of RMB9.35 cents (equivalent to HK11 cents) (2014: HK11 cents) per share (the “Proposed Final Dividend”). The Proposed Final Dividend for the year in aggregate with the interim dividend of HK3 cents per share paid in respect of the first six months of the year amounted to total dividends of HK14 cents per share. The Proposed Final Dividend will be either payable in cash or in form of new fully paid shares of the Company in respect of part or all of such final dividend at shareholder’s option.

The Proposed Final Dividend for the year ended 31 December 2015 is subject to the approval of the Company’s shareholders at the forthcoming annual general meeting.

During the year ended 31 December 2015, a final dividend of HK11 cents per share in respect of the financial year ended 31 December 2014, which included scrip dividend alternative offered to shareholders to elect receiving the final dividend by allotment of new shares in lieu of cash, and an interim cash dividend of HK3 cents per share in respect of the six months ended 30 June 2015, were paid to shareholders, details as follow:

		二零一五年 2015 千港元 HKD'000	二零一四年 2014 千港元 HKD'000
股息	Dividends		
現金	Cash	565,203	421,861
以股代息選擇(附註30)	Scrip dividend alternative (Note 30)	300,721	—
		865,924	421,861

13. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃根據下列數據計算：

13. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
盈利	Earnings		
就計算每股基本及攤薄盈利的盈利 (本公司擁有人應佔期內利潤)	Earnings for the purposes of basic and diluted earnings per share (profit for the period attributable to owners of the Company)	2,095,464	1,861,149

		二零一五年 2015	二零一四年 2014
股份數目	Number of shares		
就計算每股基本盈利的普通股 加權平均數	Weighted average number of ordinary shares for the purpose of basic earnings per share	6,447,679,001	6,026,579,000
對購股權的潛在普通股攤薄效應	Effect of dilutive potential ordinary shares on share options	193,094	—
就計算每股攤薄盈利的普通股 加權平均數	Weighted average number of ordinary shares for the purpose of diluted earnings per share	6,447,872,095	6,026,579,000

截至二零一四年十二月三十一日止年度，由於經調整行使價於二零一四年的尚未行使期間大於本公司股份的平均市價，故於計算每股攤薄盈利時，並無計算根據於二零一二年十月九日採納的購股權計劃分別於二零一三年二月二十六日及二零一三年十月二十九日授出的購股權。

For the year ended 31 December 2014, the share options granted on 26 February 2013 and 29 October 2013 under the share option scheme adopted on 9 October 2012 are not included in the calculation of diluted earnings per share as the adjusted exercise price was greater than the average market prices of the Company's share during the outstanding period in 2014.

14. 投資物業

14. INVESTMENT PROPERTIES

		在建投資物業 Investment properties under construction 人民幣千元 RMB'000	已竣工 投資物業 Completed investment properties 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
於二零一四年一月一日	At 1 January 2014	1,358,000	3,292,400	4,650,400
添置	Additions	178,720	135,914	314,634
公平值增加	Increase in fair value	16,280	224,886	241,166
於二零一四年十二月三十一日	At 31 December 2014	1,553,000	3,653,200	5,206,200
完成時轉撥	Transfer upon completion	(1,917,125)	1,917,125	–
添置	Additions	508,000	–	508,000
公平值(減少)增加	(Decrease) increase in fair value	(17,875)	145,975	128,100
於二零一五年十二月三十一日	At 31 December 2015	126,000	5,716,300	5,842,300

已竣工投資物業及在建投資物業均位於中國，屬中期租賃。所有本集團持有作經營租賃的物業權益以賺取收入或作股本增值均按公平值模式計量。

The completed investment properties and investment properties under construction are all situated in the PRC under medium-term leases. All the Group's property interests held under operating leases to earn rentals or for capital appreciation are measured using the fair value model.

本集團於二零一五年十二月三十一日抵押人民幣5,519,000,000元(二零一四年：人民幣4,931,000,000元)的投資物業，以擔保本集團的銀行及其他借款。

The Group had pledged investment properties of RMB5,519,000,000 (2014: RMB4,931,000,000) as at 31 December 2015 to secure bank and other borrowings of the Group.

本集團已竣工投資物業及在建投資物業於二零一五年及二零一四年十二月三十一日的公平值乃基於與本集團並無關連的獨立合資格專業估值師行第一太平戴維斯估值及專業顧問有限公司於該等日期進行的估值而得出。第一太平戴維斯估值及專業顧問有限公司擁有合適資格，且近期於評估相關地點的類似物業方面擁有經驗。

The fair values of the Group's completed investment properties and investment properties under construction at 31 December 2015 and 2014 have been arrived at on the basis of valuations on those dates carried out by Savills Valuation and Professional Services Limited, a firm of independent qualified professional valuers not connected with the Group, who have appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations.

已竣工投資物業的估值乃採用直接比較法並參照有關已竣工投資物業於市場上之可比較市場交易及透過將現有租約所得租金收入淨額資本化的方式計算，並適當考慮各物業之已竣工投資物業租金收入的復歸潛力。

The valuations of completed investment properties were arrived at with adoption of the direct comparison approach by making reference to comparable market transactions as available in the relevant markets on completed investment properties and, by capitalising the net rental income derived from the existing tenancies with due allowance for reversionary income potential of the respective properties on completed investment properties.

14. 投資物業(續)

在建投資物業的估值乃採用直接比較法並參照市場上可供應空地之可比較交易、餘值法(基於已竣工物業之市場可觀察交易)並按該等物業將根據最新開發方案開發及竣工的基準，計及完成開發所耗用的建造成本而得出，以反映已竣工開發項目的質素及發展商溢利。

上年度所用估值方法並無變動。於估計物業的公平值時，物業的最高及最佳用途為其當前用途。

於二零一五年及二零一四年十二月三十一日的本集團投資物業及公平值級別資料詳情如下：

14. INVESTMENT PROPERTIES (Continued)

The valuations of investment properties under construction were arrived at with adoption of the direct comparison approach by making reference to comparable transactions for bare land as available in the relevant markets and, residual approach, which is based on market observable transactions of completed properties with the basis that they will be developed and completed in accordance with the latest development proposals and taken into account the construction costs that will be expended to complete the development to reflect the quality of the completed development and developer's profit.

There has been no change from the valuation technique used in prior year. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

Details of the Group's investment properties and information about the fair value hierarchy as at 31 December 2015 and 2014 are as follows:

		於二零一五年 十二月三十一日 的公平值 Fair value as at 第三級 Level 3 人民幣千元 RMB'000		31 December 2015 人民幣千元 RMB'000
於中國的投資物業	Investment properties located in PRC	5,842,300	5,842,300	

		於二零一四年 十二月三十一日 的公平值 Fair value as at 第三級 Level 3 人民幣千元 RMB'000		31 December 2014 人民幣千元 RMB'000
於中國的投資物業	Investment properties located in PRC	5,206,200	5,206,200	

年內並無轉入第三級或自當中轉出。

There were no transfers into or out of Level 3 during the year.

綜合財務報表附註

Notes to the Consolidated Financial Statements

14. 投資物業(續)

下表提供有關如何釐定重大投資物業的公平值(特別是所使用的估值方法及輸入數據), 及公平值計量按公平值計量輸入數據的可觀察程度所劃分的公平值級別水平(第一級至第三級)的資料。

14. INVESTMENT PROPERTIES (Continued)

The following table gives information about how the fair values of the major investment properties are determined (in particular, the valuation techniques and inputs used), as well as the fair value hierarchy into which the fair value measurements are categorized (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

於綜合財務 狀況表內本集團 所持投資物業 Investment properties held by the Group in the consolidated statement of financial position	公平值級別 Fair value hierarchy	估值方法及 主要輸入數據 Valuation technique(s) and key input(s)	重要無法觀察 輸入數據 Significant unobservable input(s)	無法觀察 輸入數據與 公平值的關係 Relationship of unobservable inputs to fair value
Completed investment property — Jiaxing CIFI Square 已竣工投資物業 — 嘉 興旭輝廣場	Level 3 第三級	Income method (term and reversionary approach) 收入法(租期復歸法) The key inputs are: (1) Term yield; (2) Reversionary yield; and (3) Market unit rent of individual unit 主要輸入數據為: (1) 租期收益率; (2) 復歸收益率; (3) 個別單位的市場 單位租金	Term yield, taking into account of yield generated from comparable properties and adjustment to reflect the certainty of term income secured and to be received of 4% (2014: 4%). 經計入可資比較物業產生的收 益及反映所擔保及將收取租 期收入的確定性的調整, 租 期收益率為4%(二零一四 年: 4%)。 Reversionary yield, taking into account annual unit market rental income and unit market value of the comparable properties of 4.5% (2014: 4.5%). 經計入單位市場年度租金收入 及可資比較物業的單位市 值, 復歸收益率為4.5%(二 零一四年: 4.5%)。	There is no indication that any slight change in the term yield would result in significant higher or lower fair value measurement. 並無跡象表明任何租 期收益率的任何輕 微變動將導致明顯 較高或較低的公平 值計量。 A slight increase in the reversionary yield would result in a significant decrease in fair value and vice versa. 復歸收益率輕微上升 高將導致公平值大 幅減少, 反之亦然。

14. 投資物業(續)

14. INVESTMENT PROPERTIES (Continued)

於綜合財務 狀況表內本集團 所持投資物業 Investment properties held by the Group in the consolidated statement of financial position	公平值級別 Fair value hierarchy	估值方法及 主要輸入數據 Valuation technique(s) and key input(s)	重要無法觀察 輸入數據 Significant unobservable input(s)	無法觀察 輸入數據與 公平值的關係 Relationship of unobservable inputs to fair value
			Market unit rent, using direct market comparables and taking into account of location and other individual factors such as road frontage, size of property and facilities range from around RMB110 sq.m./month to RMB610 sq.m./month (2014: RMB102 sq.m./month to RMB567). 使用直接市場比較方法並經計入位置及臨街道路、物業大小及設施等其他各項因素，所得市場單位租金介乎每平方米每月人民幣110元至每平方米每月人民幣610元（二零一四年：每平方米每月人民幣102元至每平方米每月人民幣567元）。	A slight increase in the market unit rent would result in significant increase in fair value and vice versa. 市場單位租金輕微上漲將導致公平值大幅增加，反之亦然。

綜合財務報表附註

Notes to the Consolidated Financial Statements

14. 投資物業(續)

14. INVESTMENT PROPERTIES (Continued)

於綜合財務 狀況表內本集團 所持投資物業 Investment properties held by the Group in the consolidated statement of financial position	公平值級別 Fair value hierarchy	估值方法及 主要輸入數據 Valuation technique(s) and key input(s)	重要無法觀察 輸入數據 Significant unobservable input(s)	無法觀察 輸入數據與 公平值的關係 Relationship of unobservable inputs to fair value
Completed investment property — Shanghai CIFI Yangpu Commercial Centre 已竣工投資物業 — 上海 旭輝 • 楊浦 商業廣場	Level 3 第三級	Income method (term and reversionary approach) 收入法(租期復歸法) The key inputs are: (1) Term yield; (2) Reversionary yield; and (3) Market unit rent of individual unit 主要輸入數據為： (1) 租期收益率； (2) 復歸收益率；及 (3) 個別單位的市場單位租金	Term yield, taking into account of yield generated from comparable properties and adjustment to reflect the certainty of term income secured and to be received of 5%. 經計入可資比較物業產生的收 益及反映所擔保及將收取租 期收入的確定性的調整，租 期收益率為5%。 Reversionary yield, taking into account annual unit market rental income and unit market value of the comparable properties of 6%. 經計入單位市場年度租金收入 及可資比較物業的單位市 值，復歸收益率為6%。	There is no indication that any slight change in the term yield would result in significant higher or lower fair value measurement. 並無跡象表明任何租 期收益率的任何輕 微變動將導致明顯 較高或較低的公平 值計量。 A slight increase in the reversionary yield would result in a significant decrease in fair value and vice versa. 復歸收益率輕微上升 高將導致公平值大 幅減少，反之亦 然。

14. 投資物業(續)

14. INVESTMENT PROPERTIES (Continued)

於綜合財務 狀況表內本集團 所持投資物業 Investment properties held by the Group in the consolidated statement of financial position	公平值級別 Fair value hierarchy	估值方法及 主要輸入數據 Valuation technique(s) and key input(s)	重要無法觀察 輸入數據 Significant unobservable input(s)	無法觀察 輸入數據與 公平值的關係 Relationship of unobservable inputs to fair value
			Market unit rent, using direct market comparables and taking into account of location and other individual factors such as road frontage, size of property and facilities range from around RMB219 sq.m./month to RMB398 sq.m./month. 使用直接市場比較方法並經計入位置及臨街道路、物業大小及設施等其他各項因素，所得市場單位租金介乎每平方米每月人民幣219元至每平方米每月人民幣398元。	A slight increase in the market unit rent would result in significant increase in fair value and vice versa. 市場單位租金輕微上漲將導致公平值大幅增加，反之亦然。

綜合財務報表附註

Notes to the Consolidated Financial Statements

15. 物業、廠房及設備

15. PROPERTY, PLANT AND EQUIPMENT

		租賃土地及 樓宇 Leasehold land and buildings	機動車輛 Motor vehicles	設備及傢俬 Equipment and furniture	總計 Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
成本	COST				
於二零一四年一月一日	At 1 January 2014	12,076	37,962	41,725	91,763
添置	Additions	–	5,029	11,288	16,317
出售一間附屬公司	Disposal of subsidiaries	–	(221)	(228)	(449)
出售	Disposals	(392)	(4,570)	(1,915)	(6,877)
於二零一四年十二月三十一日	At 31 December 2014	11,684	38,200	50,870	100,754
添置	Additions	–	7,075	8,369	15,444
收購附屬公司	Acquisition of subsidiaries	–	3,803	1,477	5,280
出售一間附屬公司	Disposal of a subsidiary	–	(64)	–	(64)
出售	Disposals	–	(4,975)	(2,778)	(7,753)
於二零一五年十二月三十一日	At 31 December 2015	11,684	44,039	57,938	113,661
累計折舊	ACCUMULATED DEPRECIATION				
於二零一四年一月一日	At 1 January 2014	2,416	23,864	18,322	44,602
年內開支	Charge for the year	639	5,274	8,258	14,171
出售附屬公司	Disposal of subsidiaries	–	(213)	(120)	(333)
於出售時抵銷	Eliminated on disposals	(79)	(4,332)	(1,353)	(5,764)
於二零一四年十二月三十一日	At 31 December 2014	2,976	24,593	25,107	52,676
年內開支	Charge for the year	550	7,703	10,027	18,280
出售一間附屬公司	Disposal of a subsidiary	–	(13)	–	(13)
於出售時抵銷	Eliminated on disposals	–	(3,705)	(2,181)	(5,886)
於二零一五年十二月三十一日	At 31 December 2015	3,526	28,578	32,953	65,057
賬面值	CARRYING VALUES				
於二零一五年十二月三十一日	At 31 December 2015	8,158	15,461	24,985	48,604
於二零一四年十二月三十一日	At 31 December 2014	8,708	13,607	25,763	48,078

15. 物業、廠房及設備(續)

上述物業、廠房及設備項目乃於計及按照下列年率計算的估計剩餘價值後以直線法折舊：

租賃土地及樓宇	按估計可使用年期20年或租期(以較短者為準)
機動車輛	20%
設備及傢俬	20%

所有樓宇均位於中國境內土地上。

16. 預付租賃款項

預付租賃款項的賬面值指本集團於中國按中期租賃所持有擬作酒店房地產開發及行政用途的土地使用權。

17. 於聯營公司的權益

15. PROPERTY, PLANT AND EQUIPMENT (Continued)

The above items of property, plant and equipment are depreciated using the straight-line method after taking into account of their estimated residual values at the following rates per annum:

Leasehold land and buildings	Over the estimated useful lives of 20 years or the term of the leases, whichever shorter
Motor vehicles	20%
Equipment and furniture	20%

The buildings are all situated on land in the PRC.

16. PREPAID LEASE PAYMENTS

The carrying amount of prepaid lease payments represents the land use rights held in the PRC under medium term leases intended for hotel property development and administrative usage.

17. INTERESTS IN ASSOCIATES

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
本集團於聯營公司的權益 詳情如下：	Details of the Group's interests in associates are as follows:		
於聯營公司的非上市投資成本	Cost of unlisted investments in associates	621,528	15,300
應佔收購後業績及其他全面收益， 扣除已收股息	Share of post-acquisition results and other comprehensive income, net of dividend received	(32,908)	—
		588,620	15,300

綜合財務報表附註

Notes to the Consolidated Financial Statements

17. 於聯營公司的權益(續)

於二零一五年及二零一四年十二月三十一日，本集團的聯營公司詳情載列如下：

17. INTERESTS IN ASSOCIATES (Continued)

Particulars of the Group's associates as at 31 December 2015 and 2014 are set out as follows:

聯營公司名稱 Name of associates	註冊成立/ 成立地點 Place of incorporation/ establishment	經營地點 Place of operation	本集團應佔股權 Equity interest attributable to the Group		本集團所持投票權比率 Proportion of voting power held by the Group		主要業務 Principal activities
			二零一五年 2015	二零一四年 2014	二零一五年 2015	二零一四年 2014	
天津世紀興房地產開發有限公司 (「天津世紀興」)(附註1) Tianjin Shijixing Real Estate Development Co., Ltd. ("Tianjin Shijixing") (Note 1)	中國 PRC	中國 PRC	25%	25%	25%	25%	房地產開發 Property development
北京旭輝當代置業有限公司 (「北京旭輝當代」)(附註2) Beijing Xuhui Dangdai Property Co., Ltd. ("Beijing Xuhui Dangdai") (Note 2)	中國 PRC	中國 PRC	50%	不適用 N/A	50%	不適用 N/A	房地產開發 Property development
杭州龍卓房地產開發有限公司 (「杭州龍卓」) Hangzhou Longzhuo Real Estate Development Co., Ltd. ("Hangzhou Longzhuo")	中國 PRC	中國 PRC	35%	–	35%	–	房地產開發 Property development
南京旭辰置業有限公司 Nanjing Xuchen Property Co., Ltd.	中國 PRC	中國 PRC	49%	–	49%	–	房地產開發 Property development
上海坤輝置業有限公司 Shanghai Kunhui Property Co., Ltd.	中國 PRC	中國 PRC	50%	–	50%	–	房地產開發 Property development
北京達成光遠置業有限公司 Beijing Dacheng Guangyuan Property Co., Ltd.	中國 PRC	中國 PRC	10%	–	10%	–	房地產開發 Property development
杭州辰旭置業有限公司 Hangzhou Chenxu Property Co., Ltd.	中國 PRC	中國 PRC	20%	–	20%	–	房地產開發 Property development
旭皇有限公司 Xu Huang Co., Ltd.	英屬處女群島 BVI	英屬處女群島 BVI	13%	–	13%	–	投資控股 Investment holding

17. 於聯營公司的權益(續)

附註：

1. 截至二零一四年十二月三十一日止年度，本集團向一名獨立第三方出售於其非全資附屬公司天津世紀興的26%股權，於交易完成後其已不再擁有對天津世紀興的控制權。於出售事項後，本集團擁有天津世紀興25%股權，而該公司成為本集團的聯營公司。
2. 北京旭輝當代由本集團持有50%及其他合營企業夥伴北京當代節能有限公司(「北京當代節能」)持有50%。於二零一四年十二月三十一日列賬為合營企業。截至二零一五年十二月三十一日止年度，本集團旭輝當代的股東簽立備忘錄，據此，本集團同意委任由北京當代節能提名的北京旭輝當代高級管理層。此外，根據備忘錄，所有戰略融資及經營決策須由董事會簡單多數批准，其中五名中的其中三名董事須由北京當代節能及本集團分別提名。因此，本集團無法再行使其對北京旭輝當代的共同控制權，因此，對北京旭輝當代僅有重大影響力。北京旭輝當代已從合營企業重新分類為一間金額達人民幣393,728,000元的聯營公司。
3. 截至二零一五年十二月三十一日止年度，本集團分別收購北京金龍永輝置業有限公司及天津興泰置業有限公司14.5%及20%非上市公司實繳資本，達人民幣2,910,000元及人民幣6,000,000元。本集團對該兩間公司有重大影響力，並該等公司為聯營公司。該兩間公司其後透過銷售於附註33(a)披露的附屬公司而於二零一五年十二月三十一日前出售。

本集團於聯營公司的投資詳情如下：

下文所載為有關本集團重大聯營公司各自的財務資料概要。下述財務資料概要為聯營公司根據國際財務報告準則編製的未經審核管理賬目所示金額。

聯營公司乃按權益法於該等綜合財務報表入賬。

17. INTERESTS IN ASSOCIATES (Continued)

Notes:

1. During the year ended 31 December 2014, the Group disposed 26% equity interests in its non-wholly owned subsidiary, Tianjin Shijixing to an independent third party and resulting in loss of control over Tianjin Shijixing upon completion of the transaction. After the disposal, the Group retained 25% equity interests in Tianjin Shijixing which became an associate of the Group.
2. Beijing Xuhui Dangdai was 50% held by the Group and 50% by the other joint venture partner, Modern Green Development Co., Ltd. (北京當代節能有限公司) ("Modern Green Development"). It was accounted for as a joint venture as at 31 December 2014. During the year end 31 December 2015, the shareholders of the Beijing Xuhui Dangdai signed a memorandum pursuant to which the Group would consent the appointment of the senior management of Beijing Xuhui Dangdai nominated by Modern Green Development. In addition, according to the memorandum, all of the strategic financial and operating decisions must be approved by the simple majority of the board in which three out of the five directors are nominated by Modern Green Development. Therefore, the Group no longer have joint control but significant influence over Beijing Xuhui Dangdai. Beijing Xuhui Dangdai has been reclassified from a joint venture to an associate amounting to RMB393,728,000.
3. During the year ended 31 December 2015, the Group acquired 14.5% and 20% of the paid-in capital of unlisted companies, Beijing Jinlong Yonghui Property Co., Ltd. (北京金龍永輝置業有限公司) and Tianjin Xingtai Jifeng Property Co., Ltd. (天津興泰吉豐置業有限公司) amounting to RMB2,910,000 and RMB6,000,000 respectively. The Group had significant influence on these two companies and so treated them as associates. The two companies were subsequently disposed of before 31 December 2015 through sales of subsidiaries disclosed in note 33(a).

Details of the Group's investments in associates are as follows:

Summarized financial information in respect of each of the Group's material associates is set out below. The summarized financial information below represents amounts shown in the associates unaudited management accounts prepared in accordance with IFRSs.

The associates are accounted for using the equity method in these consolidated financial statements.

綜合財務報表附註

Notes to the Consolidated Financial Statements

17. 於聯營公司的權益(續)

北京旭輝當代

17. INTERESTS IN ASSOCIATES (Continued)

Beijing Xuhui Dangdai

		於 二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000	於 二零一四年 十二月三十一日 At 31 December 2014 人民幣千元 RMB'000
流動資產	Current assets	2,116,282	447,416
非流動資產	Non-current assets	1,012	79
流動負債	Current liabilities	1,234,102	442,041
非流動負債	Non-current liabilities	100,000	–

		截至 二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 人民幣千元 RMB'000	截至 二零一四年 十二月三十一日 止年度 Year ended 31 December 2014 人民幣千元 RMB'000
收入	Revenue	–	–
年內虧損及全面開支總額	Loss and total comprehensive expense for the year	(4,262)	–

17. 於聯營公司的權益(續)

北京旭輝當代(續)

上述財務資料概要與綜合財務報表中確認的北京旭輝當代權益的賬面值對賬：

17. INTERESTS IN ASSOCIATES (Continued)

Beijing Xuhui Dangdai (Continued)

Reconciliation of the above summarized financial information to the carrying amount of the interest in Beijing Xuhui Dangdai recognized in the consolidated financial statements:

		於 二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000	於 二零一四年 十二月三十一日 At 31 December 2014 人民幣千元 RMB'000
北京旭輝當代的資產淨值	Net assets of Beijing Xuhui Dangdai	783,192	5,454
本集團於北京旭輝當代的 擁有權比例	Proportion of the Group's ownership interest in Beijing Xuhui Dangdai	50%	50%
本集團於北京旭輝當代的權益 的賬面值	Carrying amount of the Group's interest in Beijing Xuhui Dangdai	391,596	2,727

綜合財務報表附註

Notes to the Consolidated Financial Statements

17. 於聯營公司的權益(續)

杭州龍卓

17. INTERESTS IN ASSOCIATES (Continued)

Hangzhou Longzhuo

		於 二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000	於 二零一四年 十二月三十一日 At 31 December 2014 人民幣千元 RMB'000
流動資產	Current assets	1,332,555	–
非流動資產	Non-current assets	4,673	–
流動負債	Current liabilities	860,245	–
非流動負債	Non-current liabilities	–	–

		截至 二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 人民幣千元 RMB'000	截至 二零一四年 十二月三十一日 止年度 Year ended 31 December 2014 人民幣千元 RMB'000
收入	Revenue	–	–
年內虧損及全面開支總額	Loss and total comprehensive expense for the year	(23,017)	–

17. 於聯營公司的權益(續)**杭州龍卓(續)**

上述財務資料概要與綜合財務報表中確認的杭州龍卓權益的賬面值對賬：

17. INTERESTS IN ASSOCIATES (Continued)**Hangzhou Longzhuo (Continued)**

Reconciliation of the above summarized financial information to the carrying amount of the interest in Hangzhou Longzhuo recognized in the consolidated financial statements:

		於 二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000	於 二零一四年 十二月三十一日 At 31 December 2014 人民幣千元 RMB'000
杭州龍卓的資產淨值	Net assets of Hangzhou Longzhuo	476,983	—
本集團於杭州龍卓的 擁有權比例	Proportion of the Group's ownership interest in Hangzhou Longzhuo	35%	—
本集團於杭州龍卓的權益 的賬面值	Carrying amount of the Group's interest in Hangzhou Longzhuo	166,944	—

非個別重大聯營公司的匯總資料**Aggregate information of associates that are not individually material**

		截至 二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 人民幣千元 RMB'000	截至 二零一四年 十二月三十一日 止年度 Year ended 31 December 2014 人民幣千元 RMB'000
本集團應佔虧損及全面開支總額	The Group's share of loss and total comprehensive expense	(22,721)	—

		於 二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000	於 二零一四年 十二月三十一日 At 31 December 2014 人民幣千元 RMB'000
本集團於該等聯營公司的 權益賬面值總額	Aggregate carrying amount of the Group's interests in these associates	30,080	15,300

綜合財務報表附註

Notes to the Consolidated Financial Statements

18. 於合營企業的權益

18. INTERESTS IN JOINT VENTURES

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
於合營企業非上市投資成本	Cost of unlisted investments in joint ventures	6,929,474	8,024,368
應佔收購後業績及其他全面收益， 扣除已收股息	Share of post-acquisition results and other comprehensive income, net of dividend received	180,323	(132,584)
		7,109,797	7,891,784

於二零一五年及二零一四年十二月三十一日，本集團合營企業的詳情載列如下：
Particulars of the Group's joint ventures as at 31 December 2015 and 2014 are set out as follows:

合營企業名稱 Name of joint venture	註冊成立/ 成立地點 Place of incorporation/ establishment	經營地點 Place of operation	本集團應佔股權 Equity interest attributable to the Group		本集團所持投票權比率 Proportion of voting power held by the Group		主要業務 Principal activities
			二零一五年 2015	二零一四年 2014	二零一五年 2015	二零一四年 2014	
			上海首嘉置業有限公司 Shanghai Shoujia Property Co., Ltd.	中國 PRC	中國 PRC	40%#	
上海綠旭置業有限公司 Shanghai Luxu Property Co., Ltd.	中國 PRC	中國 PRC	50%	50%	50%	50% 房地產開發 Property development	
上海新城旭地房地產有限公司 Shanghai Xincheng Xudi Real Estate Development Co., Ltd.	中國 PRC	中國 PRC	50%	50%	50%	50% 房地產開發 Property development	
蘇州旭邦置業有限公司(附註33) Suzhou Xubang Property Co., Ltd. (Note 33)	中國 PRC	中國 PRC	50%	不適用 N/A	50%	不適用 房地產開發 N/A Property development	
上海旭康置業有限公司(附註32) Shanghai Xukang Property Co., Ltd. (Note 32)	中國 PRC	中國 PRC	不適用 N/A	50%	不適用 N/A	50% 房地產開發 Property development	
上海永磐實業有限公司(附註) (「上海永磐」) Shanghai Yongpan Enterprise Co., Ltd (note) ("Shanghai Yongpan")	中國 PRC	中國 PRC	不適用 N/A	49%	不適用 N/A	49% 房地產開發 Property development	

18. 於合營企業的權益(續)

18. INTERESTS IN JOINT VENTURES (Continued)

合營企業名稱 Name of joint venture	註冊成立/ 成立地點 Place of incorporation/ establishment	經營地點 Place of operation	本集團應佔股權 Equity interest attributable to the Group		本集團所持投票權比率 Proportion of voting power held by the Group		主要業務 Principal activities
			二零一五年 2015	二零一四年 2014	二零一五年 2015	二零一四年 2014	
			蘇州北辰旭昭置業有限公司 Suzhou Beichen Xuzhao Property Co., Ltd	中國 PRC	中國 PRC	50%	
蘇州旭陽置業有限公司(附註32) Suzhou Xuyang Property Co., Ltd (Note 32)	中國 PRC	中國 PRC	不適用 N/A	49%#	不適用 N/A	49%#	房地產開發 Property development
天津旭津房地產開發有限公司 (附註32) Tianjin Xujin Real Estate Development Co., Ltd. (Note 32)	中國 PRC	中國 PRC	不適用 N/A	47.57%#	不適用 N/A	47.57%#	房地產開發 Property development
武漢旭程置業有限公司(附註32) Wuhan Xucheng Property Co., Ltd. (Note 32)	中國 PRC	中國 PRC	不適用 N/A	50%	不適用 N/A	50%	房地產開發 Property development
旭寶有限公司(「旭寶」) Xu Bao Co. Limited ("Xu Bao")	英屬處女群島 BVI	中國 PRC	50%	50%	50%	50%	投資控股 Investment holding
旭正有限公司(附註32) Xu Zheng Co. Limited (Note 32)	英屬處女群島 BVI	中國 PRC	不適用 N/A	49%#	不適用 N/A	49%#	投資控股 Investment holding
湖南物華投資發展有限公司 (附註32) Hunan Wuhua Investment Co., Ltd.. (Note 32)	中國 PRC	中國 PRC	不適用 N/A	50%	不適用 N/A	50%	房地產開發 Property development
旭安(附註32) Xu An (Note 32)	英屬處女群島 BVI	中國 PRC	不適用 N/A	50%#	不適用 N/A	50%#	投資控股 Investment holding
天津旭科房地產開發有限公司 Tianjin Xuke Real Estate Development Co., Ltd.	中國 PRC	中國 PRC	50%	–	50%	–	房地產開發 Property development

綜合財務報表附註

Notes to the Consolidated Financial Statements

18. 於合營企業的權益(續)

18. INTERESTS IN JOINT VENTURES (Continued)

合營企業名稱 Name of joint venture	註冊成立/ 成立地點 Place of incorporation/ establishment	經營地點 Place of operation	本集團應佔股權 Equity interest attributable to the Group		本集團所持投票權比率 Proportion of voting power held by the Group		主要業務 Principal activities
			二零一五年 2015	二零一四年 2014	二零一五年 2015	二零一四年 2014	
			北京旭輝永同昌置業有限公司 Beijing Xuhui Yong Tong Chang Property Co., Ltd.	中國 PRC	中國 PRC	27%#	
東時投資有限公司(「東時」) Eastime Investment Limited ("Eastime")	英屬處女群島 BVI	中國 PRC	50%	–	50%	–	投資控股 Investment holding
北京旭天恒置業有限公司 Beijing Xutianheng Property Co., Ltd	中國 PRC	中國 PRC	49%#	–	49%#	–	房地產開發 Property development
重慶旭原創展房地產 開發有限公司 Chongqing Xuyuan Chuangzhan Real Estate Development Co., Ltd.	中國 PRC	中國 PRC	30%#	–	30%#	–	房地產開發 Property development
蘇州旭悅置業有限公司 Suzhou Xuyue Property Co., Ltd	中國 PRC	中國 PRC	40%#	–	40%#	–	房地產開發 Property development
旭浦有限公司 Xu Pu Co. Limited	英屬處女群島 BVI	中國 PRC	35%#	–	35%#	–	房地產開發 Property development
Coastwise Limited (note) (附註) ("Coastwise")	英屬處女群島 BVI	中國 PRC	50%	–	50%	–	房地產開發 Property development

該等公司於各自的期間終結日期根據各公司的章程大綱及細則入賬為合營企業，該等公司的主要財務及營運政策須由全體董事一致通過。

附註：於二零一五年五月十五日，本集團與Hongkong Land China Holdings Limited (「Hongkong Land」) 訂立總體協議(「總體協議」)，據此進行一系列交易以共同持有及開發旭涇項目(「旭涇項目」)。旭涇項目為一項位於上海之物業開發項目，先前由上海永馨以境外股權架構持有。於二零一五年總體協議訂立之交易完成後，旭涇項目由本集團與Hongkong Land透過Coastwise共同持有，而上海永馨由本集團收購。上述交易並無對本集團之利潤及虧損造成重大影響。

These companies are accounted for as joint ventures as at respective period end date as in accordance with the memorandum and articles of the companies, major financial and operating policies of these companies require the unanimous consent of all directors.

Note: On 15 May 2015, the Group and Hongkong Land China Holdings Limited ("Hongkong Land") entered into a master agreement ("Master Agreement") with pursuant to a series of transactions in order to jointly hold and develop the Xu Jing project ("Xu Jing Project"), which is a property development project located in Shanghai and was previously held by Shanghai Yongpan, with an offshore shareholding structure. Upon the completion of the transactions stipulated by the Master Agreement in 2015, the Xu Jing Project is jointly held by the Group and Hongkong Land through Coastwise and Shanghai Yongpan is acquired by the Group. The aforesaid transactions did not have material profit and loss impact to the Group.

18. 於合營企業的權益(續)

本集團於合營企業的投資詳情如下：

下文所載為有關本集團合營企業各自的財務資料概要。下述財務資料概要為合營企業根據國際財務報告準則編製的未經審核管理賬目所示金額。

合營企業乃按權益法於該等綜合財務報表入賬。

18. INTERESTS IN JOINT VENTURES (Continued)

Details of the Group's investments in joint ventures are as follows:

Summarized financial information in respect of each of the Group's joint ventures is set out below. The summarized financial information below represents amounts shown in the joint ventures' unaudited management accounts prepared in accordance with IFRSs.

The joint ventures are accounted for using the equity method in these consolidated financial statements.

Coastwise

		於 二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000	於 二零一四年 十二月三十一日 At 31 December 2014 人民幣千元 RMB'000
流動資產	Current assets	6,190,151	–
非流動資產	Non-current assets	31	–
流動負債	Current liabilities	258,378	–
非流動負債	Non-current liabilities	338,566	–

Coastwise

		截至 二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 人民幣千元 RMB'000	截至 二零一四年 十二月三十一日 止年度 Year ended 31 December 2014 人民幣千元 RMB'000
收入	Revenue	–	–
年內利潤及全面收益總額	Profit and total comprehensive income for the year	695,895	–

綜合財務報表附註

Notes to the Consolidated Financial Statements

18. 於合營企業的權益(續)

上述財務資料概要與綜合財務報表中確認的Coastwise權益的賬面值對賬：

18. INTERESTS IN JOINT VENTURES (Continued)

Reconciliation of the above summarized financial information to the carrying amount of the interest in Coastwise recognized in the consolidated financial statements:

		於 二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000	於 二零一四年 十二月三十一日 At 31 December 2014 人民幣千元 RMB'000
Coastwise的資產淨值	Net assets of Coastwise	5,593,238	–
本集團於Coastwise的 擁有權比例	Proportion of the Group's ownership interest in Coastwise	50%	–
本集團於Coastwise的 權益的賬面值	Carrying amount of the Group's interest in Coastwise	2,796,619	–

旭寶

Xu Bao

		於 二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000	於 二零一四年 十二月三十一日 At 31 December 2014 人民幣千元 RMB'000
流動資產	Current assets	6,001,800	6,824,290
非流動資產	Non-current assets	526	674
流動負債	Current liabilities	1,068,277	1,224,082
非流動負債	Non-current liabilities	1,744,443	2,141,328

18. 於合營企業的權益(續)
旭寶(續)

18. INTERESTS IN JOINT VENTURES (Continued)
Xu Bao (Continued)

		截至 二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 人民幣千元 RMB'000	截至 二零一四年 十二月三十一日 止年度 Year ended 31 December 2014 人民幣千元 RMB'000
收入	Revenue	-	-
年內虧損及全面開支總額	Loss and total comprehensive expense for the year	(269,948)	(99,897)

上述財務資料概要與綜合財務報表中確
認的旭寶權益的賬面值對賬：

Reconciliation of the above summarized financial information to
the carrying amount of the interest in Xu Bao recognized in the
consolidated financial statements:

		於 二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000	於 二零一四年 十二月三十一日 At 31 December 2014 人民幣千元 RMB'000
旭寶的資產淨值	Net assets of Xu Bao	3,189,606	3,459,554
本集團於旭寶的擁有權比例	Proportion of the Group's ownership interest in Xu Bao	50%	50%
本集團於旭寶的權益的賬面值	Carrying amount of the Group's interest in Xu Bao	1,594,803	1,729,777

綜合財務報表附註

Notes to the Consolidated Financial Statements

18. 於合營企業的權益(續) 東時

18. INTERESTS IN JOINT VENTURES (Continued) Eastime

		於 二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000	於 二零一四年 十二月三十一日 At 31 December 2014 人民幣千元 RMB'000
流動資產	Current assets	1,835,286	–
非流動資產	Non-current assets	43	–
流動負債	Current liabilities	352,843	–
非流動負債	Non-current liabilities	–	–

		截至 二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 人民幣千元 RMB'000	截至 二零一四年 十二月三十一日 止年度 Year ended 31 December 2014 人民幣千元 RMB'000
收入	Revenue	–	–
年內虧損及全面開支總額	Loss and total comprehensive expense for the year	(84,378)	–

上述財務資料概要與綜合財務報表中確
認的東時權益的賬面值對賬：

Reconciliation of the above summarized financial information to
the carrying amount of the interest in Eastime recognized in the
consolidated financial statements:

		於 二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000	於 二零一四年 十二月三十一日 At 31 December 2014 人民幣千元 RMB'000
東時的負債淨額	Net assets of Eastime	1,482,486	–
本集團於東時投資的擁有權比例	Proportion of the Group's ownership interest in Eastime Investment	50%	N/A 不適用
本集團於東時的權益的賬面值	Carrying amount of the Group's interest in Eastime	741,243	–

18. 於合營企業的權益 (續)
非個別重大合營企業的匯總資料

18. INTERESTS IN JOINT VENTURES (Continued)
Aggregate information of joint ventures that are not individually material

		截至 二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 人民幣千元 RMB'000	截至 二零一四年 十二月三十一日 止年度 Year ended 31 December 2014 人民幣千元 RMB'000
本集團應佔虧損及 全面開支總額	The Group's share of loss and total comprehensive expense	(34,748)	(299,746)

		於 二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000	於 二零一四年 十二月三十一日 At 31 December 2014 人民幣千元 RMB'000
本集團於該等合營企業的權益 賬面值總額	Aggregate carrying amount of the Group's interests in these joint ventures	1,977,132	7,950,476

19. 可供出售投資

19. AVAILABLE-FOR-SALE INVESTMENTS

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
於中國上市的股本證券	Equity Security listed in the PRC	54,023	54,023

上述股本投資指於全國中小企業股份轉讓系統成立及上市的實體上海中城聯盟投資管理有限公司(「中城聯盟投資」)的投資。

The above equity investment represents investment in CURA Investment Management (Shanghai) Co., Ltd. ("CURA Investments"), an entity established and listed on the National Equities Exchange and Quotation System.

於二零一五年十二月三十一日，本集團擁有投資對象已繳股本3.06%(二零一四年：3.06%)。本公司董事認為投資對象的主要業務為投資控股。

At 31 December 2015, the Group owned 3.06% (2014: 3.06%) of the paid-in capital of the investee. The directors of the Company consider the principal activity of the investee is investment holding.

截至二零一五年十二月三十一日止年度，本集團收購數間非上市公司已繳股本的17.5%，金額達人民幣3,500,000元，並於其後於二零一五年十二月三十一日前透過銷售一間附屬公司出售(於附註33(a)披露)。

During the year ended 31 December 2015, the Group acquired 17.5% of the paid-in capital of an unlisted company amounting to RMB3,500,000 which was subsequently disposed of before 31 December 2015 through sale of a subsidiary disclosed in note 33(a).

截至二零一四年十二月三十一日止年度，本集團收購一間非上市公司已繳股本的10%，金額達人民幣10,000,000元，並於年內隨後將其出售。

During the year ended 31 December 2014, the Group acquired 10% of the paid-in capital of an unlisted company amounting to RMB10,000,000, which was subsequently disposed of during the year.

20. 持作出售物業

20. PROPERTIES HELD FOR SALE

本集團的持作出售物業均位於中國。所有持作出售物業均按成本或可變現淨值(以較低者為準)列賬。

The Group's properties held for sale are situated in the PRC. All the properties held for sale are stated at lower of cost and net realisable value.

本集團於二零一五年十二月三十一日抵押約人民幣666,374,000元(二零一四年：人民幣4,098,823,000元)的持作出售物業，以擔保本集團的銀行及其他借款。

The Group had pledged properties held for sale of approximately RMB666,374,000 (2014: RMB4,098,823,000) as at 31 December 2015 to secure bank and other borrowings of the Group.

21. 開發中物業

21. PROPERTIES UNDER DEVELOPMENT FOR SALE

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
成本	COST		
年初	At the beginning of the year	9,803,747	13,044,558
添置	Additions	13,150,979	9,779,324
收購一間附屬公司(附註32)	Acquisition of a subsidiary (note 32)	11,580,144	–
出售附屬公司(附註33)	Disposal of subsidiaries (note 33)	(604,275)	(425,944)
轉撥至持作出售物業	Transfer to properties held for sale	(13,763,213)	(12,594,191)
年末	At the end of the year	20,167,382	9,803,747

開發中物業均位於中國，屬中期租賃，指竣工後擬作銷售的開發中物業。

The properties under development for sale are located in the PRC under medium-term leases and represent properties under development for subsequent sale upon completion.

於二零一五年十二月三十一日，計入開發中物業的約人民幣10,129,898,000元(二零一四年：人民幣4,134,830,000元)指預期自報告期末起逾十二個月後竣工並可供出售的物業。

Included in the properties under development for sale as at 31 December 2015 amounting to approximately RMB10,129,898,000 (2014: RMB4,134,830,000) which represent the properties expected to be completed and available for sale after more than twelve months from the end of the reporting period.

本集團於二零一五年十二月三十一日抵押約人民幣13,491,256,000元(二零一四年：人民幣6,070,247,000元)的開發中物業，以擔保本集團的銀行及其他借款。

The Group had pledged properties under development for sale of approximately RMB13,491,256,000 (2014: RMB6,070,247,000) at 31 December 2015 to secure bank and other borrowings of the Group.

綜合財務報表附註

Notes to the Consolidated Financial Statements

22. 應收賬款及其他應收款項、按金及預付款項

貿易應收款項主要來自出售物業及租金收入。有關已售物業的代價乃根據相關買賣協議的條款且通常自協議日期起計介乎60日至180日內支付。根據租賃協議，租金收入應由租戶於兩個月內支付。

22. ACCOUNTS AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

Trade receivables mainly arise from sales of properties and rental income. Considerations in respect of properties sold are paid in accordance with the terms of the related sales and purchase agreements, normally with a range of 60 days to 180 days from the date of agreement. Rental income is paid by tenants within two months in accordance to tenancy agreement.

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
貿易應收款項(扣除撥備)	Trade receivables, net of allowance	2,048,163	2,381,005
其他應收款項(扣除撥備)	Other receivables, net of allowance	3,230,515	1,353,501
預付稅項	Prepaid tax	274,595	168,294
按金及預付款項	Deposits and prepayments	158,196	72,508
		5,711,469	3,975,308

以下為於報告期末按協議日期編製的貿易應收款項賬齡分析(經扣除撥備)：

The following is an aged analysis of trade receivables, based on the date of agreement and net of allowance, at the end of the reporting period:

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
於60日內	Within 60 days	1,495,225	1,675,839
61至180日	61–180 days	75,177	407,496
181至365日	181–365 days	321,883	100,776
1至3年	1–3 years	153,652	196,894
3年以上	Over 3 years	2,226	–
		2,048,163	2,381,005

於接納任何企業客戶前，本集團使用內部信貸評估制度評估潛在客戶的信貸質素。

Before accepting any corporate customer, the Group uses an internal credit assessment system to assess the potential customers' credit quality.

22. 應收賬款及其他應收款項、按金及預付款項(續)

於二零一五年十二月三十一日，於報告期末已逾期但本集團尚未就此計提撥備的貿易應收款項賬面值約人民幣552,938,000元(二零一四年：人民幣546,256,000元)計入本集團的應收賬款餘額，原因在於信貸質素並無重大不利變動，且金額仍被視為可收回。

在釐定能否收回貿易應收款項時，本集團考慮貿易應收款項的信貸質素自初步授出信貸當日起至報告期末期間的任何變動。由於與本集團並無關連的客戶群規模頗大，故信貸風險集中程度有限。

貿易及其他應收款項的呆賬撥備變動如下：

22. ACCOUNTS AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

Included in the Group's accounts receivable balance are trade receivables with a carrying amount of approximately RMB552,938,000 (2014: RMB546,256,000) at 31 December 2015 which are past due at the end of the reporting period for which the Group has not provided for allowance as there has not been a significant adverse change in credit quality and the amounts are still considered recoverable.

In determining the recoverability of trade receivables, the Group considers any change in the credit quality of the trade receivables from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the large customer base unrelated to the Group.

Movements in the allowance for doubtful debts on accounts and other receivables are as follows:

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
年初結餘	Balance at the beginning of the year	(5,888)	(5,177)
撥備增加	Increase in allowance	(2,573)	(711)
年末結餘	Balance at the end of the year	(8,461)	(5,888)

23. 應收／應付非控股權益款項

應收非控股權益款項為無抵押、免息及須按要求償還。

於二零一四年十二月三十一日，除為數約人民幣476,963,000元的應付非控股權益款項為無抵押、免息及須按要求償還外，餘額為無抵押、按5.94%的固定年利率計息及須按要求償還。

24. 應收／應付合營企業／聯營公司款項

應收／應付合營企業／聯營公司款項為無抵押、免息及須按要求償還。

23. AMOUNTS DUE FROM/TO NON-CONTROLLING INTERESTS

As at 31 December 2015, the amounts due from non-controlling interests were unsecured, interest-free and repayable on demand.

As at 31 December 2014, except for the amount due to a non-controlling interest of approximately RMB476,963,000, which is unsecured, interest-free and repayable on demand, the remaining balance is unsecured, interest bearing at fixed rate of 5.94% per annum and repayable on demand.

24. AMOUNTS DUE FROM/TO JOINT VENTURES AND ASSOCIATES

The amounts due from/to joint ventures and associates are unsecured, interest-free and are repayable on demand.

綜合財務報表附註

Notes to the Consolidated Financial Statements

25. 已抵押銀行存款／銀行結餘及現金

於二零一五年十二月三十一日，計入綜合財務狀況表銀行結餘及現金內的受限銀行結餘約為人民幣678,639,000元（二零一四年：人民幣569,785,000元），而該等存款僅可用於指定房地產開發項目。

已抵押銀行存款指抵押予銀行作為本集團獲授短期銀行融資的擔保的存款，因而歸類為流動資產。

銀行結餘及現金包括本集團所持現金及原到期日為三個月或以下的活期存款。銀行結餘按現行市場利率計息。

25. PLEDGED BANK DEPOSITS/BANK BALANCES AND CASH

Included in bank balances and cash in the consolidated statement of financial position are restricted bank balances of approximately RMB678,639,000 (2014: RMB569,785,000) at 31 December 2015, which can only be applied in the designated property development projects.

Pledged bank deposits represent deposits pledged to banks to secure short-term banking facilities granted to the Group and are therefore classified as current assets.

Bank balances and cash comprise cash held by the Group and demand deposits with an original maturity of three months or less. Bank balances carry prevailing market interest rates.

	二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
按貨幣計算的銀行結餘及現金分析： Analysis of bank balances and cash by currency:		
— 以人民幣計值 – Denominated in RMB	14,647,743	6,306,573
— 以港元計值 – Denominated in Hong Kong dollars	27,614	494,128
— 以美元計值 – Denominated in United States dollars	198,379	292,953
	14,873,736	7,093,654

26. 應付賬款及應計開支

26. ACCOUNTS PAYABLES AND ACCRUED CHARGES

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
貿易應付賬款	Trade payables	3,905,090	2,448,235
其他應付款項及應計開支	Other payables and accrued charges	3,413,999	2,734,814
		7,319,089	5,183,049

有關建設的貿易應付款項及應計開支包括建造成本及其他項目相關開支，該等款項乃根據本集團計量的項目進度支付。貿易應付款項的平均信貸期為60日。本集團已制訂財務風險管理政策，以確保所有應付款項均於信貸期限內償付。

Trade payables and accrued expenditure on construction comprise construction costs and other project-related expenses which are payable based on project progress measured by the Group. The average credit period of trade payables is 60 days. The Group has financial risk management policies in place to ensure that all payables are within the credit timeframe.

以下為於報告期末按發票日期編製的貿易應付款項賬齡分析：

The following is an aged analysis of trade payables, based on the invoice date, at the end of the reporting period:

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
於60日內	Within 60 days	2,047,752	940,624
61至180日	61–180 days	473,606	320,690
181至365日	181–365 days	757,571	698,297
1至2年	1–2 years	510,802	437,291
2至3年	2–3 years	66,438	39,859
3年以上	Over 3 years	48,921	11,474
		3,905,090	2,448,235

計入本集團其他應付款項及應計開支的其他應付款項及應計開支主要指就招標及執行施工合同自承包商收取的應計貸款利息及各類按金。

Other payables and accrued charges mainly represent accrued loan interest, various deposits received from contractors in relation to tendering and execution of construction contracts.

綜合財務報表附註

Notes to the Consolidated Financial Statements

27. 銀行及其他借款

27. BANK AND OTHER BORROWINGS

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
有抵押銀行貸款(附註(d))	Bank loans, secured (note (d))	8,930,521	6,858,948
無抵押銀行貸款(附註(d))	Bank loans, unsecured (note (d))	–	900,000
有抵押信託貸款(附註(e))	Trust loans, secured (note (e))	–	310,000
其他無抵押貸款	Other loan, unsecured	–	500,000
銀團貸款(附註(f))	Syndicated loan (note (f))	2,727,382	934,849
		11,657,903	9,503,797

於各報告期末的若干銀行及其他借款乃以附註35所載抵押資產及若干附屬公司部分股權擔保。

Certain bank and other borrowings as at the end of each reporting period were secured by the pledge of assets as set out in note 35 and certain equity interest in certain subsidiaries.

附註：

Notes:

(a) 借款須按以下償還：

(a) The borrowings are repayable:

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
一年內或按要求	Within one year or on demand	2,793,500	3,035,362
一年以上，但不超過兩年	More than one year, but not exceeding two years	3,569,081	4,135,940
兩年以上，但不超過三年	More than two years, but not exceeding three years	3,794,053	1,760,860
三年以上，但不超過四年	More than three years, but not exceeding four years	954,700	–
五年以上	More than five years	546,569	571,635
		11,657,903	9,503,797
減：流動負債項下所示一年內到期金額	Less: Amount due within one year shown under current liabilities	(2,793,500)	(3,035,362)
一年後到期金額	Amount due after one year	8,864,403	6,468,435

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
以貨幣劃分的借款分析：	Analysis of borrowings by currency:		
– 以人民幣計值	– Denominated in RMB	9,437,571	8,568,948
– 以港元計值	– Denominated in HKD	1,531,277	486,948
– 以美元計值	– Denominated in USD	689,055	447,901
		11,657,903	9,503,797

(b) 於二零一五年十二月三十一日，合共約人民幣1,485,500,000元(二零一四年：人民幣2,886,700,000元)的定息借款按介乎7%至9%的年利率計息(二零一四年：5%至9.6%)，令本集團面對公平值利率風險。餘下借款按浮動利率安排，於二零一五年十二月三十一日，實際年利率介乎2.9%至8.1%(二零一四年：6.2%至8.5%)，令本集團面對現金流利率風險。

(b) Fixed-rate borrowings amounted to approximately RMB1,485,500,000 (2014: RMB2,886,700,000) carry interest ranging from 7% to 9% (2014: 5% to 9.6%) per annum at 31 December 2015 and expose the Group to fair value interest rate risk. The remaining borrowings are arranged at variable rates with the effective interest rates ranging from 2.9% to 8.1% (2014: 6.2% to 8.5%) per annum at 31 December 2015, and expose the Group to cash flow interest rate risk.

27. 銀行及其他借款(續)

附註：(續)

(c) 於各報告期末的實際利率範圍如下：

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
銀行貸款	Bank loans	2.9% – 9%	5.6% – 8.5%
信託貸款	Trust loans	不適用N/A	9%
其他貸款	Other loans	不適用N/A	5% – 9.6%

(d) 於二零一五年十二月三十一日，計入本集團銀行貸款的金額約人民幣650,000,000元乃由本公司全資附屬公司之股權，即合肥旭遠房地產開發有限公司之100%股權作抵押(附註35)。於二零一四年十二月三十一日，計入本集團銀行貸款的金額約人民幣450,000,000元乃由本公司間接全資附屬公司旭輝中國。

(e) 該等借款主要與信託融資公司以信託安排方式訂立。常規貸款信託安排乃由本集團與信託融資公司訂立的貸款協議。附帶購回股權責任的信託安排涉及於貸款到期時向負有購回責任的項目公司增資或將其股權轉讓。後一類信託安排的實質內容為借款，而項目公司的股權則以抵押品方式合法轉讓。信託安排項下借款由相關借款附屬公司進行的若干房地產開發項目及本公司附屬公司股份(附註35)擔保。該信託貸款於年內悉數償還。

(f) 於二零一三年七月八日，本公司(作為借款方)及本公司若干離岸附屬公司(作為初步擔保人)與一組財務機構(作為貸款方)訂立銀團貸款協議(「二零一六年到期銀團貸款」)。二零一六年到期銀團貸款為雙幣種的固定期限貸款融資，總額約156,500,000美元，分為兩部分：(i)美元部分合共75,000,000美元；及(ii)港元部分合共636,000,000港元，最後還款期為自二零一六年到期銀團貸款協議訂立日期起計三年，並按倫敦銀行同業拆息率或香港銀行同業拆息率加5.65厘的年利率計息。二零一六年到期銀團貸款於二零一六年悉數償還。

於二零一四年十一月四日，本集團擁有50%權益的一間附屬公司與一組境外財務機構及一組境內財務機構訂立境外融資協議及境內融資協議。有關境外融資協議為以港元計值總額為1,440,000,000港元的定期貸款融資，最後到期日為首次動用日期起計三年。有關境內融資協議為以人民幣計值總額為人民幣1,500,000,000元的定期貸款融資，最後到期日為首次動用日期起計三年。

於二零一五年一月二十日，本公司與一組財務機構訂立貸款協議。有關貸款為一筆美元/人民幣雙幣種總額約為130,000,000美元的定期貸款融資，最後還款期為自首次動用款項日期起計36個月。

27. BANK AND OTHER BORROWINGS (Continued)

Notes: (Continued)

(c) The range of effective interest rates at the end of each reporting period are as follows:

(d) Included in the Group's bank loans, amount of approximately RMB650,000,000 as at 31 December 2015 is secured by equity interests of the wholly owned subsidiary of the Company, being 100% equity interests of Hefei Xuyuan Property Co., Ltd (note 35). Included in the Group's bank loans, amounts of approximately RMB450,000,000 as at 31 December 2014 were guaranteed by CIFI (PRC), an indirectly wholly owned subsidiary of the Company.

(e) These borrowings are mainly in the form of trust arrangement with trust financing companies. The conventional loan trust arrangements are loan agreements entered into by the Group and trust financing companies. The trust arrangements with obligation to repurchase equity interest involve either capital increase in, or transfer of equity interest in project companies with repurchase obligations at the maturity of the loans. The substance of the latter type of trust arrangements is borrowing, with the equity interests in the project companies legally transferred as collateral. The borrowings under trust arrangements are secured by certain property development projects undertaken by the relevant borrowing subsidiaries and shares of subsidiaries of the Company (note 35). The trust loan was fully repaid in current year.

(f) On 8 July 2013, the Company as borrower, and certain offshore subsidiaries of the Company as initial guarantors, entered into a syndicated loan agreement ("2016 due Syndicated Loan") with a group of financial institutions as lenders. The 2016 due Syndicated Loan is a dual-currency term loan facility with an aggregate amount of approximately US\$156.5 million divided into two tranches: (i) United States dollars tranche with an aggregate amount of US\$75 million; and (ii) Hong Kong dollars tranche with an aggregate amount of HK\$636 million, with final maturity of three years from the date of the 2016 due Syndicated Loan agreement and interest of LIBOR or HIBOR plus 5.65% per annum. The 2016 due Syndicated Loan was fully repaid in 2015.

On 4 November 2014, a 50% owned subsidiary of the Group entered into an offshore facility agreement and an onshore facility agreement with a group of offshore financial institutions and a group of onshore financial institutions. The relevant offshore agreement is a Hong Kong dollar denominated term loan facility with an aggregate amount of HK\$1,440 million with final maturity of three years from the first utilization date. The relevant onshore agreement is a Renminbi denominated term loan facility with an aggregate amount of RMB1,500 million with final maturity of three years from the first utilization date.

On 20 January 2015, the Company entered into a facility agreement with a group of financial institutions. The relevant facility is a US dollar/Hong Kong dollar dual currency term loan facility with an aggregate amount of approximately US\$130 million, with final maturity of thirty six months after the first utilization date.

綜合財務報表附註

Notes to the Consolidated Financial Statements

28. 優先票據及公司債券

a. 優先票據

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
以美元計值的優先票據	Senior notes denominated in US\$		
二零一八年到期優先票據	Senior notes due in 2018	3,096,327	3,138,677
二零一九年到期優先票據	Senior notes due in 2019	2,624,258	1,218,273
二零二零年到期優先票據	Senior notes due in 2020	2,555,373	–
		8,275,958	4,356,950

於二零一三年四月十五日，本公司向公眾發行面值總額達275,000,000美元有擔保的定息優先票據（「二零一八年到期原先票據」），以每年12.25厘定息計息（每半年支付一次應計利息），並將於二零一八年四月十五日悉數償還。

於二零一三年九月十八日，本公司以溢價4%向公眾發行面值總額達225,000,000美元有擔保的定息優先票據（「二零一八年到期額外票據」），以每年12.25厘定息計息（每半年支付一次應計利息），並將於二零一八年四月十五日悉數償還。

於二零一四年一月二十七日，本公司以0.455厘折讓向公眾發行面值總額達200,000,000美元有擔保的定息優先票據（「二零一九年到期原先票據」），以年利率8.875厘的定息計息（每半年支付一次應計利息），並將於二零一九年一月二十七日悉數償還。

28. SENIOR NOTES AND CORPORATE BONDS

a. Senior notes

On 15 April 2013, the Company issued guaranteed fixed rate senior notes to the public at par with aggregate nominal value of US\$275,000,000 (the “2018 due Original Notes”) which carry fixed interest of 12.25% per annum (interest payable semi-annually in arrears) and will be fully repayable by 15 April 2018.

On 18 September 2013, the Company issued guaranteed fixed rate senior notes to the public at premium of 4% with aggregate nominal value of US\$225,000,000 (the “2018 due Additional Notes”) which carry fixed interest of 12.25% per annum (interest payable semi-annually in arrears) and will be fully repayable by 15 April 2018.

On 27 January 2014, the Company issued guaranteed fixed rate senior notes to the public at discount of 0.455% with aggregate nominal value of US\$200,000,000 (the “2019 due Original Notes”) which carry fixed interest of 8.875% per annum (interest payable semi-annually in arrears) and will be fully repayable by 27 January 2019.

28. 優先票據及公司債券(續)

a. 優先票據(續)

於二零一五年一月十二日，本公司訂立認購協議，據此，認購方同意認購面值總額達200,000,000美元的額外定息優先票據(「二零一九年到期額外票據」)，以年利率8.875厘的定息計息，並將於二零一九年一月二十九日前悉數償還。此批優先票據將合併並以二零一九到期年原先票據的相同條款及條件(發行日期及發行價除外)與二零一九年到期原先票據構成單一系列票據。

於二零一五年六月五日，本公司以折讓0.509%發行面值總額達400,000,000美元有擔保的定息優先票據(「二零二零年到期票據」)，以年利率7.75厘的定息計息(每半年支付一次應付利息)，並將於二零二零年六月五日悉數償還。

二零一八年到期原先票據、二零一八年到期額外票據、二零一九年到期原先票據、二零一九年到期額外票據及二零二零年到期原先票據均於聯交所上市，為無抵押、本公司優先責任，並由本公司若干並非根據中國法律成立的現有附屬公司擔保。該等擔保實際從屬於各擔保方的其他有抵押責任，惟以所抵押的資產價值為限。

28. SENIOR NOTES AND CORPORATE BONDS

(Continued)

a. Senior notes (Continued)

On 12 January 2015, the Company entered into a subscription agreement pursuant to which the subscriber agreed to subscribe for additional fixed rate senior notes with the aggregate nominal value of US\$200,000,000 (the "2019 due Additional Notes") which carry fixed interest of 8.875% per annum and will be fully repayable by 27 January 2019. This batch of senior notes will be consolidated and form a single series with the 2019 due Original Notes with the same terms and conditions of the 2019 due Original Notes, except for the issue date and the issue price.

On 5 June 2015, the Company issued guaranteed fixed rate senior notes at discounted of 0.509% with aggregate nominal value of US\$400,000,000 (the "2020 due Notes") which carry fixed interest of 7.75% per annum (interest payable semi-annually in arrears) and will be fully repayable by 5 June 2020.

The 2018 due Original Notes, the 2018 due Additional Notes, the 2019 due Original Notes, the 2019 due Additional Notes and the 2020 due Notes are listed on the Stock Exchange. They are unsecured, senior obligations of the Company and guaranteed by certain of the Company's existing subsidiaries, other than those organized under the laws of the PRC. The guarantees are effectively subordinated to the other secured obligations of each guarantor, to the extent of the value of assets serving as security.

28. 優先票據及公司債券(續)

a. 優先票據(續)

就二零一八年到期原先票據及二零一八年到期額外票據而言，本公司於二零一六年四月十五日前任何時間，可運用出售其股本發售內普通證券的所得款項現金淨額，按二零一八年到期原先票據及二零一八年到期額外票據本金額112.25%的贖回價，另加計至(惟不包括)贖回日期的應計及未付利息(如有)，贖回本金總額最多35%的二零一八年原先票據及二零一八年額外票據(須受若干條件限制)。此外，本公司於二零一六年四月十五日前隨時及不時，可按二零一八年到期原先票據及二零一八年到期額外票據本金額100%的贖回價，另加於贖回日期的二零一八年適用溢價以及計至(惟不包括)贖回日期的應計及未付利息(如有)，選擇贖回全部而非部分二零一八年到期原先票據及二零一八年到期額外票據。

「二零一八年適用溢價」指，於任何贖回日期，就二零一八年到期原先票據及二零一八年到期額外票據而言，(1)二零一八年到期原先票據及二零一八年到期額外票據本金額的1.00%與(2)(A)(i)二零一八年原先票據及二零一八年到期額外票據於二零一六年四月十五日的贖回價加(ii)直至二零一六年四月十五日二零一八年到期原先票據及二零一八年到期額外票據所有規定餘下到期擬定利息付款(惟不包括直至贖回日期的應計及未付利息)的金額於有關贖回日期的現值(按相當於經調整國債利率加100個基點的貼現率計算)超出(B)於有關贖回日期二零一八年到期原先票據及二零一八年到期額外票據本金額的款額兩者之間的較高者。

28. SENIOR NOTES AND CORPORATE BONDS

(Continued)

a. Senior notes (Continued)

For the 2018 due Original Notes and 2018 due Additional Notes at any time prior to 15 April 2016, the Company may redeem up to 35% of the aggregate principal amount of the 2018 due Original Notes and 2018 due Additional Notes at a redemption price of 112.25% of the principal amount of the 2018 due Original Notes and 2018 due Additional Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date, with the net cash proceeds from sales of its common stock in an equity offering, subject to certain conditions. In addition, at any time and from time to time prior to 15 April 2016, the Company may at its option redeem the 2018 due Original Notes and 2018 due Additional Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2018 due Original Notes and 2018 due Additional Notes plus the 2018 Applicable Premium as of, an accrued and unpaid interest, if any, to (but not including) the redemption date.

“2018 Applicable Premium” means with respect to the 2018 due Original Notes and 2018 due Additional Notes at any redemption date, the greater of (1) 1.00% of the principal amount of such 2018 due Original Notes and 2018 due Additional Notes and (2) the excess of (A) the present value at such redemption date of (i) the redemption price of such 2018 due Original Notes and 2018 due Additional Notes on 15 April 2016 plus (ii) all required remaining scheduled interest payments due on such 2018 due Original Notes and 2018 due Additional Notes through 15 April 2016 (but excluding accrued and unpaid interest to the redemption date), computed using a discount rate equal to the adjusted treasury rate plus 100 basis points, over (B) the principal amount of such 2018 due Original Notes and 2018 due Additional Notes on such redemption date.

28. 優先票據及公司債券(續)

a. 優先票據(續)

倘於下文所示任何年度四月十五日開始的十二個月期間贖回，則本公司可於二零一六年四月十五日或之後隨時及不時，按相等於下文載列的本金額百分比的贖回價另加計至(惟不包括)贖回日期的應計及未付利息(如有)，贖回全部或部分二零一八年到期原先票據及二零一八年到期額外票據：

期間	Period	贖回價 Redemption Price
二零一六年	2016	106.1250%
二零一七年	2017	103.0625%

就二零一九年到期原先票據而言，本公司於二零一七年一月二十七日前隨時及不時，可運用出售其股本發售內普通證券的所得款項現金淨額，按二零一九年到期原先票據及二零一九年到期額外票據本金額108.875%的贖回價，另加計至(惟不包括)贖回日期的應計及未付利息(如有)，贖回本金總額最多35%的二零一九年到期原先票據及二零一九年到期額外票據(須受若干條件限制)。此外，本公司於二零一七年一月二十七日前隨時及不時，可按二零一九年到期原先票據及二零一九年到期額外票據本金額100%的贖回價，另加於贖回日期的二零一九年適用溢價以及計至(惟不包括)贖回日期的應計及未付利息(如有)，選擇贖回全部而非部分二零一九年到期原先票據及二零一九年到期額外票據。

「二零一九年適用溢價」指，於任何贖回日期，就二零一九年到期原先票據及二零一九年到期額外票據而言，(1)二零一九年到期原先票據及二零一九年到期額外票據本金額的1.00%與(2)(A)(i)二零一九年到期原先票據及二零一九年到期額外票據於二零一七年一月二十七日的贖回價加(ii)直至二零一七年一月二十七日二零一四年票據所有規定餘下到期擬定利息付款(惟不包括直至贖回日期的應計及未付利息)的金額於有關贖回日期的現值(按相當於經調整國債利率加100個基點的貼現率計算)超出(B)於有關贖回日期二零一九年到期原先票據及二零一九年到期額外票據本金額的款額兩者之間的較高者。

28. SENIOR NOTES AND CORPORATE BONDS

(Continued)

a. Senior notes (Continued)

At any time and from time to time on or after 15 April 2016, the Company may redeem the 2018 due Original Notes and 2018 due Additional Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below, plus accrued and unpaid interest, if any, to (but not including) the redemption date, if redeemed during the 12-month period commencing on 15 April of any year set forth below:

For the 2019 due Original Notes, at any time and from time to time prior to 27 January 2017, the Company may redeem up to 35% of the aggregate principal amount of the 2019 due Original Notes and 2019 due Additional Notes at a redemption price of 108.875% of the principal amount of the 2019 due Original Notes and 2019 due Additional Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date, with the net cash proceeds from sales of its common stock in an equity offering, subject to certain conditions. In addition, at any time and from time to time prior to 27 January 2017, the Company may at its option redeem the 2019 due Original Notes and the 2019 due Additional Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2019 due Original Notes and the 2019 due Additional Notes plus the 2019 Applicable Premium as of, an accrued and unpaid interest, if any, to (but not including) the redemption date.

“2019 Applicable Premium” means with respect to the 2019 due Original Notes and the 2019 due Additional Notes at any redemption date, the greater of (1) 1.00% of the principal amount of such 2019 due Original Notes and 2019 due Additional Notes and (2) the excess of (A) the present value at such redemption date of (i) the redemption price of such 2019 due Original Notes and 2019 due Additional Notes on 27 January 2017 plus (ii) all required remaining scheduled interest payments due on such 2014 Notes through 27 January 2017 (but excluding accrued and unpaid interest to the redemption date), computed using a discount rate equal to the adjusted treasury rate plus 100 basis points, over (B) the principal amount of such 2019 due Original Notes and 2019 due Additional Notes on such redemption date.

28. 優先票據及公司債券(續)

a. 優先票據(續)

倘於下文所示任何年度一月二十七日開始的十二個月期間贖回，則本公司可於二零一七年一月二十七日或之後隨時及不時，按相等於下文載列的本金額百分比的贖回價，另加計至(惟不包括)贖回日期的應計及未付利息(如有)，贖回全部或部分二零一九年到期原先票據及二零一九年到期額外票據：

期間	Period	贖回價 Redemption Price
二零一七年	2017	104.4380%
二零一八年	2018	102.2190%

就二零二零年到期票據而言，本公司於二零一八年六月五日前任何時間，可運用於股本發售中出售普通股的所得款項現金淨額，按二零二零年到期票據本金額107.75%的贖回價，另加計至(惟不包括)贖回日期的應計及未付利息(如有)，贖回本金總額最多35%的二零二零年到期票據(須受若干條件限制)。此外，本公司可於二零一八年六月五日前隨時及不時，按二零二零年到期票據本金額100%的贖回價，另加於贖回日期的二零二零年適用溢價以及計至(惟不包括)贖回日期的應計及未付利息(如有)，選擇贖回全部而非部分二零二零年到期票據。

「二零二零年適用溢價」指於任何贖回日期，就二零二零年到期票據而言，(1)二零二零年到期票據本金額的1.00%與(2)(A)(i)二零二零年到期票據於二零一八年六月五日的贖回價加(ii)直至二零一八年六月五日二零二零年到期票據所有規定餘下到期擬定利息付款(惟不包括直至贖回日期的應計及未付利息)的金額於有關贖回日期的現值(按相當於經調整國債利率加100個基點的貼現率計算)超出(B)於有關贖回日期二零二零年到期票據本金額的款額兩者之間的較高者。

28. SENIOR NOTES AND CORPORATE BONDS

(Continued)

a. Senior notes (Continued)

At any time and from time to time on or after 27 January 2017, the Company may redeem the 2019 due Original Notes and the 2019 due Additional Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below, plus accrued and unpaid interest, if any, to (but not including) the redemption date, if redeemed during the 12-month period commencing on 27 January of any year set forth below:

For the 2020 due Notes, at any time and from time to time prior to 5 June 2018, the Company may redeem up to 35% of the aggregate principal amount of the 2020 due Notes at a redemption price of 107.75% of the principal amount of the 2020 due Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date, with the net cash proceeds from sales of its common stock in an equity offering, subject to certain conditions. In addition, at any time and from time to time prior to 5 June 2018, the Company may at its option redeem the 2020 due Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2020 due Notes plus the 2020 Applicable Premium as of, an accrued and unpaid interest, if any, to (but not including) the redemption date.

“2020 Applicable Premium” means with respect to the 2020 due Notes at any redemption date, the greater of (1) 1.00% of the principal amount of such 2020 due Notes and (2) the excess of (A) the present value at such redemption date of (i) the redemption price of such 2020 due Notes on 5 June 2018 plus (ii) all required remaining scheduled interest payments due on such 2020 due Notes through 5 June 2018 (but excluding accrued and unpaid interest to the redemption date), computed using a discount rate equal to the adjusted treasury rate plus 100 basis points, over (B) the principal amount of such 2020 due Notes on such redemption date.

28. 優先票據及公司債券(續)

a. 優先票據(續)

倘於下文所示任何年度六月五日開始的十二個月期間贖回，則本公司可於二零一八年六月五日或之後隨時及不時，按相等於下文載列的本金額百分比的贖回價另加計至(惟不包括)贖回日期的應計及未付利息(如有)，贖回全部或部分二零二零年到期票據：

期間	Period	贖回價 Redemption Price
二零一八年	2018	103.8750%
二零一九年	2019	101.9375%

董事認為，於初步確認及報告期末，提早贖回購股權的公平值並不重大。

所有優先票據的賬面淨值以扣除發行開支合共1,266,556,000美元後列示。

二零一八年到期原先票據、二零一八年到期額外票據、二零一九年到期原先票據、二零一九年額外票據及二零二零年到期票據的實際利率分別為每年13.77%、12.34%、9.47%、9.14%及9.01%。

28. SENIOR NOTES AND CORPORATE BONDS

(Continued)

a. Senior notes (Continued)

At any time and from time to time on or after 5 June 2018, the Company may redeem the 2020 due Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below, plus accrued and unpaid interest, if any, to (but not including) the redemption date, if redeemed during the 12-month period commencing on 5 June of any year set forth below:

In the opinion of directors, the fair values of the early redemption options are insignificant at initial recognition and the end of the reporting period.

The net carrying amounts of all senior notes are stated net of issue expenses totalling US\$1,266,556,000.

The effective interest rates of the 2018 due Original Notes, 2018 due Additional Notes, 2019 due Original Notes, 2019 due Additional Notes and 2020 due Notes are 13.77%, 12.34%, 9.47%, 9.14% and 9.01% per annum respectively.

綜合財務報表附註

Notes to the Consolidated Financial Statements

28. 優先票據及公司債券(續)

a. 優先票據(續)

年內二零一八年到期原先票據、二零一八年到期額外票據、二零一九年到期原先票據、二零一九年額外票據及二零二零年到期票據的變動載列如下：

28. SENIOR NOTES AND CORPORATE BONDS

(Continued)

a. Senior notes (Continued)

The movements of the 2018 due Original Notes, 2018 due Additional Notes, 2019 due Original Notes, 2019 due Additional Notes and 2020 due Notes for the year are set out below:

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
於一月一日的賬面值	Carrying amount as at 1 January	4,356,950	3,137,901
發行日期的初始公平值	Initial fair values on the dates of issuance	3,680,154	1,174,463
提早贖回優先票據	Senior note early redemption	(174,002)	–
匯兌虧損	Exchange loss	308,382	20,084
利息開支(附註8)	Interest expenses (note 8)	737,856	503,932
年內已付利息	Interest paid during the year	(633,382)	(479,430)
於十二月三十一日的賬面值	Carrying amount as at 31 December	8,275,958	4,356,950

經參考聯交所所報市價，於二零一五年十二月三十一日，二零一八年到期原先票據、二零一八年到期額外票據、二零一九年到期原先票據、二零一九年到期額外票據及二零二零年到期票據的公平值達約人民幣8,689,371,000元(二零一四年：人民幣4,604,577,000元)。

The fair values of the 2018 due Original Notes, 2018 due Additional Notes, 2019 due Original Notes, 2019 due Additional Notes and 2020 due Notes at 31 December 2015 with reference to the quoted market price available on the Stock Exchange amounted to approximately RMB8,689,371,000 (2014: RMB4,604,577,000).

28. 優先票據及公司債券(續)

b. 公司債券

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
於二零一五年發行以 人民幣計值的債券	Bond denominated in RMB issued in 2015	4,021,032	–

於二零一五年十月十四日，本公司全資附屬公司旭輝中國發行於上海證券交易所(「上海交易所」)上市之人民幣3,495,000,000元公司債券(「二零二零年到期原來人民幣債券」)。二零二零年到期原來人民幣債券以年利率4.95厘計息及利息每半年支付一次。二零二零年到期原來人民幣債券將於二零二零年十月十三日到期，除非持有人提早向旭輝中國售回債券。

於二零一五年十一月十二日，旭輝中國發行於上海交易所上市之人民幣500,000,000元公司債券(「二零二零年到期額外人民幣債券」)。二零二零年到期額外人民幣債券以年利率5.96厘計息及利息每半年支付一次。二零二零年到期額外人民幣債券將於二零二零年十一月十一日到期，除非持有人提早向旭輝中國售回債券。

於發行日期後第三年末，旭輝中國(作為發行人)有權調整利率，而二零二零年到期原先人民幣債券及二零二零年到期額外人民幣債券之持有人可選擇(「選擇權」)提早向旭輝中國以其本金的公平值售回全部或部分債券。

董事認為，於初步確認及報告期末，選擇權的公平值並不重大。

28. SENIOR NOTES AND CORPORATE BONDS

(Continued)

b. Corporate bonds

On 14 October 2015, CIFI (PRC), a wholly-owned subsidiary of the Company, issued corporate bonds of RMB3,495,000,000 (the “2020 due Original RMB Bond”) which listed on the Shanghai Stock Exchange (“SSE”). 2020 due Original RMB Bond carry interest at rate of 4.95% per annum and interest is payable annually. 2020 due Original RMB Bond will mature on 13 October 2020 unless the holders sell back the bonds to CIFI (PRC) earlier.

On 12 November 2015, CIFI (PRC) issued corporate bonds of RMB500,000,000 (“the 2020 due Additional RMB Bond”), which listed on the SSE. 2020 due Additional RMB Bond carry interest at rate of 5.96% per annum and interest is payable annually, 2020 due Additional RMB Bond will mature on 11 November 2020 unless the holders sell back the bonds to CIFI (PRC) earlier.

At the end of the third year subsequent to the inception date, CIFI (PRC) as the issuer is entitled to adjust interest rate and the holders of 2020 due Original RMB Bond and 2020 due Additional RMB Bond may at their options (“Options”) to sell back the bonds to CIFI (PRC) in whole or in part at fair value of their principal amount.

In the opinion of directors, the fair values of the Options are insignificant at initial recognition and the end of the reporting period.

綜合財務報表附註

Notes to the Consolidated Financial Statements

28. 優先票據及公司債券(續)

b. 公司債券(續)

二零二零年到期原先人民幣債券及二零二零年到期額外人民幣債券的實際利率分別為每年5.04%及6.06%。

年內，二零二零年到期原先人民幣債券及二零二零年到期額外人民幣債券的變動載列如下：

28. SENIOR NOTES AND CORPORATE BONDS

(Continued)

b. Corporate bonds (Continued)

The effective interest rates of the 2020 due Original RMB Bond and 2020 due Additional RMB Bond are 5.04% and 6.06% per annum respectively.

The movements of the 2020 due Original RMB Bond and 2020 due Additional RMB Bond for the year are set out below:

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
於發行日期的初步公平值	Initial fair values on the dates of issuance	3,979,613	–
利息開支(附註8)	Interest expenses (note 8)	41,419	–
於十二月三十一日的賬面值	Carrying amount as at 31 December	4,021,032	–

經參考上海交易所所報市價，二零二零年到期原先人民幣債券及二零二零年到期額外人民幣債券於二零一五年十二月三十一日的公平值約為人民幣4,082,890,000元(二零一四年：無)。

The fair values of the 2020 due Original RMB Bond and 2020 due Additional RMB Bond as at 31 December 2015 with reference to the quoted market price available on the SSE amounted to approximately RMB4,082,890,000 (2014: Nil).

29. 永久資本工具

於二零一四年六月二十六日，本公司一間全資附屬公司（「該附屬公司」）透過與一間信託融資公司訂立協議（「協議」）發行本金總額為人民幣578,710,000元的永久資本工具（「永久資本工具」）。隨後，該附屬公司於二零一四年十月二十二日發行永久資本工具額外的人民幣7,000,000元。

根據協議，永久資本工具並無固定到期日，而該附屬公司可選擇按永久資本工具本金額加應計、未付或遞延分派款項的價格贖回永久資本工具。該等工具的分派率為每年12.5%（第一年及第二年），其後增至每年14%（第三年）及每年16%（第四年及其後年度）。倘於某一年度並無支付分派款項，則下一年度的分派率將按10%溢價調整，如此類推。分派率上限為每年16%。本集團並無就永久資本工具提供任何擔保或抵押。

分派款項可由該附屬公司酌情遞延支付，直至該附屬公司向普通股東宣派股息或該附屬公司清盤為止。因此，永久資本工具獲分類為股本工具，並於綜合財務狀況表中列為股本權益的一部分。

截至二零一五年十二月三十一日，本集團已購回面值為人民幣585,710,000元的全部永久資本工具。

29. PERPETUAL CAPITAL INSTRUMENTS

On 26 June 2014, a wholly owned subsidiary (the "Subsidiary") of the Company issued perpetual capital instruments (the "Perpetual Capital Instruments") with the aggregate principal amount of RMB578,710,000 by entering into an agreement (the "Agreement") with a trust financing company. Subsequently, an addition of RMB7,000,000 of the Perpetual Capital Instruments was issued by the Subsidiary on 22 October 2014.

Pursuant to the Agreement, the Perpetual Capital Instruments have no fixed maturity date and redeemable at the Subsidiary's option at the principal amount together with accrued, unpaid or deferred distribution payments. The distribution rate for the instruments is 12.5% per annum for the first and second year, then increases to 14% per annum for the third year and 16% per annum for the fourth year and years after. If no distribution is paid in that year, the distribution rate will be adjusted by a 10% premium in the next year and so on. The distribution rate is capped at 16% per annum. No guarantee or pledge was made by the Group for the Perpetual Capital Instruments.

The payments of distribution can be deferred at the discretion of the Subsidiary until declaration of dividend to ordinary shareholders of the Subsidiary by or the liquidation of the Subsidiary. Therefore, the Perpetual Capital Instruments are classified as equity instrument and presented as a part of equity in the consolidated statement of financial position.

During the year ended 31 December 2015, the Group had repurchased all perpetual capital instruments with nominal amount of RMB585,710,000.

綜合財務報表附註

Notes to the Consolidated Financial Statements

30. 股本

30. SHARE CAPITAL

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
法定股本：	Authorized:		
10,000,000,000股(二零一四年： 10,000,000,000股)每股面值0.1港元 (二零一四年：每股面值0.1港元)的 普通股	10,000,000,000 (2014: 10,000,000,000) ordinary shares of HK\$0.1 each (2014: HK\$0.1 each)	1,000,000	1,000,000
已發行及繳足股本：	Issued and fully paid:		
於二零一五年一月一日	At 1 January 2015	602,658	602,658
行使購股權時發行(附註a)	Issued upon exercise of share options (note a)	741	—
配售股份(附註b)	Placing of shares (note b)	60,000	—
以股代息發行(附註c)	Issued as scrip dividend (note c)	13,236	—
購回股份時註銷(附註d)	Cancelled upon repurchase of shares (note d)	(9,034)	—
於二零一五年十二月三十一日	At 31 December 2015	667,601	602,658
於綜合財務報表呈列為	Shown in the condensed consolidated financial statements as	537,157	487,896

股本變動如下：

The movements in share capital are as follows:

附註：

Notes:

- | | |
|--|---|
| <p>(a) 截至二零一五年十二月三十一日止年度，本公司於行使購股權時發行約7,409,000股(二零一四年：無)每股面值0.10港元的普通股。年內，購股權的行使價介乎1.55港元至1.684港元。新普通股與當時現有股份於各方面具同等地位。</p> | <p>(a) During the year ended 31 December 2015, the Company issued approximately 7,409,000 (2014: Nil) ordinary shares of HK\$0.10 each upon exercise of share options. The exercise price of the share options during the year ranging from HK\$1.55 to HK\$1.684. The new ordinary shares rank pari passu with the then existing shares in all respects.</p> |
| <p>(b) 截至二零一五年十二月三十一日止年度，按2.20港元的價格發行600,000,000股股份。配售所得款項淨額約為1,304,000,000港元(相當於人民幣1,028,000,000元)。</p> | <p>(b) During the year ended 31 December 2015, the Company issued 600,000,000 shares at a price of HK\$2.20. The net proceeds from the placing is approximately HK\$1,304 million (equivalent to RMB1,028 million).</p> |
| <p>(c) 截至二零一五年十二月三十一日止年度，本公司約132,360,000股每股面值0.10港元的普通股按每股2.272港元以股代息發行。</p> | <p>(c) During the year ended 31 December 2015, approximately 132,360,000 ordinary shares of HK\$0.10 each in the Company were issued at HK\$2.272 per share as scrip dividend.</p> |
| <p>(d) 截至二零一五年十二月三十一日止年度，本公司註銷約90,338,000股已購回股份。</p> | <p>(d) During the year ended 31 December 2015, the Company had cancelled approximately 90,338,000 shares repurchased.</p> |
| <p>(e) 根據本公司組織章程細則第24.2條，本公司可通過股份溢價賬支付末期股息。</p> | <p>(e) Pursuant to article 24.2 of the Company's Articles of Association, the Company is permitted to pay out final dividend from share premium account.</p> |

30. 股本(續)

有關參考上述本公司已發行股本變動的交易概述如下：

30. SHARE CAPITAL (Continued)

A summary of the transactions with reference to the above-mentioned movements in the Company's issued share capital is as follows:

		已發行繳足 普通股數目 Number of issued fully paid ordinary shares	普通股面值 普通股面值 Nominal value of ordinary shares 千港元 HK\$'000	股份溢價 股份溢價 Share premium 千港元 HK\$'000	普通股面值 等值 Equivalent nominal value of ordinary shares 人民幣千元 RMB'000	股份溢價 等值 Equivalent share premium 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
於二零一四年一月一日	At 1 January 2014	6,026,579,000	602,658	1,668,952	487,896	1,159,472	1,647,368
已付股息(附註(d))	Dividend paid (note (d))	-	-	(421,861)	-	(333,270)	(333,270)
於二零一四年十二月三十一日	At 31 December 2014	6,026,579,000	602,658	1,247,091	487,896	826,202	1,314,098
行使購股權時發行股份	Issue of shares upon exercise of share options	7,409,000	741	14,230	593	11,384	11,977
發行股份以配售股份	Issued of shares for share placement	600,000,000	60,000	1,244,000	47,280	980,272	1,027,552
就以股代息發行股份	Issue of shares for scrip dividend	132,360,000	13,236	287,485	10,430	226,538	236,968
於購回股份時註銷	Cancelled upon repurchase of shares	(90,338,178)	(9,034)	(113,715)	(9,042)	(95,179)	(104,221)
已付股息(附註(e))	Dividend paid (note (e))	-	-	(866,418)	-	(693,134)	(693,134)
於二零一五年十二月三十一日	At 31 December 2015	6,676,009,822	667,601	1,812,673	537,157	1,256,083	1,793,240

綜合財務報表附註

Notes to the Consolidated Financial Statements

31. 遞延稅項

以下為於年內確認的主要遞延稅項資產(負債)及其中變動：

31. DEFERRED TAXATION

The following are the major deferred taxation assets (liabilities) recognized and movements thereon during the years:

		公司間交易 未變現收益 (虧損)的 臨時差額 Temporary differences on unrealized gain (loss) arising from inter-company transactions 人民幣千元 RMB'000	投資物業及 其他物業 估值 Revaluation of investment properties and other properties 人民幣千元 RMB'000	土地增值稅 撥備的 臨時差額 Tax losses 人民幣千元 RMB'000	土地增值稅 撥備的 臨時差額 Temporary differences on LAT provision 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
於二零一四年一月一日	At 1 January 2014	10,420	(925,731)	29,846	71,639	(813,826)
於綜合損益及其他全面收益表計入 (扣除)	Credit (charge) to consolidated statement of profit or loss and other comprehensive income	5,804	(60,292)	23,624	39,054	8,190
於二零一四年十二月三十一日	At 31 December 2014	16,224	(986,023)	53,470	110,693	(805,636)
於綜合損益及其他全面收益表計入 (扣除)	Credit (charge) to consolidated statement of profit or loss and other comprehensive income	(4,539)	(32,024)	9,733	(38,979)	(65,809)
收購附屬公司(附註32)	Acquisition of subsidiaries (Note 32)	-	(115,632)	-	-	(115,632)
於二零一五年十二月三十一日	At 31 December 2015	11,685	(1,133,679)	63,203	71,714	(987,077)

為呈報綜合財務狀況表，若干遞延稅項資產(負債)已抵銷。以下為就財務報告作出的遞延稅項結餘分析：

For the presentation purposes on the consolidated statement of financial position, certain deferred taxation assets (liabilities) have been offset. The following is the analysis of the deferred taxation balances for financial reporting purposes:

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
遞延稅項資產	Deferred taxation assets	286,753	213,551
遞延稅項負債	Deferred taxation liabilities	(1,273,830)	(1,019,187)
		(987,077)	(805,636)

31. 遞延稅項(續)

於二零一五年十二月三十一日，本集團擁有未動用稅務虧損約人民幣891,168,000元(二零一四年：人民幣558,865,000元)可供抵銷未來利潤。於二零一五年十二月三十一日，已就約人民幣252,812,000元(二零一四年：人民幣213,880,000元)虧損確認遞延稅項資產。由於不可預測未來利潤來源，故於二零一五年十二月三十一日概無就餘下虧損約人民幣597,357,000元(二零一四年：人民幣344,985,000元)確認遞延稅項資產。未確認稅務虧損將於下列年度屆滿：

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
二零一五年	2015	–	1,028
二零一六年	2016	6,234	20,819
二零一七年	2017	11,789	16,892
二零一八年	2018	20,373	21,142
二零一九年	2019	246,281	285,104
二零二零年	2020	313,680	–
		598,357	344,985

於二零一五年十二月三十一日，本集團來自有關興建物業的公司間交易的可扣稅臨時差額約為人民幣46,742,000元(二零一四年：人民幣33,789,000元)。由於不大可能有應課稅利潤可供抵銷可扣稅臨時差額，故並無就該等可扣稅臨時差額確認遞延稅項資產。

根據《中國企業所得稅法》，由二零零八年一月一日起，就中國附屬公司賺取的利潤所宣派股息須徵收預提所得稅。綜合財務報表中未有就於二零一五年十二月三十一日的中國附屬公司累計利潤應佔臨時差額約人民幣7,823,872,000元(二零一四年：人民幣6,063,769,000元)作出遞延稅項撥備，乃因本集團能夠控制臨時差額撥回時間，且該等臨時差額在可見將來不大可能撥回。

31. DEFERRED TAXATION (Continued)

At 31 December 2015, the Group had unused tax losses of approximately RMB891,168,000 (2014: RMB558,865,000) available to offset against future profits. Deferred taxation assets have been recognized in respect of such losses of approximately RMB252,812,000 (2014: RMB213,880,000) at 31 December 2015. No deferred taxation asset has been recognized in respect of the remaining losses of approximately RMB598,357,000 (2014: RMB344,985,000) at 31 December 2015 due to the unpredictability of future profit streams. The unrecognized tax losses will expire in the following years:

At 31 December 2015, the Group had deductible temporary differences arising from inter-company transactions in relation to construction of properties of approximately RMB46,742,000 (2014: RMB33,789,000). No deferred taxation asset has been recognized in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilized.

Under the PRC enterprise income law, withholding income tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to approximately RMB7,823,872,000 (2014: RMB6,063,769,000) as at 31 December 2015, as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

32. 收購附屬公司

- (a) 截至二零一五年十二月三十一日止年度，本集團收購其擁有49%權益的合營企業蘇州旭陽置業有限公司（「蘇州旭陽」）額外51%股本權益，代價約為人民幣51,000,000元。蘇州旭陽從事物業開發業務。

上述收購於二零一五年三月三十一日完成後，本集團持有蘇州旭陽全部股本權益，因此，蘇州旭陽於其後成為本集團的附屬公司。

- (b) 截至二零一五年十二月三十一日止年度，本集團以代價約人民幣50,000,000元收購其擁有50%的合營企業上海旭康50%股權。上海旭康從事物業開發。

上述收購於二零一五年五月三十一日完成後，本集團持有上海旭康全部股本權益，因此，上海旭康於其後成為本集團的附屬公司。

- (c) 截至二零一五年十二月三十一日止年度，本集團收購其擁有50%權益的合營企業武漢旭程額外50%股本權益，代價約為人民幣100,000,000元。武漢旭程從事物業開發業務。

上述收購於二零一五年十一月三十日完成後，本集團持有武漢旭程全部股本權益，因此，武漢旭程於其後成為本集團的附屬公司。

- (d) 截至二零一五年十二月三十一日止年度，本集團收購其擁有48%權益的合營企業天津旭津房地產開發有限公司（「天津旭津」）額外52%股本權益，代價約為人民幣52,000,000元。天津旭津從事物業開發業務。

上述收購於二零一五年十二月三十一日完成後，本集團持有天津旭津全部股本權益，因此，天津旭津於其後成為本集團的附屬公司。

32. ACQUISITION OF SUBSIDIARIES

- (a) During the year ended 31 December 2015, the Group acquired additional 51% equity interest of its 49% owned joint venture, Suzhou Xuyang at a consideration of approximately RMB51,000,000. Suzhou Xuyang was engaged in property development.

Upon the completion of the acquisition mentioned above on 31 March 2015, the Group holds 100% equity interest in Suzhou Xuyang, and so it becomes a subsidiary of the Group thereafter.

- (b) During the year ended 31 December 2015, the Group acquired additional 50% equity interest of its 50% owned joint venture, Shanghai Xukang at a consideration of approximately RMB50,000,000. Shanghai Xukang is engaged in property development.

Upon the completion of the acquisition mentioned above on 31 May 2015, the Group holds 100% equity interest in Shanghai Xukang, and so it becomes a subsidiary of the Group thereafter.

- (c) During the year ended 31 December 2015, the Group acquired additional 50% equity interest of its 50% owned joint venture, Wuhan Xucheng at a consideration of approximately RMB100,000,000. Wuhan Xucheng is engaged in property development.

Upon the completion of the acquisition mentioned above on 30 November 2015, the Group holds 100% equity interest in Wuhan Xucheng and so it becomes a subsidiary of the Group thereafter.

- (d) During the year ended 31 December 2015, the Group acquired additional 52% equity interest of its 48% owned joint venture, Tianjin Xujin Real Estate Development Co., Ltd. (天津旭津房地產開發有限公司) (“Tianjin Xujin”) at a consideration of approximately RMB52,000,000. Tianjin Xujin is engaged in property development.

Upon the completion of the acquisition mentioned above on 31 December 2015, the Group holds 100% equity interest in Tianjin Xujin and so it becomes a subsidiary of the Group thereafter.

32. 收購附屬公司(續)

- (e) 截至二零一五年十二月三十一日止年度，本集團收購其擁有50%權益的合營企業湖南物華投資發展有限公司(「湖南物華」)額外17%股本權益，代價為人民幣17,000,000元。湖南物華從事物業開發業務。

上述收購於二零一五年十一月三十日完成後，本集團持有湖南物華67%股本權益，因此，湖南物華於其後成為本集團的附屬公司。

- (f) 截至二零一五年十二月三十一日止年度，本集團收購其擁有49%權益的合營企業旭正額外51%股本權益，代價約為人民幣432,850,000元。杭州旭開從事物業開發業務。

上述收購於二零一五年九月三十日完成後，本集團持有旭正全部股本權益，因此，旭正於其後成為本集團的附屬公司。

- (g) 旭安由本集團持有50%及由另一股東持有50%權益。由於其所有戰略融資及經營決策須由旭安董事會三分之二成員批准，而本集團董事會提名的成員人數未達此要求，故根據國際財務報告準則第31號被視為共同控制實體列賬。截至二零一五年十二月三十一日止年度，旭安的股東訂立補充協議(「補充協議」)，據此，股東同意就旭安的董事會成員組成修訂及補充合作框架協議。透過簽立補充協議，旭安董事會增加至七名董事，而所有戰略融資及經營決策必須由旭安董事會大多數成員批准。當中四名董事及兩名董事分別由本集團及另一股東提名。由於本集團取得旭安之實際控制權，故旭安已成為本公司之附屬公司。

32. ACQUISITION OF SUBSIDIARIES (Continued)

- (e) During the year ended 31 December 2015, the Group acquired additional 17% equity interest of its 50% owned joint venture, Hunan Wuhua Investment Co., Ltd. (湖南物華投資發展有限公司) (“Hunan Wuhua”) at a consideration of RMB17,000,000. Hunan Wuhua is engaged in property development.

Upon the completion of the acquisition mentioned above on 30 November 2015, the Group holds 67% equity interest in Hunan Wuhua and so it becomes a subsidiary of the Group thereafter.

- (f) During the year ended 31 December 2015, the Group acquired additional 51% equity interest of its 49% owned joint venture, Xu Zheng at a consideration of approximately RMB432,850,000. Hangzhou Xukai is engaged in property development.

Upon the completion of the acquisition mentioned above on 30 September 2015, the Group holds 100% equity interest in Xu Zheng and so it becomes a subsidiary of the Group thereafter.

- (g) Xu An was 50% held by the Group and 50% held by the other shareholder. It was accounted for as a jointly controlled entity under IFRS 31 as all of the strategic financial and operating decisions required approval by two-third of the members of the board of directors in Xu An whereby the number of members nominated by the board of directors by the Group did not meet this requirement. During the year ended 31 December 2015, the shareholders of Xu An entered into a supplemental agreement (the “Supplemental Agreement”) pursuant to which the shareholders agreed to amend and supplement the cooperation framework agreement with respect to the composition of the board of directors of Xu An. By execution of the Supplemental Agreement the board of directors of Xu An increased to comprise of seven directors and all of the strategic financial and operating decisions must be approved by simple majority of the board of directors, of which four directors and three directors are to be nominated by the Group and the other shareholder, respectively. Since the Group obtained effective control over Xu An, Xu An became a subsidiary of the Company.

綜合財務報表附註

Notes to the Consolidated Financial Statements

32. 收購附屬公司(續)

(g) (續)

上述交易按出售附屬公司入賬。有關上述交易出售的資產淨值詳概述如下：

32. ACQUISITION OF SUBSIDIARIES (Continued)

(g) (Continued)

The above transactions are accounted for as acquisition of subsidiaries. Details of the net assets acquired of in respect of the above transactions are summarized below:

		於收購日期 確認的金額 Amounts recognized at date of acquisition 人民幣千元 RMB'000
支付代價方式：	Consideration satisfied by:	
一年內應收代價	Consideration receivable within one year	702,850
<hr/>		
已收購附屬公司的可識別資產淨值公平值：	Fair value of net identifiable assets of the subsidiary acquired:	
物業、廠房及設備	Property, plant and equipment	5,280
擬作出售的開發中物業	Properties under development for sale	11,580,144
應收賬款及其他應收款項	Account and other receivables	4,240,496
銀行結餘及現金	Bank balances and cash	2,695,302
應付賬款及其他應付款項	Accounts and other payables	(3,092,460)
已收物業銷售按金	Deposits received from property sales	(5,604,558)
應付稅項	Taxation payable	(257,441)
銀行及其他借款	Bank and other borrowings	(3,603,287)
遞延稅項負債	Deferred tax liabilities	(115,632)
		5,847,844
<hr/>		
本集團所持有股本權益的公平值	Fair value of the equity interests held by the Group	3,901,272
減：本集團所持有的投資成本	Less: Investment cost held by the Group	(3,734,774)
		166,498
<hr/>		
已轉撥代價，以其他應收款項支付	Consideration transferred, satisfied by other receivables	702,850
加：過往所持權益，指按公平值列賬的 合營企業權益	Add: Previous held interest, represented by interests in joint venture at fair value	3,901,272
非控股權益	Non-controlling interest	1,166,952
減：本集團所收購的資產淨值公平值	Less: Fair value of net assets acquired by the Group	(5,847,844)
		(76,770)
<hr/>		
業務合併的收益	Gain from business combinations	(76,770)

32. 收購附屬公司(續)

(g) (續)

收購產生的現金流入淨額：

32. ACQUISITION OF SUBSIDIARIES (Continued)

(g) (Continued)

Net Cash inflow arising on acquisition:

		於收購日期 確認的金額 Amounts recognized at date of acquisition 人民幣千元 RMB'000
年內已付現金代價	Cash consideration paid during the year	(702,850)
所收購的銀行結餘及現金	Bank balances and cash acquired	2,695,302
業務合併的收益	Gain from business combinations	1,992,452

本集團應佔的人民幣485,922,000元計入年內利潤。年內收入包括本集團應佔的人民幣3,257,377,000元。

倘於本年度開始時收購已生效，則本集團於截至二零一五年十二月三十一日止年度自持續經營業務產生的收入總額將為人民幣18,237,743,000元，而於年內自持續經營業務產生的利潤金額則為人民幣2,437,657,000元。備考資料僅供說明，並非說明倘收購於中期期間開始時已完成的情況下，本集團實際可錄得的收益及經營業績，亦不擬作為未來業績的預測。

Included in the profit for the year is RMB485,922,000 attributable to the Group. Revenue for the year includes RMB3,257,377,000 is attributable to the Group.

Had the acquisition been effected at the beginning of the year, the total amount of revenue of the Group from continuing operations for the year ended 31 December 2015 would have been RMB18,237,743,000, and the amount of the profit for the year from continuing operations would have been RMB2,437,657,000. The pro forma information is for illustrative purpose only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed at the beginning of the interim period, nor is it intended to be a projection of future results.

33. 出售附屬公司

(a) 出售附屬公司

截至二零一五年十二月三十一日止年度

- (i) 截至二零一五年十二月三十一日止年度，本集團向獨立第三方出售本集團於其附屬公司蘇州旭盈投資諮詢有限公司(「蘇州旭盈」)的全部權益，代價為人民幣500,000元。蘇州旭盈從事提供諮詢服務的業務。
- (ii) 截至二零一五年十二月三十一日止年度，本集團向獨立第三方出售本集團於其附屬公司重慶旭和房地產開發有限公司(「重慶旭和」)的全部權益，代價為人民幣8,000,000元。重慶旭和從事物業開發業務。
- (iii) 截至二零一五年十二月三十一日止年度，本集團向獨立第三方出售本集團於其附屬公司北京旭輝順泰置業有限公司(「北京旭輝順泰」)的全部權益，代價約為人民幣72,000,000元。北京旭輝順泰從事物業開發及投資控股業務。
- (iv) 截至二零一五年十二月三十一日止年度，本集團向獨立第三方出售本集團於其附屬公司北京旭輝興騰置業有限公司(「北京旭輝興騰」)的全部權益，代價約為人民幣70,000,000元。北京旭輝興騰從事物業開發業務。
- (v) 截至二零一五年十二月三十一日止年度，本集團向獨立第三方出售本集團於其附屬公司天津旭唯房地產開發有限公司(「天津旭唯」)的全部權益，代價約為人民幣80,000,000元。天津旭唯從事物業開發業務。

33. DISPOSAL OF SUBSIDIARIES

(a) Disposal of subsidiaries

For the year ended 31 December 2015

- (i) During the year ended 31 December 2015, the Group disposed of its 100% equity interest in its subsidiary, Suzhou Xuying Investment Advisory Company Limited (蘇州旭盈投資諮詢有限公司) (“Suzhou Xuying”), to an independent third party at a consideration of RMB500,000. Suzhou Xuying was engaged in provision of consultancy service.
- (ii) During the year ended 31 December 2015, the Group disposed of its 100% equity interest in its subsidiary, Chongqing Xuhe Real Estate Development Company Limited (重慶旭和房地產開發有限公司) (“Chongqing Xuhe”) to an independent third party at a consideration of RMB8,000,000. Chongqing Xuhe was engaged in property development.
- (iii) During the year ended 31 December 2015, the Group disposed of its 100% equity interest in its subsidiary, Beijing Xuhui Shuntai Property Company Limited (北京旭輝順泰置業有限公司) (“Beijing Xuhui Shuntai”) to an independent third party at a consideration of approximately RMB72,000,000. Beijing Xuhui Shuntai was engaged in property development and investment holding.
- (iv) During the year ended 31 December 2015, the Group disposed of its 100% equity interest in its subsidiary, Beijing Xuhui Xingteng Property Co., Ltd. (北京旭輝興騰置業有限公司) (“Beijing Xuhui Xingteng”) to an independent third party at a consideration of approximately RMB70,000,000. Beijing Xuhui Xingteng was engaged in property development.
- (v) During the year ended 31 December 2015, the Group disposed of its 100% equity interest in its subsidiary, Tinjing Xuwei Real Estate Development Co., Ltd. (天津旭唯房地產開發有限公司) (“Tinjing Xuwei”) to an independent third party at a consideration of approximately RMB80,000,000. Tinjing Xuwei was engaged in property development.

33. 出售附屬公司(續)

(a) 出售附屬公司(續)

截至二零一五年十二月三十一日止年度
(續)

上述交易按出售附屬公司入賬。有關上述交易出售的資產淨值詳情概述如下：

33. DISPOSAL OF SUBSIDIARIES (Continued)

(a) Disposal of subsidiaries (Continued)

For the year ended 31 December 2015 (Continued)

The above transactions are accounted for as disposal of subsidiaries. Details of the net assets disposed of in respect of the above transactions are summarized below:

		人民幣千元 RMB'000
支付代價方式：	Consideration satisfied by:	
現金	Cash	149,075
一年內應收代價	Consideration receivable within one year	81,425
		230,500
就失去控制權的資產及負債的分析：	Analysis of assets and liabilities over which control was lost:	
於聯營公司的權益	Interests in associates	8,910
擬作出售的開發中物業	Properties under development for sale	121,138
可供出售投資	Available-for-sale investments	3,500
應收賬款及其他應收款項	Accounts and other receivables	618,153
銀行結餘及現金	Bank balances and cash	1,456
應付賬款及其他應付款項	Accounts and other payables	(530,553)
銀行及其他借款	Bank and other borrowings	(211,400)
出售的資產淨值	Net assets disposed of	11,204
出售附屬公司所得收益：	Gain on disposal of subsidiaries:	
現金代價	Cash consideration	149,075
應收代價	Consideration receivable	81,525
出售資產淨值	Net assets disposed of	(11,204)
出售所得收益	Gain on disposal	219,296
出售時產生的現金流入淨額：	Net cash inflow arising on disposal:	
現金代價	Cash consideration	149,075
出售的銀行結餘及現金	Bank balances and cash disposed of	(1,456)
		147,619

33. 出售附屬公司(續)

(a) 出售附屬公司(續)

截至二零一四年十二月三十一日止年度

- (i) 截至二零一四年十二月三十一日止年度，本集團以代價約人民幣30,000,000元向一名獨立第三方出售於其附屬公司上海永立資產投資管理有限公司(「上海永立」)及其全資擁有附屬公司上海旭博置業有限公司(「上海旭博」)的全部股本權益。上海永立和上海旭博分別從事投資控股和房地產開發業務。
- (ii) 截至二零一四年十二月三十一日止年度，本集團以代價約人民幣43,747,000元向一名獨立第三方出售於其附屬公司上海旭曹置業有限公司(「上海旭曹」)的全部股本權益。上海旭曹從事房地產開發業務。
- (iii) 截至二零一四年十二月三十一日止年度，本集團以代價約人民幣60,000,000元向一名獨立第三方出售於其附屬公司北京旭興隆置業有限公司(「北京旭興隆」)的全部股本權益。北京旭興隆從事房地產開發業務。

33. DISPOSAL OF SUBSIDIARIES (Continued)

(a) Disposal of subsidiaries (Continued)

For the year ended 31 December 2014

- (i) During the year ended 31 December 2014, the Group disposed of its 100% equity interest in its subsidiary, Shanghai Yongli Assets Investment Management Company Limited (上海永立資產投資管理有限公司) (“Shanghai Yongli”), together with its wholly owned subsidiary, Shanghai Xubo Property Company Limited (上海旭博置業有限公司) (“Shanghai Xubo”), to an independent third party at a consideration of approximately RMB30,000,000. Shanghai Yongli and Shanghai Xubo were engaged in investment holding and property development respectively.
- (ii) During the year ended 31 December 2014, the Group disposed of its 100% equity interest in its subsidiary, Shanghai Xucao Property Company Limited (上海旭曹置業有限公司) (“Shanghai Xucao”) to an independent third party at a consideration of approximately RMB43,747,000. Shanghai Xucao was engaged in property development.
- (iii) During the year ended 31 December 2014, the Group disposed of its 100% equity interest in its subsidiary, Beijing Xuxinglong Property Company Limited (北京旭興隆置業有限公司) (“Beijing Xuxinglong”) to an independent third party at a consideration of approximately RMB60,000,000. Beijing Xuxinglong was engaged in property development.

33. 出售附屬公司(續)

(a) 出售附屬公司(續)

截至二零一四年十二月三十一日止年度
(續)

上述交易按出售附屬公司入賬。有關上述交易出售的資產淨值詳情概述如下：

33. DISPOSAL OF SUBSIDIARIES (Continued)

(a) Disposal of subsidiaries (Continued)

For the year ended 31 December 2014 (Continued)

The above transactions are accounted for as disposal of subsidiaries. Details of the net assets disposed of in respect of the above transactions are summarized below:

		人民幣千元 RMB'000
支付代價方式：	Consideration satisfied by:	
現金	Cash	73,747
一年內應收代價	Consideration receivable within one year	60,000
		133,747
就失去控制權的資產及負債的分析：	Analysis of assets and liabilities over which control was lost:	
物業、廠房及設備	Property, plant and equipment	116
可供出售投資	Available-for-sale investments	10,000
持作出售物業	Properties held for sales	70,677
擬作出售的開發中物業	Properties under development for sale	74,183
應收賬款及其他應收款項	Accounts and other receivables	113,526
銀行結餘及現金	Bank balances and cash	1,816
應付賬款及其他應付款項	Accounts and other payables	(198,983)
出售的資產淨值	Net assets disposed of	71,335
出售附屬公司所得收益：	Gain on disposal of subsidiaries:	
現金代價	Cash consideration	73,747
應收代價	Consideration receivable	60,000
出售資產淨值	Net assets disposed of	(71,335)
出售所得收益	Gain on disposal	62,412
出售時產生的現金流入淨額：	Net cash inflow arising on disposal:	
現金代價	Cash consideration	73,747
出售的銀行結餘及現金	Bank balances and cash disposed of	(1,816)
		71,931

綜合財務報表附註

Notes to the Consolidated Financial Statements

33. 出售附屬公司(續)

(b) 出售附屬公司部分權益導致失去控制權

截至二零一五年十二月三十一日止年度

截至二零一五年十二月三十一日止年度，本集團因向非控股權益出售蘇州旭邦(先前為本集團擁有51%權益的附屬公司)1%權益，於交易完成後，導致失去控制權。該交易入賬為因出售附屬公司部分權益而導致失去控制權。

於出售完成後，蘇州旭邦成為本集團的合營企業。蘇州旭邦於失去控制權當日的50%保留權益的公平值於初步確認本集團於合營企業的權益時被視為成本。於失去蘇州旭邦控制權當日，取消確認的資產及負債如下：

33. DISPOSAL OF SUBSIDIARIES (Continued)

(b) Disposal of partial interest in a subsidiary result in loss of control

For the year ended 31 December 2015

During the year ended 31 December 2015, the Group disposed of 1% equity interests in Suzhou Xubang, previously a 51% owned subsidiary of the Group, to the non-controlling interest, resulting in loss of control upon completion of the transaction. The transaction was accounted for as disposal of partial interest in a subsidiary resulting in loss of control.

After the completion of the disposal, Suzhou Xubang became a joint venture of the Group. The fair value of the 50% retained interest in Suzhou Xubang at the date on which control was lost was regarded as the cost in initial recognition of the Group's interest in a joint venture. Assets and liabilities derecognized at the date in loss of control of Suzhou Xubang are as follows:

		人民幣千元 RMB'000
物業、廠房及設備	Property, plant and equipment	51
擬作出售的開發中物業	Properties under development for sale	483,137
其他應收款項	Other receivables	8,179
銀行結餘及現金	Bank balances and cash	85,939
應付賬款及其他應付款項	Accounts and other payables	(96,995)
已收物業銷售按金	Deposits received from property sales	(166,075)
銀行及其他借款	Bank and other borrowings	(280,000)
減：非控股權益	Less: non-controlling interests	(13,836)
		20,400
減：本集團所持有的50%保留股本權益 — 分類為合營企業的權益	Less: 50% retained equity interest held by the Group — classified as interest in a joint venture	(20,000)
已收代價	Consideration received	400

截至二零一五年十二月三十一日止年度，代價人民幣400,000元已被計入應付予非控股權益的款項所抵銷。

The consideration of RMB400,000 has been offset by an amount included in amount due to non-controlling interests during the year ended 31 December 2015.

33. 出售附屬公司(續)

(b) 出售附屬公司部分權益導致失去控制權(續)

截至二零一四年十二月三十一日止年度

截至二零一四年十二月三十一日止年度，本集團向一名獨立第三方出售先前本集團非全資附屬公司天津世紀興的26%股本權益，導致於交易完成後失去控制權。該等交易按出售附屬公司部分權益導致失去控制權入賬。出售完成之後，天津世紀興成為本集團的聯營公司。失去控制權當日於天津世紀興的25%保留權益的公平值於初步確認本集團於聯營公司權益時被視為成本。

於失去天津世紀興控制權當日終止確認的資產及負債如下：

33. DISPOSAL OF SUBSIDIARIES (Continued)

(b) Disposal of partial interest in a subsidiary result in loss of control (Continued)

For the year ended 31 December 2014

During the year ended 31 December 2014, the Group disposed of 26% equity interests in Tianjin Shijixing, previously a non-wholly owned subsidiary of the Group, to an independent third party resulting in loss of control upon completion of the transaction. These transactions were accounted for as disposal of partial interests in subsidiaries resulting in loss of control. After the completion of the disposal, Tianjin Shijixing became an associate of the Group. The fair value of the 25% retained interest in Tianjin Shijixing at the date on which the control was lost was regarded as the cost in initial recognition of the Group's interest in an associate.

Assets and liabilities derecognized at the date in loss of control of Tianjin Shijixing are as follows:

		人民幣千元 RMB'000
擬作出售的開發中物業	Properties under development for sale	351,761
應收賬款及其他應收款項	Accounts and other receivables	18,692
銀行結餘及現金	Bank balances and cash	32,756
應付賬款及其他應付款項	Accounts and other payables	(265,336)
銀行及其他借款	Bank and other borrowings	(96,223)
減：非控股權益	Less: non-controlling interests	(10,425)
		31,225
減：本集團持有的25%保留股本權益 — 分類為一家聯營公司權益	Less: 25% retained equity interest held by the Group — classified as interest in an associate	(15,300)
應收代價	Consideration receivable	15,925

於二零一五年十二月三十一日，代價人民幣15,925,000元已償付。

As at 31 December 2015, the consideration of RMB15,925,000 was repaid.

綜合財務報表附註

Notes to the Consolidated Financial Statements

34. 退休福利計劃

根據中國相關法律及法規，本公司的中國附屬公司須參與地方政府推行的界定供款退休計劃。本集團的中國附屬公司按地方政府所規定平均僱員薪金的若干百分比向計劃供款，以就僱員的退休福利撥付資金。本集團有關退休福利計劃的主要責任為根據計劃作出所需供款。

本集團亦為香港所有合資格僱員參與強制性公積金計劃。該計劃的資產與本集團資產分開，存放於受託人管理的基金。本集團向該計劃作出的供款為有關薪金成本的5%，而僱員亦須作出同樣供款。

35. 抵押資產

下列資產於報告期末予以抵押以擔保本集團獲授若干銀行及其他融資：

34. RETIREMENT BENEFIT PLANS

According to the relevant laws and regulations in the PRC, the Company's PRC subsidiaries are required to participate in defined contribution retirement schemes administrated by the local municipal governments. The Group's PRC subsidiaries contribute funds which are calculated on certain percentage of the average employee salary as required by local municipal government to the scheme to fund the retirement benefits of the employees. The principal obligation of the Group with respect to the retirement benefit scheme is to make the required contributions under the scheme.

The Group also operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustee. The Group contributes 5% of relevant payroll costs to the scheme, which contribution is matched by employees.

35. PLEDGE OF ASSETS

The following assets were pledged to secure certain banking and other facilities granted to the Group at the end of the reporting period:

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
投資物業	Investment properties	5,519,000	4,931,000
擬作出售的開發中物業	Properties under development for sale	13,491,256	6,070,247
持作出售物業	Properties held for sale	666,374	4,098,823
已抵押銀行存款	Pledged bank deposits	31,500	30,000
		19,708,130	15,130,070

附註：本集團於若干持有若干已抵押的擬作出售的開發中物業的附屬公司(包括上述公司)的股本權益，已予以抵押以擔保本集團獲授若干銀行融資。於二零一五年十二月三十一日，該等附屬公司的資產淨值為人民幣74,160,770元(二零一四年：人民幣99,352,000元)。

Note: The Group's equity interests in certain subsidiaries, which hold certain pledged properties under development for sale included above, have been pledged to secure certain banking facilities granted to the Group. As at 31 December 2015, the net assets of these subsidiaries amounting to RMB74,160,770 (2014: RMB99,352,000).

36. 租賃安排

本集團作為出租人

於報告期末，本集團已與租戶訂約的未來最低租賃付款如下：

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
一年內	Within one year	40,747	36,571
第二年至第五年(包括首尾兩年)	In the second to fifth year inclusive	104,474	52,262
五年後	After five years	28,167	5,345
		173,388	94,178

本集團持作租賃用途的投資物業擁有租期介乎一至十年(二零一四年：一至十一年)的已訂約租戶。投資物業的租約載有或然租金條款，而或然租金以租客所賺取的營業額若干百分比釐定。

本集團作為承租人

於報告期末，本集團根據不可撤銷經營租約就有關租賃物業支付的未來最低租賃付款如下：

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
一年內	Within one year	8,169	10,049
第二年至第五年(包括首尾兩年)	In the second to fifth year inclusive	3,667	10,562
		11,836	20,611

經營租賃付款指本集團就若干辦公室物業應付的租金。經協定的租約平均期限為一至三年(二零一四年：一至三年)，租金於簽署租賃協議日期確定。

36. LEASE ARRANGEMENTS

The Group as a lessor

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments as follows:

The investment properties held by the Group for rental purpose have committed tenants from one to ten years (2014: one to eleven years). Lease of an investment property has clauses of contingent rentals determined by a certain percentage of turnover earned by the tenant.

The Group as a lessee

At the end of the reporting period, the Group had future minimum lease payments under non-cancellable operating leases in respect of leased properties as follows:

Operating lease payments represent rentals payable by the Group for certain of its office premises. Leases are negotiated for an average term of one to three years (2014: one to three years) and rentals are fixed at the date of signing of lease agreements.

綜合財務報表附註

Notes to the Consolidated Financial Statements

37. 承擔

於報告期末，本集團擁有下列承擔：

37. COMMITMENTS

At the end of the reporting period, the Group had the following commitments:

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
已訂約但未於綜合財務報表內撥備的有關收購土地使用權的開支	Expenditure in respect of acquisition of land use rights contracted for but not provided for in the consolidated financial statements	3,225,930	2,853,928

38. 或然負債

(i) 本集團於二零一五年十二月三十一日就授予本集團已開發物業買家的按揭銀行貸款提供約人民幣3,644,229,000元(二零一四年：人民幣2,761,537,000元)的擔保。本公司董事認為，本集團該等財務擔保合約的公平值於初步確認時並非重大，且本公司董事認為有關訂約方違約的可能性極小，故於訂立擔保合約時及於二零一五年十二月三十一日的綜合財務狀況表內概無確認價值。

(ii) 本集團就開發杭州綠地旭輝城及上海鉑悅府項目而建立的合營企業有利用到境外及境內銀行貸款。本公司對這類開發該等項目的合營企業的境外及境內銀行貸款項下所承擔的責任按其各自持股比例就按份基準提供擔保。於二零一五年十二月三十一日，本集團對這類合營企業的銀行貸款提供的按份擔保合共約人民幣2,744,234,000元(二零一四年十二月三十一日：人民幣1,997,278,000元)。

(iii) 本公司董事認為，本集團該等財務擔保合約的公平值於初步確認時並非重大，且本公司董事認為有關訂約方違約的可能性極小，故於訂立擔保合約時及於二零一五年十二月三十一日的綜合財務狀況表內概無確認價值。

38. CONTINGENT LIABILITIES

(i) The Group provided guarantees amounting to approximately RMB3,644,229,000 (2014: RMB2,761,537,000) as at 31 December 2015 in respect of mortgage bank loans granted to purchasers of the Group's developed properties. In the opinion of the directors of the Company, the fair values of these financial guarantee contracts of the Group are insignificant at initial recognition and the directors of the Company consider that the possibility of the default of the parties involved is remote, accordingly, no value has been recognized at the inception of the guarantee contracts and on the consolidated statement of financial position as at 31 December 2015.

(ii) The Group's joint venture companies in respect of the development of Hangzhou Greenland CIFI Glorious City Project and Shanghai CIFI Park Mansion Project have utilized offshore and onshore bank loans. The Company provided guarantees on several basis covering its respective equity shares of outstanding obligations under the offshore and onshore bank loan incurred by the joint venture companies developing these projects. As at 31 December 2015, the Group's aggregate shares of such guarantees provided in respect of loans incurred by these joint ventures amounted to approximately RMB2,744,234,000 (31 December 2014: RMB1,997,278,000).

(iii) In the opinion of the directors of the Company, the fair values of these financial guarantee contracts of the Group are insignificant at initial recognition and the directors of the Company consider that the possibility of the default of the parties involved is remote, accordingly, no value has been recognized at the inception of the guarantee contracts and on the consolidated statement of financial position as at 31 December 2015.

39. 以股份支付的交易

a. 首次公開發售前股份獎勵計劃

本集團的首次公開發售前股份獎勵計劃（根據於聯交所上市的建議作出修訂）（「股份獎勵計劃」）乃於二零一零年十二月採納並取代原本根據於二零零七年五月十九日通過的決議案採納的首次公開發售前股份獎勵計劃。根據股份獎勵計劃，本公司控股股東兼董事林中先生將彼持有的本公司股份（「獎勵股份」）贈予本集團若干僱員作為獎勵。股份獎勵計劃的目的為表揚本集團若干僱員所作出的貢獻並給予獎勵。

根據股份獎勵計劃，於二零一零年十二月三十一日授出的獎勵股份所涉及股本權益百分比合共為本公司已發行股本的3.25%，有關股本權益就於聯交所上市建議而收納。獎勵股份受歸屬期所限，由信託代表承授人持有。歸屬期為四年（自每個分期開始），於該期間內，授予僱員的獎勵股份中25%將按相等比例於首個歸屬日的各個週年歸屬。首個歸屬日為本公司於香港聯合交易所有限公司成功上市後的年度的一月一日。

於二零一零年十二月三十一日，根據股份獎勵計劃授出的獎勵股份的公平值為人民幣58,000,000元，有關公平值乃採用資產法及市場法釐定。該模式的主要參數為股份於授出日期的估計公平值及估計市賬率。市賬率乃參考在中國從事房地產開發並於聯交所上市的可資比較公司作出估計。

獎勵股份於授出日期屬或然，倘承授人離職則予以註銷，並須待本公司股份在聯交所成功上市的歸屬條件達成後且有關僱員的年度表現評估令人滿意方可作實。於截至二零一五年十二月三十一日止年度，本集團就授予本集團若干僱員的獎勵股份確認約人民幣1,932,000元（二零一四年：人民幣4,437,000元）的開支。

39. SHARE-BASED PAYMENT TRANSACTION

a. Pre-IPO share award scheme

The Group's Pre-IPO share award scheme, as amended in accordance with the proposed listing on the Stock Exchange, (the "Share Award Scheme") was adopted in December 2010 and then replaced the Pre-IPO share award scheme originally adopted pursuant to a resolution passed on 19 May 2007. Under the Share Award Scheme, Mr Lin Zhong, a controlling shareholder and director of the Company, awards the Company's shares (the "Awarded Shares") held by him to certain employees of the Group. The objective of the Share Award Scheme is to recognize the contributions of certain employees of the Group and to incentivize them.

Under the Share Award Scheme, the total percentage of equity interest in respect of which Awarded Shares had been granted on 31 December 2010 was 3.25% of the issued capital of the Company to be incorporated in connection with the proposed listing on the Stock Exchange. The Awarded Shares, subject to a vesting period, are being held by the trust on behalf of the grantees. The vesting period is four years, from the beginning of each instalment, during which 25% of the Award Shares granted to employee will vest on each anniversary of the first vesting date in equal portions. The first vesting date is 1 January of the year following the Company to be successfully listed on The Stock Exchange of Hong Kong Limited.

The fair value of the Awarded Shares granted under the Share Award Scheme at 31 December 2010 was RMB58,000,000, and was determined by using a mix of asset-based and market approach. The significant inputs into the model were estimated fair value of shares at the grant date and estimated price-to-book ratio. The price-to-book ratio is estimated by reference to comparable listed companies on the Stock Exchange engaged in property development in the PRC.

The Awarded Shares are contingent at grant date and are subject to the cancellation in the event of resignation of the grantees; and the vesting conditions of successful listing of the Company's shares on the Stock Exchange and satisfactory performance of such employee based on his or her annual performance appraisal. During the year ended 31 December 2015, the Group recognized an expense in relation to the Awarded Shares granted to certain employees of the Group amounting to approximately RMB1,932,000 (2014: RMB4,437,000).

綜合財務報表附註

Notes to the Consolidated Financial Statements

39. 以股份支付的交易(續)

a. 首次公開發售前股份獎勵計劃(續)

年內存在授出的條款及條件如下：

39. SHARE-BASED PAYMENT TRANSACTION

(Continued)

a. Pre-IPO share award scheme (Continued)

The terms and conditions of the grants that existed during the year are as follows:

	獎勵 股份數目 Number of share awards	歸屬條件 Vesting Conditions
授予僱員的獎勵股份：	136,500,000	25%自二零一三年一月一日起至二零一六年十二月三十一日止
— 於二零一零年十二月三十一日		25% from 1 January 2013 to 31 December 2016
Share Award granted to employees:		25%自二零一四年一月一日起至二零一七年十二月三十一日止
— on 31 December 2010		25% from 1 January 2014 to 31 December 2017
		25%自二零一五年一月一日起至二零一八年十二月三十一日止
		25% from 1 January 2015 to 31 December 2018
		25%自二零一六年一月一日起至二零一九年十二月三十一日止
		25% from 1 January 2016 to 31 December 2019

僱員於年內持有本公司獎勵股份的變動：

The movements of the Company's share awards held by employees during the year:

	授出日期 Grant date	獎勵股份數目 Number of share awards		
		於二零一五年 一月一日 發行在外 Outstanding as at 1 January 2015	於年內歸屬 Vested during the year	於二零一五年 十二月三十一日 發行在外 Outstanding as at 31 December 2015
獎勵股份	二零一零年十二月三十一日	68,250,000	(34,125,000)	34,125,000
Share awards	31 December 2010			

39. 以股份支付的交易(續)

a. 首次公開發售前股份獎勵計劃(續)

	授出日期 Grant date	獎勵股份數目 Number of share awards		
		於二零一四年 一月一日 發行在外 Outstanding as at 1 January 2014	於年內歸屬 Vested during the year	於二零一四年 十二月三十一日 發行在外 Outstanding as at 31 December 2014
獎勵股份 Share awards	二零一零年十二月三十一日 31 December 2010	102,375,000	(34,125,000)	68,250,000

b. 購股權計劃

根據本公司於二零一二年十月九日採納的購股權計劃(「購股權計劃」)，董事可邀請參與者按董事會釐定的價格獲得購股權，惟該價格須至少為以下三者的最高者：(a)於本公司向承授人提呈要約當日(該日須為營業日，「要約日期」)聯交所日報表列明的股份收市價；(b)緊接要約日期前5個營業日聯交所日報表所列明本公司股份的平均收市價(惟發售價須用作本公司股份上市前期間任何營業日的收市價，而本公司已於要約日期前五個營業日內上市)；及(c)本公司股份的面值。

根據購股權計劃及本公司任何其他購股權計劃將予授出的所有購股權獲行使後可予發行的股份總數不得超過合共577,000,000股股份(二零一四年：577,000,000股股份)(相當於本年報日期已發行股份總數的10%)，除非本公司另行取得股東批准以更新上限。

39. SHARE-BASED PAYMENT TRANSACTION

(Continued)

a. Pre-IPO share award scheme (Continued)

b. Share option scheme

Pursuant to the share option scheme ("Share Option Scheme") adopted by the Company on 9 October 2012, the directors may invite participants to take up options at a price determined by the board of directors provided that it shall be at least the highest of (a) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date on which an offer is made by the Company to the grantee (which date must be a business day, "Offer Date"); (b) a price being the average of the closing prices of the shares of the Company as stated in the Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the Offer Date (provided that the offer price shall be used as the closing price for any business day falling within the period before listing of the shares of the Company where the Company has been listed for less than five business days as at the Offer Date); and (c) the nominal value of a share of the Company.

The total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme of the Company shall not in aggregate exceed 577,000,000 (2014: 577,000,000) shares, representing 10% of the total number of shares in issue as at the date of this annual report unless the Company obtains a fresh approval from the shareholders to refresh the limit.

綜合財務報表附註

Notes to the Consolidated Financial Statements

39. 以股份支付的交易(續)

b. 購股權計劃(續)

除股東於本公司股東大會上另行批准外，於任何12個月期間內，每位參與者因行使根據購股權計劃獲授的購股權(包括已行使及尚未行使購股權)而獲發行及將予發行的股份總數上限，不得超過已發行股份總數的1%。

承授人可在董事會於提呈要約時釐定及知會承授人的購股權期間的任何時間內根據購股權計劃條款行使購股權，該期間不得於授出日期起計10年後屆滿。

三批購股權已於截至二零一五年十二月三十一日止年度授出。該等購股權的公平值乃使用二項式模式計算。模式的輸入數據如下：

39. SHARE-BASED PAYMENT TRANSACTION

(Continued)

b. Share option scheme (Continued)

The maximum entitlement for any one participant is that the total number of the shares issued and to be issued upon exercise of the options granted under the Share Option Scheme to each participant (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares in issue unless otherwise approved by the shareholders at a general meeting of the Company.

The option may be exercised in accordance with the terms of the Share Option Scheme at any time during the option period which may be determined and notified by the board of directors to the grantee at the time of making an offer which shall not expire later than 10 years from the grant date.

Three tranche of share options have been granted during the year ended 31 December 2015. Fair value of these share options were calculated using the binomial model. The inputs into the model were as follows:

		於以下日期授出的購股權		
		Share options granted on		
		二零一三年 二月二十六日 26 February 2013	二零一三年 十月二十九日 29 October 2013	二零一五年 七月十三日 13 July 2015
授出日期股價	Grant date share price	HK\$1.58港元	HK\$1.51港元	HK\$1.77港元
行使價	Exercise price	HK\$1.684港元	HK\$1.55港元	HK\$1.77港元
預期年期	Expected life	Note 附註	Note 附註	Note 附註
預期波幅	Expected volatility	60%	57%	55%
股息收益率	Dividend yield	2.53%	2.65%	6.21%
無風險利率	Risk-free interest rate	0.624%	0.830%	0.972%

附註：購股權的預期年期按(歸屬期間+行使期間)/2的算式計算。

Note: Expected life of the option is calculated by the formula of (vesting period + exercise period)/2.

39. 以股份支付的交易(續)

b. 購股權計劃(續)

預期波幅乃根據可資比較公司每日回報的歷史波幅釐定。在管理層慎重估算下，模式中的預期年期已因應不可轉讓性、行使限制及行為考慮因素的影響而作出調整。

於二零一五年十二月三十一日，根據購股權計劃已授出及尚未行使的購股權所涉及的股份數目為394,991,000股(二零一四年：302,400,000股)，佔本公司於二零一五年十二月三十一日股份數目的6%(二零一四年：5%)。

於二零一三年二月二十六日、二零一三年十月二十九日及二零一五年七月十三日授出的購股權的估計公平值分別為人民幣83,349,000元、人民幣75,912,000元及人民幣39,125,000元。

購股權的行使期間如下：

39. SHARE-BASED PAYMENT TRANSACTION

(Continued)

b. Share option scheme (Continued)

Expected volatility was determined by using the historical volatility of the daily return of comparable companies. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The number of shares in respect of which options had been granted and remained outstanding under the Share Option Scheme as at 31 December 2015 was 394,991,000 (2014: 302,400,000), representing 6% (2014: 5%) of the shares of the Company as at 31 December 2015.

The estimated fair values of the options granted on 26 February 2013, 29 October 2013 and 13 July 2015 are RMB83,349,000, RMB75,912,000 and RMB39,125,000 respectively.

The exercisable period of the share options is as follows:

於二零一三年二月二十六日授出的購股權	Share options granted on 26 February 2013
25%：於二零一四年七月一日歸屬，並自二零一四年七月一日起至二零一八年六月三十日可行使	25%: vested on 1 July 2014 and exercisable from 1 July 2014 to 30 June 2018
25%：於二零一五年七月一日歸屬，並自二零一五年七月一日起至二零一八年六月三十日可行使	25%: vested on 1 July 2015 and exercisable from 1 July 2015 to 30 June 2018
25%：於二零一六年七月一日歸屬，並自二零一六年七月一日起至二零一八年六月三十日可行使	25%: vested on 1 July 2016 and exercisable from 1 July 2016 to 30 June 2018
25%：於二零一七年七月一日歸屬，並自二零一七年七月一日起至二零一八年六月三十日可行使	25%: vested on 1 July 2017 and exercisable from 1 July 2017 to 30 June 2018

於二零一三年十月二十九日授出的購股權	Share options granted on 29 October 2013
25%：於二零一四年七月一日歸屬，並自二零一四年七月一日起至二零一八年六月三十日可行使	25%: vested on 1 July 2014 and exercisable from 1 July 2014 to 30 June 2018
25%：於二零一五年七月一日歸屬，並自二零一五年七月一日起至二零一八年六月三十日可行使	25%: vested on 1 July 2015 and exercisable from 1 July 2015 to 30 June 2018
25%：於二零一六年七月一日歸屬，並自二零一六年七月一日起至二零一八年六月三十日可行使	25%: vested on 1 July 2016 and exercisable from 1 July 2016 to 30 June 2018
25%：於二零一七年七月一日歸屬，並自二零一七年七月一日起至二零一八年六月三十日可行使	25%: vested on 1 July 2017 and exercisable from 1 July 2017 to 30 June 2018

綜合財務報表附註

Notes to the Consolidated Financial Statements

39. 以股份支付的交易(續)

b. 購股權計劃(續)

於二零一五年七月十三日授出的購股權	Share options granted on 13 July 2015
25% : 於二零一五年七月一日歸屬，並自二零一五年七月一日起至二零一九年六月三十日可行使	25%: vested on 1 July 2015 and exercisable from 1 July 2015 to 30 June 2019
25% : 於二零一六年七月一日歸屬，並自二零一六年七月一日起至二零一九年六月三十日可行使	25%: vested on 1 July 2016 and exercisable from 1 July 2016 to 30 June 2019
25% : 於二零一七年七月一日歸屬，並自二零一七年七月一日起至二零一九年六月三十日可行使	25%: vested on 1 July 2017 and exercisable from 1 July 2017 to 30 June 2019
25% : 於二零一八年七月一日歸屬，並自二零一八年七月一日起至二零一九年六月三十日可行使	25%: vested on 1 July 2018 and exercisable from 1 July 2018 to 30 June 2019

本集團於截至二零一五年十二月三十一日止年度就本公司授出的購股權確認開支總額為人民幣47,898,000元(二零一四年：人民幣61,574,000元)。

39. SHARE-BASED PAYMENT TRANSACTION

(Continued)

b. Share option scheme (Continued)

The Group recognized the total expense of RMB47,898,000 (2014: RMB61,574,000) for the year ended 31 December 2015 in relation to share options granted by the Company.

	購股權數目 Number of Options	行使期間 Exercisable period	購股權 訂約年期 Contractual life of options
截至二零一三年十二月三十一日止 年度授出：			
Granted during the year ended 31 December 2013:			
授予董事的購股權： — 於二零一三年二月二十六日 Share Options granted to directors: — on 26 February 2013	2,400,000	25% : 於二零一四年七月一日歸屬，並自二零一四年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2014 and exercisable from 1 July 2014 to 30 June 2018	四年 4 years
		25% : 於二零一五年七月一日歸屬，並自二零一五年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2015 and exercisable from 1 July 2015 to 30 June 2018	四年 4 years
		25% : 於二零一六年七月一日歸屬，並自二零一六年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2016 and exercisable from 1 July 2016 to 30 June 2018	四年 4 years
		25% : 於二零一七年七月一日歸屬，並自二零一七年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2017 and exercisable from 1 July 2017 to 30 June 2018	四年 4 years

39. 以股份支付的交易(續)

b. 購股權計劃(續)

39. SHARE-BASED PAYMENT TRANSACTION

(Continued)

b. Share option scheme (Continued)

	購股權數目 Number of Options	行使期間 Exercisable period	購股權 訂約年期 Contractual life of options
— 於二零一三年十月二十九日 — on 29 October 2013	5,100,000	25% : 於二零一四年七月一日歸屬，並自二零一四年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2014 and exercisable from 1 July 2014 to 30 June 2018	四年 4 years
		25% : 於二零一五年七月一日歸屬，並自二零一五年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2015 and exercisable from 1 July 2015 to 30 June 2018	四年 4 years
		25% : 於二零一六年七月一日歸屬，並自二零一六年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2016 and exercisable from 1 July 2016 to 30 June 2018	四年 4 years
		25% : 於二零一七年七月一日歸屬，並自二零一七年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2017 and exercisable from 1 July 2017 to 30 June 2018	四年 4 years
授予僱員的購股權： Share options granted to employees:			
— 於二零一三年二月二十六日 — on 26 February 2013	150,000,000	25% : 於二零一四年七月一日歸屬，並自二零一四年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2014 and exercisable from 1 July 2014 to 30 June 2018	四年 4 years
		25% : 於二零一五年七月一日歸屬，並自二零一五年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2015 and exercisable from 1 July 2015 to 30 June 2018	四年 4 years
		25% : 於二零一六年七月一日歸屬，並自二零一六年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2016 and exercisable from 1 July 2016 to 30 June 2018	四年 4 years
		25% : 於二零一七年七月一日歸屬，並自二零一七年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2017 and exercisable from 1 July 2017 to 30 June 2018	四年 4 years

綜合財務報表附註

Notes to the Consolidated Financial Statements

39. 以股份支付的交易(續)

b. 購股權計劃(續)

39. SHARE-BASED PAYMENT TRANSACTION

(Continued)

b. Share option scheme (Continued)

	購股權數目 Number of Options	行使期間 Exercisable period	購股權 訂約年期 Contractual life of options
— 於二零一三年十月二十九日 — on 29 October 2013	144,900,000	25% : 於二零一四年七月一日歸屬，並自二零一四年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2014 and exercisable from 1 July 2014 to 30 June 2018	四年 4 years
		25% : 於二零一五年七月一日歸屬，並自二零一五年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2015 and exercisable from 1 July 2015 to 30 June 2018	四年 4 years
		25% : 於二零一六年七月一日歸屬，並自二零一六年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2016 and exercisable from 1 July 2016 to 30 June 2018	四年 4 years
		25% : 於二零一七年七月一日歸屬，並自二零一七年七月一日起至二零一八年六月三十日可行使 25%: vested on 1 July 2017 and exercisable from 1 July 2017 to 30 June 2018	四年 4 years
截至二零一五年十二月三十一日止年度授出：			
Granted during the year ended			
31 December 2015:			
授予董事的購股權：	4,600,000	25% : 於二零一五年七月十三日歸屬，並自二零一五年七月十三日起至二零一九年六月三十日可行使	四年 4 years
— 於二零一五年七月十三日 Share Options granted to directors: — on 13 July 2015		25%: vested on 13 July 2015 and exercisable from 13 July 2015 to 30 June 2019	
		25% : 於二零一六年七月一日歸屬，並自二零一六年七月一日起至二零一九年六月三十日可行使 25%: vested on 1 July 2016 and exercisable from 1 July 2016 to 30 June 2019	四年 4 years
		25% : 於二零一七年七月一日歸屬，並自二零一七年七月一日起至二零一九年六月三十日可行使 25%: vested on 1 July 2017 and exercisable from 1 July 2017 to 30 June 2019	四年 4 years
		25% : 於二零一八年七月一日歸屬，並自二零一八年七月一日起至二零一九年六月三十日可行使 25%: vested on 1 July 2018 and exercisable from 1 July 2018 to 30 June 2019	四年 4 years

39. 以股份支付的交易(續)**b. 購股權計劃(續)****39. SHARE-BASED PAYMENT TRANSACTION**

(Continued)

b. Share option scheme (Continued)

	購股權數目 Number of Options	行使期間 Exercisable period	購股權 訂約年期 Contractual life of options
授予僱員的購股權： — 於二零一五年七月十三日 Share options granted to employees: — on 13 July 2015	95,400,000	25%：於二零一五年七月十三日歸屬，並自二零一五年七月十三日起至二零一九年六月三十日可行使 25%: vested on 13 July 2015 and exercisable from 13 July 2015 to 30 June 2019	四年 4 years
		25%：於二零一六年七月一日歸屬，並自二零一六年七月一日起至二零一九年六月三十日可行使 25%: vested on 1 July 2016 and exercisable from 1 July 2016 to 30 June 2019	四年 4 years
		25%：於二零一七年七月一日歸屬，並自二零一七年七月一日起至二零一九年六月三十日可行使 25%: vested on 1 July 2017 and exercisable from 1 July 2017 to 30 June 2019	四年 4 years
		25%：於二零一八年七月一日歸屬，並自二零一八年七月一日起至二零一九年六月三十日可行使 25%: vested on 1 July 2018 and exercisable from 1 July 2018 to 30 June 2019	四年 4 years

綜合財務報表附註

Notes to the Consolidated Financial Statements

39. 以股份支付的交易(續)

b. 購股權計劃(續)

下表披露董事及僱員持有本公司購股權的詳情：

截至二零一五年十二月三十一日止年度

39. SHARE-BASED PAYMENT TRANSACTION

(Continued)

b. Share option scheme (Continued)

The following tables disclose details of the Company's Options held by directors and employees:

For the year ended 31 December 2015

授出日期 Date of grant	每股行使價 Exercise price per share 港元 HK\$	歸屬期間 Vesting period	購股權數目 Number of Options				於
			於 二零一五年 一月一日 尚未行使 Outstanding at 1.1.2015	期內授出 Granted during the period	期內已行使 Exercised during the period	期內已失效 Lapsed during the period	二零一五年 十二月 三十一日 尚未行使 Outstanding at 31.12.2015
購股權 Share option							
二零一三年二月二十六日 26 February 2013	1.684	二零一四年七月一日至二零一八年六月三十日 1 July 2014 to 30 June 2018	152,400,000	-	(3,366,878)	-	149,033,122
二零一三年十月二十九日 29 October 2013	1.55	二零一四年七月一日至二零一八年六月三十日 1 July 2014 to 30 June 2018	150,000,000	-	(4,042,220)	-	145,957,780
二零一五年七月十三日 13 July 2015	1.77	二零一五年七月一日至二零一九年六月三十日 1 July 2015 to 30 June 2019	-	100,000,000	-	-	100,000,000
期末可行使 Exercisable at the end of the period							100,600,000
加權平均行使價(港元) Weighted average exercise price (HK\$)							1.62 1.77 1.61 - 1.66

39. 以股份支付的交易(續)

下表披露董事及僱員持有本公司購股權的詳情：(續)

截至二零一四年十二月三十一日止年度

39. SHARE-BASED PAYMENT TRANSACTION

(Continued)

The following tables disclose details of the Company's options held by directors and employees: (Continued)

For the year ended 31 December 2014

授出日期	每股行使價	歸屬期間	購股權數目				於 二零一四年 十二月 三十一日 尚未行使
			於 二零一四年 七月一日 尚未行使	期內授出	期內已行使	期內已失效	
Date of grant	Exercise price	Vesting period	Outstanding	Granted	Exercised	Lapsed	Outstanding
	per share		at	during	during	during	at
	港元		1.7.2014	the period	the period	the period	31.12.2014
	HK\$						
購股權計劃							
Share option scheme							
二零一三年二月二十六日		二零一四年七月一日至二零一八年六月三十日					
26 February 2013	1.684	1 July 2014 to 30 June 2018	152,400,000	-	-	-	152,400,000
二零一三年十月二十九日		二零一四年七月一日至二零一八年六月三十日					
29 October 2013	1.55	1 July 2014 to 30 June 2018	150,000,000	-	-	-	150,000,000
期末可行使							75,600,000
Exercisable at the end of the period							
加權平均行使價(港元)							
Weighted average exercise price (HK\$)			1.62	-	-	-	1.62

除披露者外，自該等購股權計劃採納以來，概無據此授出其他購股權。

Save as disclosed, no other option was granted under Share Option Scheme since their adoption.

綜合財務報表附註

Notes to the Consolidated Financial Statements

40. 關聯方交易及結餘

本集團年內與其關聯方進行以下重大交易：

(a) 來自一間關聯公司的租金收入

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
上海建浦投資管理有限公司 (「上海建浦」) (由林中先生、林偉先生及 林峰先生控制的公司)	Shanghai Jianpu Investment Management Co., Ltd. (上海建浦投資管理有限公司) ("Shanghai Jianpu") (company controlled by Mr. Lin Zhong, Mr. Lin Wei and Mr. Lin Feng)	2,400	1,400

(b) 來自一間合營企業的一間附屬公司的項目管理費收入

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
上海旭涇置業有限公司 (「上海旭涇」) (本公司合營企業Coastwise的 全資附屬公司)	Shanghai Xujing Property Co. Ltd. (上海旭涇置業有限公司) ("Shanghai Xujing") (wholly owned subsidiary of Coastwise, a joint venture of the Company)	287,134	—

40. RELATED PARTY TRANSACTIONS AND BALANCES

During the year, the Group entered into the following significant transactions with its related parties:

(a) Rental income from a related company

(b) Project management fee income from a subsidiary of a joint venture

40. 關聯方交易及結餘(續)

(c) 向本公司一名董事、一間關聯公司及該名董事的聯繫人士預售物業收取的按金：

40. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

(c) **Deposit received from pre-sales of properties to a director of the Company, a related company and an associate of the directors:**

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
林峰先生	Mr. Lin Feng	6,600	800
林祥麟先生(林中先生、林偉先生及林峰先生的近親)	Mr. Lin Xiang Lin (close family member of Lin Zhong, Mr. Lin Wei and Mr. Lin Feng)	5,801	—
上海建浦	Shanghai Jianpu	3,022	200
上海懷馳實業發展有限公司(由林中先生的近親控制的公司)	Shanghai Huaichi Industrial Development Co., Ltd (company controlled by close family member of Mr. Lin Zhong)	48,930	—

(d) 應收嘉興旭彩(由林中先生控制的公司)款項詳情載列如下：

(d) **Particulars of the amount due from Jiaxing Xucai, a company controlled by Mr. Lin Zhong:**

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
其他應收嘉興旭彩款項	Other receivables from Jiaxing Xucai	17,000	17,000

綜合財務報表附註

Notes to the Consolidated Financial Statements

40. 關聯方交易及結餘(續)

40. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

(e) 應收合營企業及聯營公司款項

(e) Amounts due from joint ventures and associates

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
天津旭科	Tianjin Xuke	682,978	—
旭皇	Xu Huang	477,924	—
重慶旭原	Chongqing Xuyuan	338,400	—
南京旭辰	Nanjing Xuchen	291,093	—
上海旭涇	Shanghai Xujing	180,525	—
杭州辰旭	Hangzhou Chenxu	159,681	—
北京達成	Beijing Dacheng	146,209	—
蘇州北辰	Suzhou Beichen	130,000	—
上海坤輝	Shanghai Kunhui	114,163	—
旭寶	Xu Bao	30,847	—
天津世紀興	Tianjin Shijixing	27,700	27,700
北京旭天恒	Beijing Xutianheng	13,721	—
旭安	Xu An	—	455,000
武漢旭程	Wuhan Xucheng	—	251,963
旭正	Xu Zheng	—	239,100
北京旭輝當代	Beijing Xuhui Dangdai	—	51,471
湖南物華	Hunan Wuhua	—	16,420
		2,593,241	1,041,654

40. 關聯方交易及結餘(續)

(f) 應收合營企業及聯營公司款項(續)

40. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

(f) Amounts due to joint ventures and associates (Continued)

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
旭皇	Xu Huang	1,890,690	—
旭寶	Xu Bao	1,727,260	1,070,537
北京旭輝當代	Beijing Xuhui Dangdai	502,581	—
Coastwise	Coastwise	1,488,026	—
上海新城	Shanghai Xincheng	493,000	420,451
上海綠旭	Shanghai Luxu	221,443	191,767
蘇州旭高	Suzhou Xugao	182,500	—
北京永同	Beijing Yongtong	167,480	39,251
蘇州旭悅	Suzhou Xuyue	131,590	—
上海旭博	Shanghai Xubo	52,964	—
上海首嘉	Shanghai Shoujia	26,544	—
蘇州旭邦	Suzhou Xubang	10,984	—
旭安	Xu An	—	1,291,509
旭正	Xu Zheng	—	596,369
天津旭津	Tianjin Xujin	—	541,490
蘇州旭陽	Suzhou Xuyang	—	465,400
上海旭康	Shanghai Xukang	—	298,230
天津世紀興	Tianjin Shijixing	—	11,661
湖南物華	Hunan Wuhua	—	60
		6,895,062	4,926,725

應收／應付若干合營企業及聯營公司款項為無抵押、免息及須按要求償還。

The amounts due from/to certain joint ventures and associates are unsecured, interest-free and repayable on demand.

40. 關聯方交易及結餘(續)

(g) 於年內已付及應付兼任本公司董事的本集團主要管理人員的薪酬載於附註11。

41. 資本風險管理

本集團管理其資本以確保本集團旗下實體將可持續經營，同時透過改善債務與股本權益結餘為股東帶來最大回報。

本集團的資本架構包括淨負債，而淨負債包括附註27所披露借款(扣除現金及現金等價物)及本公司擁有人應佔股本權益(包含已發行股本、儲備及保留利潤)。

本公司董事定期檢討資本架構。作為是項檢討其中一環，本公司董事考量資本成本及與各類資本有關的風險，並採取適當行動平衡整體資本架構。

40. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

(g) The remuneration paid and payable to the key management personnel of the Group who are also the directors of the Company for the year is set out in note 11.

41. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimization of the debt and equity balance.

The capital structure of the Group consists of net debt, which includes the borrowings disclosed in note 27 net of cash and cash equivalents, and equity attributable to owners of the Company, comprising issued share capital, reserves and retained profits.

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital, and take appropriate actions to balance its overall capital structure.

42. 金融工具

(a) 重大會計政策

有關各類金融資產、金融負債及股本工具所採用的重大會計政策(包括確認的條件)、計量的基準及收入及開支的確認基準的詳情於附註3披露。

(b) 金融工具的類別

42. FINANCIAL INSTRUMENTS

(a) Significant accounting policies

Details of the significant accounting policies adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial assets, financial liabilities and equity instruments are disclosed in note 3.

(b) Categories of financial instruments

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
金融資產	Financial assets		
可供出售投資	Available-for-sale investment	54,023	54,023
貸款及應收款項(包括現金及現金等價物)	Loans and receivables (including cash and cash equivalents)	23,662,517	12,004,518
金融負債	Financial liabilities		
攤銷成本	Amortized cost	38,957,909	24,219,285

(c) 財務風險管理目標及政策

本集團的主要金融工具包括可供出售投資、貿易應收款項、其他應收款項、已抵押銀行存款、銀行結餘及現金、應收/應付非控股權益、合營企業及聯營公司款項、貿易應付款項、其他應付款項、銀行及其他借款、優先票據及公司債券。該等金融工具的詳情載於各自附註。與此等金融工具有關的風險及如何減低該等風險的政策載列如下。管理層管理及監控該等風險，確保及時有效地採取適當措施。

(c) Financial risk management objectives and policies

The Group's major financial instruments include available-for-sale investment, trade receivables, other receivables, pledged bank deposits, bank balances and cash, amounts due from/to non-controlling interests, joint ventures and associates, trade payables, other payables, bank and other borrowings, senior notes and corporate bonds. Details of these financial instruments are set out in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

42. 金融工具(續)

(d) 市場風險

本集團的業務主要面對利率、外幣匯率變動的市場風險及其他價格風險(參見下文)。

本集團於年內面對的市場風險或其管理及衡量風險的方式概無重大變動。

利率風險管理

由於銀行存款與銀行及其他借款(按根據中國人民銀行所報利率計算的浮動利率加額外費用計息)的現行市場利率波動，因此本集團承受現金流利率風險。

本集團的公平值利率風險主要與按固定利率計息應付非控股權益款項、銀行及其他借款以及優先票據有關。本集團現時並無利用任何衍生工具合約對沖其面對的利率風險。然而，管理層於有需要時會考慮對沖重大利率風險。

本集團承受與金融負債有關的利率風險，詳情載於本附註流動資金風險管理一節。

利率敏感度

以下敏感度分析乃根據非衍生工具(銀行結餘及銀行及其他借款)利率風險編製。分析乃假設於報告期末未到期金融工具於整年內均未到期而編製。向主要管理人員內部匯報利率風險時會以升跌100個基點(就銀行及其他借款而言)及升跌50個基點(就銀行存款而言)為基準，即管理人員分別對銀行及其他借款及銀行存款利率可能變動的評估。

於報告期末，倘利率上升/下降100及50個基點(分別就銀行及其他借款及銀行存款而言)，而所有其他變數維持不變，則本集團截至二零一五年十二月三十一日止年度的利潤會增加/減少約人民幣27,198,000元(二零一四年：人民幣30,553,000元)。

42. FINANCIAL INSTRUMENTS (Continued)

(d) Market risk

The Group's activities expose primarily to the market risks of changes in interest rates, foreign currency exchange rates and other price risk (see below).

There has been no significant change to the Group's exposure to market risks or the manner in which it manages and measures the risk over the year.

Interest rate risk management

The Group is exposed to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate on bank deposits and bank and other borrowings which carry at variable rates based on the interest rates quoted by the People's Bank of China plus a premium.

The Group's fair value interest rate risk relates primarily to its fixed rate amounts due to non-controlling interests, bank and other borrowings and senior notes. The Group currently does not use any derivative contracts to hedge its exposure to interest rate risk. However, the management will consider hedging significant interest rate exposure should the need arise.

The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate sensitivity

The sensitivity analyses below have been prepared based on the exposure to interest rates for non-derivative instruments (bank balances and bank and other borrowings). The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 100 basis point increase or decrease for bank and other borrowings and a 50 basis point increase or decrease for bank deposits are used when reporting interest rate risk internally to key management personnel and represent management's assessment of the possible change in interest rate in respect of bank and other borrowings and bank deposits respectively.

At the end of the reporting period, if interest rates had been increased/decreased by 100 and 50 basis points in respect of bank and other borrowings and bank deposits respectively and all other variables were held constant, the Group's profit would increase/decrease by approximately RMB27,198,000 (2014: RMB30,553,000) for the year ended 31 December 2015.

42. 金融工具(續)

(d) 市場風險(續)

外幣風險管理

本集團以人民幣收取其所有收入，而大部分支出(包括物業銷售產生的支出以及資本開支)亦以人民幣計值。

本集團進行若干以外幣計值的交易，因而承受所產生的匯率波動風險。本集團目前並無外幣對沖政策。然而，管理層會監察外匯風險承受程度及於有需要時考慮對沖重大的外幣風險。

於二零一五年十二月三十一日，本集團有以外幣計值的銀行結餘及現金、銀行及其他借款及優先票據(分別載於附註25、27及28)，使本集團承受外幣風險。

外幣匯率敏感度

下表詳列本集團人民幣兌相關外幣的敏感度為升值及貶值5%。5%為向主要管理人員內部報告外幣風險所使用的敏感度，指管理層對外幣匯率可能合理變動的評估。敏感度分析僅包括以外幣計值的未到期貨幣項目，並於報告期末就外幣匯率的5%變動調整其換算。當人民幣相對於相關貨幣升值5%時，下表中的正數表示利潤增加；當人民幣相對於相關貨幣貶值5%時，會對利潤產生一個相等並相反的影響，以下結餘也將變成負數。

42. FINANCIAL INSTRUMENTS (Continued)

(d) Market risk (Continued)

Foreign currency risk management

The Group collects all of its revenue in RMB and most of the expenditures including expenditures incurred in property sales as well as capital expenditures are also denominated in RMB.

The Group undertakes certain transactions denominated in foreign currencies, hence exposure to exchange rate fluctuations arises. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

As at 31 December 2015, the Group had bank balances and cash, bank and other borrowings and senior notes denominated in foreign currencies as set out in notes 25, 27 and 28 respectively, which expose the Group to foreign currency risk.

Foreign currency rate sensitivity

The following table details the Group's sensitivity to a 5% increase and decrease in Renminbi against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjust their translation at the end of reporting period of 5% changes in foreign currency rates. A positive number below indicates an increase in profit where Renminbi strengthen 5% against the relevant currency. For a 5% weakening of Renminbi against the relevant currency, there would be an equal and opposite impact on the profit and the balances below would be negative.

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
港元	Hong Kong Dollars	75,183	359
美元	United States Dollars	440,013	252,904

綜合財務報表附註

Notes to the Consolidated Financial Statements

42. 金融工具(續)

(e) 信貸風險管理

於報告期末，本集團所承受並因對手方未能履行責任及本集團所發出財務擔保而導致本集團蒙受財務虧損的最大信貸風險，乃產生自綜合財務狀況表內所列各項已確認金融資產的賬面值，以及附註38所披露或然負債金額。為將信貸風險降至最低，已執行監控程序以確保採取跟進行動收回過期債務。此外，本集團於報告期末定期審閱每個個別賬款及其他應收款項及應收關聯公司款項的可收回金額，確保就不可收回金額作出充分的減值虧損。呈列於綜合財務狀況表中的金額乃經扣除呆壞賬撥備，並由本集團管理層基於先前經驗及其對現時經濟環境的評估作出估計。

由於對手方為國際評級機構給予高信貸評級的銀行或中國的國有銀行，故流動資金信貸風險有限。

除存於多家高信貸評級銀行的流動資金有信貸風險集中的情況外，本集團的信貸風險並無顯著集中，風險分佈於多個對手方及客戶。

就已預售但未完成發展的物業而言，本集團通常就客戶借入按揭貸款以為購買物業籌集資金而向銀行提供擔保，擔保金額最高為個別物業購買價的70%至80%。如果買方於擔保期間未能償還按揭，則持有按揭的銀行可要求本集團償還未償還貸款及任何有關應計利息。在此等情況下，本集團可沒收已收銷售按金並轉售收回的物業。因此，管理層認為其將有可能收回本集團所提供擔保引致的任何虧損。管理層認為，由於該等融資以物業擔保而物業的市場價格高於擔保金額，故提供予物業買家的財務擔保承受的信貸風險有限。就此而言，本公司董事認為，本集團的信貸風險已顯著降低。

42. FINANCIAL INSTRUMENTS (Continued)

(e) Credit risk management

At the end of the reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees issued by the Group is arising from the carrying amount of the respective recognized financial assets as stated in the consolidated statement of financial position and the amount of contingent liabilities disclosed in note 38. In order to minimize the credit risk, the monitoring procedures are carried out to ensure that follow up action is taken to recover overdue debts. In addition, the Group reviews regularly the recoverable amount of each individual accounts and other receivables and amounts due from related companies at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. The amounts presented in the consolidated statement of financial position are net of allowances for bad and doubtful debts, estimated by the Group's management based on prior experience and their assessment of the current economic environment.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies or state-owned banks in the PRC.

Other than concentration of credit risk on liquid funds which are deposited with several banks with high credit ratings, the Group has no significant concentration of credit risk, which exposure spread over a number of counterparties and customers.

For properties that are presold but development has not been completed, the Group typically provides guarantees to banks in connection with the customers' borrowing of mortgage loans to finance their purchase of the properties for an amount up to 70% to 80% of the purchase price of the individual property. If a purchaser defaults on the payment of its mortgage during the period of guarantee, the bank holding the mortgage may demand the Group to repay the outstanding loan and any interest accrued thereon. Under such circumstances, the Group is able to forfeit the sales deposit received and re-sell the repossessed properties. Therefore, the management considers it would likely recover any loss incurred arising from the guarantee by the Group. The management considers the credit risk exposure to financial guarantees provided to property purchasers is limited because the facilities are secured by the properties and the market prices of the properties are higher than the guaranteed amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

42. 金融工具(續)

(f) 流動資金風險

本集團的目標是透過使用借款在經營活動所得資金的持續性與靈活性之間取得平衡。本公司董事嚴密監察流動資金狀況，並預期會有足夠資金來源撥付本集團的項目及業務。

下表詳列本集團非衍生金融負債及衍生金融負債的預期剩餘合約到期日。該表按本集團可能須付款最早日期的非衍生金融負債未貼現現金流編製，表中包括利息及本金現金流量。

此外，下表詳列本集團對其衍生金融工具的流動性分析。本集團的衍生金融工具分析乃按照管理層參照房地產開發項目進度估計的到期日編製。

42. FINANCIAL INSTRUMENTS (Continued)

(f) Liquidity risk

The Group's objective is to maintain a balance between continuity of funding generated from operating activities and the flexibility through the use of borrowings. The directors of the Company closely monitor the liquidity position and expect to have adequate sources of funding to finance the Group's projects and operations.

The following table details the Group's expected remaining contractual maturity for its non-derivative financial liabilities and derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of non-derivative financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

In addition, the following table details the Group's liquidity analysis for its derivative financial instruments. The analysis for the Group's derivative financial instruments are prepared based on the maturities estimated by the management with reference to the progress of property development projects.

		於二零一五年 十二月三十一日 的賬面值							未貼現 現金流量總額
		Carrying amount at 31 December 2015	0到60日 0-60 days	61到180日 61 to 180 days	181至365日 181 to 365 days	1至2年 1-2 years	2至3年 2-3 years	3年以上 Over 3 years	Total undiscounted cash flows
利率 Interest rate		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
非衍生金融負債	Non-derivative financial liabilities								
不計息	Non-interest bearing	-	15,118,647	15,118,647	-	-	-	-	15,118,647
定息工具	Fixed interest rate instruments	5.1% - 13.3%	13,782,490	57,941	381,491	1,270,376	1,443,069	4,352,810	17,548,635
浮息工具	Variable interest rate instruments	2.9% - 8.6%	10,172,403	406,914	193,592	1,534,263	3,468,855	4,096,778	11,609,819
財務擔保	Financial guarantees	-	-	3,644,229	-	-	-	2,744,234	6,388,463

綜合財務報表附註

Notes to the Consolidated Financial Statements

42. 金融工具(續)

(f) 流動資金風險(續)

42. FINANCIAL INSTRUMENTS (Continued)

(f) Liquidity risk (Continued)

		於二零一四年 十二月三十一日 的賬面值 Carrying amount							未貼現 現金流量總額 Total
		利率 Interest rate	0到60日 0-60 days	61到180日 61 to 180 days	181至365日 181 to 365 days	1至2年 1-2 years	2至3年 2-3 years	3年以上 Over 3 years	undiscounted cash flows
		2014	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
非衍生金融負債	Non-derivative financial liabilities								
不計息	Non-interest bearing	-	10,358,195	10,358,195	-	-	-	-	10,358,195
定息工具	Fixed interest rate instruments	5.6% - 12.3%	6,854,787	508,426	1,010,832	1,392,362	1,389,640	597,764	9,572,877
浮息工具	Variable interest rate instruments	6.2% - 8.5%	7,006,303	1,164,238	2,296,545	3,285,962	4,130,600	1,679,577	15,570,754
財務擔保	Financial guarantees	-	-	2,761,537	-	-	-	1,997,278	4,758,815

附註： 信託及其他貸款相關衍生工具到期時的預期合約現金流出可能有變，與有關項目公司股本權益的售價或估值掛鈎。

Note: The expected contractual cash outflow upon the maturity of the trust and other loans related derivatives are subject to change which are linked to the selling prices or valuation of equity interest of the relevant project companies.

上述財務擔保合約包含的金額為在擔保對手方索償情況下，本集團根據安排可能須結付全數擔保金額的最高金額。根據各報告期末的預期，本集團認為須根據安排付款的機會極微。然而，該估計將視乎對手方根據擔保提出索償的可能性而有所改變，而提出索償的可能性則取決於對手方所持獲擔保財務應收款項出現信貸虧損的可能性。

The amounts included above for financial guarantee contracts are the maximum amounts the Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of each reporting period, the Group considers that it is more likely than not that no amount will be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

43. 本公司財務狀況表及本公司儲備

(a) 本公司財務狀況表：

43. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

(a) Statement of the financial position of the Company:

		二零一五年 2015	二零一四年 2014
		附註 NOTE	人民幣千元 RMB'000
非流動資產	NON-CURRENT ASSETS		
物業、廠房及設備	Property, plant and equipment	16	33
於附屬公司的投資	Investment in a subsidiary	877,538	842,151
應收附屬公司款項	Amounts due from subsidiaries	9,458,058	6,826,116
		10,335,612	7,668,300
流動資產	CURRENT ASSETS		
應收賬款及其他應收款項、 按金及預付款項	Accounts and other receivables, deposits and prepayments	3,291	2,879
應收合營企業款項	Amounts due from joint ventures	1,934,052	13,949
銀行結餘及現金	Bank balances and cash	515,662	405,078
		2,453,005	421,906
流動負債	CURRENT LIABILITIES		
應付賬款及應計開支	Accounts payables and accrued charges	26	25
應付附屬公司款項	Amounts due to subsidiaries	1,114,637	1,056,441
應付合營企業款項	Amounts due to joint ventures	675,214	546,179
		1,789,877	1,602,645
流動資產(負債)淨值	NET CURRENT ASSETS (LIABILITIES)	663,128	(1,180,739)
總資產減流動負債	TOTAL ASSETS LESS CURRENT LIABILITIES	10,998,740	6,487,561
資本及儲備	CAPITAL AND RESERVES		
股本	Share capital	31	537,157
儲備	Reserves		803,564
股本權益總額	TOTAL EQUITY		1,340,721
非流動負債	NON-CURRENT LIABILITIES		
優先票據	Senior notes	8,275,958	4,356,950
銀行借款—一年後到期	Bank borrowings – due after one year	1,382,061	934,849
		9,658,019	5,291,799
		10,998,740	6,487,561

綜合財務報表附註

Notes to the Consolidated Financial Statements

43. 本公司財務狀況表及本公司儲備(續)

(b) 本公司儲備變動：

43. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (Continued)

(b) Movements of the Company's reserve:

		股本	股份溢價	購股權儲備	出資儲備	累計虧損	總額
		Share capital	Share premium	Share option reserve	Capital contribution reserve	Accumulated losses	
		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
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
於二零一四年一月一日	At 1 January 2014	487,896	1,159,472	36,581	33,031	(149,358)	1,567,622
年內虧損及全面開支總額	Loss and total comprehensive expense for the year	-	-	-	-	(104,601)	(104,601)
確認以股本權益結算並以股份付款	Recognition of equity-settled share-based payments	-	-	61,574	4,437	-	66,011
已付股息	Dividend paid	-	(333,270)	-	-	-	(333,270)
於二零一四年十二月三十一日	At 31 December 2014	487,896	826,202	98,155	37,468	(253,959)	1,195,762
年內虧損及全面開支總額	Loss and total comprehensive expense for the year	-	-	-	-	(381,625)	(381,625)
行使購股權時發行股份	Issue of shares upon exercise of shares options	593	11,384	(2,428)	-	-	9,549
發行股份以配售股份	Issue of shares of share placement	47,280	980,272	-	-	-	1,027,552
就以股代息發行股份	Issued of shares for scrip-dividend	10,430	(10,430)	-	-	-	-
於購回股份時註銷	Cancelled upon repurchase of shares	(9,042)	(95,179)	-	-	-	(104,221)
確認以股本權益結算並以股份付款	Recognition of equity-settled share-based payments	-	-	47,898	1,972	-	49,870
已付股息	Dividend paid	-	(456,166)	-	-	-	(456,166)
於二零一五年十二月三十一日	At 31 December 2015	537,157	1,256,083	143,625	39,440	(635,584)	1,340,721

(c) 於附屬公司的投資

(c) Investment in a subsidiary

		二零一五年	二零一四年
		2015	2014
		人民幣千元	人民幣千元
		RMB'000	RMB'000
非上市股份(按推定成本)	Unlisted share, at deemed cost	877,530	842,151

(d) 應收/應付附屬公司款項

應收/應付附屬公司款項為無抵押、免息及無固定還款期。

(d) Amounts due from/to subsidiaries

The amounts due from/to subsidiaries are unsecured, interest-free and no fixed repayment term.

43. 本公司財務狀況表及本公司儲備(續)

(e) 應收(應付)合營企業款項

應收(應付)合營企業款項為無抵押、免息及須按要求償還。

(f) 銀行借款

於二零一三年七月八日，本公司(作為借款方)及本公司若干境外附屬公司(作為初步擔保人)與一組財務機構(作為貸款方)訂立二零一六年到期銀團貸款。二零一六年到期銀團貸款為雙幣種固定期限貸款融資，總額約為156,500,000美元，分為兩部分：(i)美元部分合共75,000,000美元；及(ii)港元部分合共636,000,000港元，最後還款期自二零一六年到期銀團貸款協議日期起計三年，按倫敦銀行同業拆息率或香港銀行同業拆息率加5.65厘的年利率計息。二零一六年到期銀團貸款於二零一五年以新二零一五年銀團貸款悉數償還。

於二零一四年十一月四日，本集團擁有50%權益的一間附屬公司與一組境外財務機構及一組境內財務機構訂立境外融資協議及境內融資協議。有關境外融資協議為以港元計值總額為1,440,000,000港元的定期貸款融資，最後到期日為首次動用日期起計三年。有關境內融資協議為以人民幣計值總額為人民幣1,500,000,000元的定期貸款融資，最後到期日為首次動用日期起計三年。

於二零一五年一月二十日，本公司與一組財務機構訂立貸款協議。有關貸款為一筆美元／港元雙幣種總額約為130,000,000美元的定期貸款融資，最後還款期為自首次動用款項日期起計36個月。

43. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (Continued)

(e) Amounts due from (to) joint ventures

The amounts due from (to) joint ventures are unsecured, interest-free and repayable on demand.

(f) Bank borrowing

On 8 July 2013, the Company as borrower, and certain offshore subsidiaries of the Company as initial guarantors, entered into the 2016 due Syndicated Loan with a group of financial institutions as lenders. The 2016 due Syndicated Loan is a dual-currency term loan facility with an aggregate amount of approximately US\$156.5 million divided into two tranches: (i) United States dollars tranche with an aggregate amount of US\$75 million; and (ii) Hong Kong dollars tranche with an aggregate amount of HK\$636 million, with final maturity of three years from the date of the 2016 due Syndicated Loan agreement and interest of LIBOR or HIBOR plus 5.65% per annum. The 2016 due Syndicated Loan is fully repaid in 2015 with a new 2015 Syndicated Loan.

On 4 November 2014, a 50% owned subsidiary of the Group entered into an offshore facility agreement and an onshore facility agreement with a group of offshore financial institutions and a group of onshore financial institutions. The relevant offshore agreement is a Hong Kong dollar denominated term loan facility with an aggregate amount of HK\$1,440 million with final maturity of three years from the first utilization date. The relevant onshore agreement is a Renminbi denominated term loan facility with an aggregate amount of RMB1,500 million with final maturity of three years from the first utilization date.

On 20 January 2015, the Company entered into a facility agreement with a group of financial institutions. The relevant facility is a US dollar/Hong Kong dollar dual currency term loan facility with an aggregate amount of approximately US\$130 million, with final maturity of thirty six months after the first utilization date.

綜合財務報表附註

Notes to the Consolidated Financial Statements

44. 主要附屬公司詳情

本公司的主要附屬公司於二零一五年及二零一四年十二月三十一日的詳情載列如下：

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries at 31 December 2015 and 2014 are set out below:

直接附屬公司名稱 Name of direct subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activity
		Equity interest attributable to the Group at 31 December				
		二零一五年 2015 %	二零一四年 2014 %			
旭昇有限公司 Xu Sheng Limited	英屬處女群島 二零一一年五月九日 BVI 9 May 2011	100	100	註冊資本 50,000美元 實繳資本1美元 Registered USD50,000 paid up capital USD1	香港 Hong Kong	投資控股 Investment holding

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		Equity interest attributable to the Group at 31 December				
		二零一五年 2015 %	二零一四年 2014 %			
北京望馨置業有限公司 (附註) Beijing Wangxin Property Co., Ltd. (note)	中國 二零零三年 十二月八日 PRC 8 December 2003	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development
北京旭東物業管理有限公司 (附註) Beijing Xudong Property Management Co., Ltd. (note)	中國 二零零二年 五月三十一日 PRC 31 May 2002	100	100	註冊資本 人民幣3,000,000元 實繳資本 人民幣3,000,000元 Registered RMB3,000,000 paid up capital RMB3,000,000	中國 PRC	物業管理 Property management

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
北京旭輝順欣置業有限公司 (附註) Beijing Xuhui Shunxin Property Co., Ltd. (note)	中國 二零一一年 十二月十二日 PRC 12 December 2011	100	100	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development
北京旭輝陽光置業有限公司 (附註) Beijing Xuhui Sunshine Property Co., Ltd. (note)	中國 二零一一年 一月十三日 PRC 13 January 2011	80	80	註冊資本 人民幣100,000,000元 實繳資本 人民幣80,000,000元 Registered RMB100,000,000 paid up capital RMB80,000,000	中國 PRC	房地產開發 Property development
北京旭輝興勝置業有限公司 (附註) Beijing Xuhui Xingsheng Property Co. Ltd. (note)	中國 二零一一年 六月十六日 PRC 16 June 2011	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development
北京旭科置業有限公司 (附註) Beijing Xuke Property Co., Ltd (note)	中國 二零一三年 三月十九日 PRC 19 March 2013	100	100	註冊資本 人民幣20,000,000元 實繳資本 人民幣20,000,000元 Registered RMB20,000,000 paid up capital RMB20,000,000	中國 PRC	房地產開發 Property development

綜合財務報表附註

Notes to the Consolidated Financial Statements

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
北京旭興城置業有限公司 (附註) Beijing Xuxingcheng Property Co., Ltd. (note)	中國 二零一一年 一月十三日 PRC 13 January 2011	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development
北京旭輝興科置業有限公司 (附註) Beijing Xuhui Xingke Property Co., Ltd. (note)	中國 二零零九年 八月十二日 PRC 12 August 2009	100	100	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development
北京旭輝興騰置業有限公司 (附註) Beijing Xuhui Xingteng Property Co., Ltd. (note)	中國 二零零九年 八月十二日 PRC 12 August 2009	100	100	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development
北京旭興隆置業有限公司 (附註) Beijing Xuxinglong Property Co. Ltd. (note)	中國 二零一二年 十二月十一日 PRC 11 December 2012	-	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015 %	二零一四年 2014 %			
北京永旭置業有限公司 (附註) Beijing Yongxu Property Co., Ltd. (note)	中國 二零零四年 四月五日 PRC 5 April 2004	100	100	註冊資本 人民幣20,000,000元 實繳資本 人民幣20,000,000元 Registered RMB20,000,000 paid up capital RMB20,000,000	中國 PRC	房地產開發 Property development
長沙鼎尊房地產開發有限公司 (附註) Changsha Dingzun Real Estate Development Co. Limited (note)	中國 二零一二年 十二月六日 PRC 6 December 2012	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development
長沙利隆昌房地產開發 有限公司(附註) Changsha Lilongchang Real Estate Development Co., Ltd. (note)	中國 二零一一年 九月六日 PRC 6 September 2011	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development
長沙旭海房地產開發有限公司 (附註) Changsha Xuhai Real Estate Development Co., Ltd. (note)	中國 二零一一年 六月十日 PRC 10 June 2011	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development

綜合財務報表附註

Notes to the Consolidated Financial Statements

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
重慶旭和房地產開發有限公司 (附註) Chongqing Xuhe Real Estate Development Co. Limited (note)	中國 二零一二年 十二月二十二日 PRC 22 December 2012	100	100	註冊資本 人民幣8,000,000元 實繳資本 人民幣8,000,000元 Registered RMB8,000,000 paid up capital RMB8,000,000	中國 PRC	房地產開發 Property development
長沙旭湘房地產開發有限公司 (附註) Changsha Xuxiang Real Estate Development Co., Ltd. (note)	中國 二零零七年 八月二十日 PRC 20 August 2007	100	100	註冊資本 人民幣50,000,000元 實繳資本 人民幣50,000,000元 Registered RMB50,000,000 paid up capital RMB50,000,000	中國 PRC	房地產開發 Property development
重慶旭昌房地產開發有限公司 (附註) Chongqing Xuchang Real Estate Development Co., Ltd. (note)	中國 二零一一年 三月十日 PRC 10 March 2011	100	100	註冊資本 人民幣20,000,000元 實繳資本 人民幣20,000,000元 Registered RMB20,000,000 paid up capital RMB20,000,000	中國 PRC	房地產開發 Property development

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
重慶旭鵬房地產開發有限公司 (附註) Chongqing Xupeng Real Estate Development Co., Ltd. (note)	中國 二零零五年 七月四日 PRC 4 July 2005	100	100	註冊資本 人民幣80,000,000元 實繳資本 人民幣80,000,000元 Registered RMB80,000,000 paid up capital RMB80,000,000	中國 PRC	房地產開發 Property development
重慶旭中房地產開發有限公司 (附註) Chongqing Xuzhong Real Estate Development Co., Ltd (note)	中國 二零一四年 八月十九日 PRC 19 August 2014	100	100	註冊資本 290,000,000美元 實繳資本 290,000,000美元 Registered USD290,000,000 paid up capital USD290,000,000	中國 PRC	房地產開發 Property development
旭輝集團股份有限公司 (附註) CIFI Group Co., Ltd. (note)	中國 二零零零年 八月十五日 PRC 15 August 2000	100	100	註冊資本 人民幣600,000,000元 實繳資本 人民幣600,000,000元 Registered RMB600,000,000 paid up capital RMB600,000,000	中國 PRC	投資控股 Investment holding

綜合財務報表附註

Notes to the Consolidated Financial Statements

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015 %	二零一四年 2014 %			
旭輝企發有限公司 CIFI Enterprises Co. Limited	香港 二零一一年 五月十二日 Hong Kong 12 May 2011	100	100	法定資本 10,000港元 實繳資本1港元 Authorized HK\$10,000 paid up capital HK\$1	香港 Hong Kong	投資控股 Investment holding
福州萬誠房地產開發有限公司 (附註) Fuzhou Wancheng Real Estate Development Co., Ltd. (note)	中國 二零零四年 七月十四日 PRC 14 July 2004	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development
杭州旭廣置業有限公司 (附註) Hangzhou Xuguang Property Co., Ltd (note)	中國 二零一四年 六月二十日 PRC 20 June 2014	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development
合肥旭濱房地產開發有限公司 (附註) Hefei Xubin Real Estate Development Co., Ltd. (note)	中國 二零一一年 一月十九日 PRC 19 January 2011	100	100	註冊資本 人民幣200,000,000元 實繳資本 人民幣200,000,000元 Registered RMB200,000,000 paid up capital RMB200,000,000	中國 PRC	房地產開發 Property development

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
合肥旭海房地產開發有限公司 (附註) Hefei Xuhai Real Estate Development Co., Ltd. (note)	中國 二零零七年 十一月十二日 PRC 12 November 2007	100	100	註冊資本 人民幣50,000,000元 實繳資本 人民幣50,000,000元 Registered RMB50,000,000 paid up capital RMB50,000,000	中國 PRC	房地產開發 Property development
合肥旭皖房地產開發有限公司 (附註) Hefei Xuwan Real Estate Development Co., Ltd (note)	中國 二零一四年 六月七日 PRC 7 June 2014	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development
湖南隆晟置業發展有限公司 (附註) Hunan Longsheng Property Development Co., Ltd. (note)	中國 二零零六年 五月二十九日 PRC 29 May 2006	100	100	註冊資本 人民幣50,000,000元 實繳資本 人民幣50,000,000元 Registered RMB50,000,000 paid up capital RMB50,000,000	中國 PRC	房地產開發 Property development
湖南融惠房地產開發有限公司 (附註) Hunan Ronghui Real Estate Development Co., Ltd (note)	中國 二零一二年 十二月十八日 PRC 18 December 2012	80	80	註冊資本 人民幣35,000,000元 實繳資本 人民幣28,000,000元 Registered RMB35,000,000 paid up capital RMB28,000,000	中國 PRC	房地產開發 Property development

綜合財務報表附註

Notes to the Consolidated Financial Statements

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
嘉興旭誠置業有限公司 (附註) Jiaxing Xucheng Property Co., Ltd (note)	中國 二零一四年 十一月一日 PRC 1 November 2014	100	100	註冊資本 60,000,000美元 實繳資本 60,000,000美元 Registered USD60,000,000 paid up capital USD60,000,000	中國 PRC	房地產開發 Property development
嘉興旭領置業有限公司 (附註) Jiaxing Xuling Property Co., Ltd (note)	中國 二零一四年 三月六日 PRC 6 March 2014	100	100	註冊資本 25,500,000美元 實繳資本 25,500,000美元 Registered USD25,500,000 paid up capital USD25,500,000	中國 PRC	房地產開發 Property development
嘉興旭美商業管理有限公司 (附註) Jiaxing Xumei Business Management Co., Ltd. (note)	中國 二零一一年 一月二十日 PRC 20 January 2011	100	100	註冊資本 人民幣5,000,000元 實繳資本 人民幣5,000,000元 Registered RMB5,000,000 paid up capital RMB5,000,000	中國 PRC	物業管理 Property management
上海海際房地產有限公司 (附註) Shanghai Haiji Real Estate Co., Ltd. (note)	中國 二零零五年 三月十一日 PRC 11 March 2005	53	53	註冊資本 人民幣170,000,000元 實繳資本 人民幣90,100,000元 Registered RMB170,000,000 paid up capital RMB90,100,000	中國 PRC	房地產開發 Property development

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
上海漢普卡商業管理有限公司 (附註) Shanghai Hanpuka Commercial Management Co., Ltd. (note)	中國 二零一一年 八月十七日 PRC 17 August 2011	100	100	註冊資本 10,000,000美元 實繳資本 10,000,000美元 Registered USD10,000,000 paid up capital USD10,000,000	中國 PRC	投資控股 Investment holding
上海旭邦置業有限公司(附註) Shanghai Xubang Property Co., Ltd. (note)	中國 二零一一年 四月十四日 PRC 14 April 2011	100	100	註冊資本 人民幣30,000,000元 實繳資本 人民幣30,000,000元 Registered RMB30,000,000 paid up capital RMB30,000,000	中國 PRC	房地產開發 Property development
上海旭和置業有限公司(附註) Shanghai Xuhe Property Co., Ltd. (note)	中國 二零一二年 十月二十四日 PRC 24 October 2012	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development

綜合財務報表附註

Notes to the Consolidated Financial Statements

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
上海旭強置業有限公司 (附註) Shanghai Xuqiang Property Co., Ltd. (note)	中國 二零一一年 九月十九日 PRC 19 September 2011	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development
上海旭為置業有限公司 (附註) Shanghai Xuwei Property Co. Ltd. (note)	中國 二零一二年 十二月十日 PRC 10 December 2012	100	100	註冊資本 人民幣5,000,000元 實繳資本 人民幣5,000,000元 Registered RMB5,000,000 paid up capital RMB5,000,000	中國 PRC	房地產開發 Property development
上海旭祥置業有限公司 (附註) Shanghai Xuxiang Property Co. Ltd. (note)	中國 二零一二年 十二月十日 PRC 10 December 2012	100	100	註冊資本 人民幣5,000,000元 實繳資本 人民幣5,000,000元 Registered RMB5,000,000 paid up capital RMB5,000,000	中國 PRC	房地產開發 Property development

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
上海旭煜置業有限公司 (附註) Shanghai Xuyu Property Co. Ltd. (note)	中國 二零一一年 一月十二日 PRC 12 January 2011	100	100	註冊資本 人民幣44,000,000元 實繳資本 人民幣44,000,000元 Registered RMB44,000,000 paid up capital RMB44,000,000	中國 PRC	房地產開發 Property development
上海旭柏置業有限公司 (附註) Shanghai Xubai Property Co., Ltd (note)	中國 二零一四年 一月五日 PRC 5 January 2014	100	100	註冊資本 人民幣5,000,000元 實繳資本 人民幣5,000,000元 Registered RMB5,000,000 paid up capital RMB5,000,000	中國 PRC	房地產開發 Property development
上海旭協酒店管理有限公司 (附註) Shanghai Xuxie Hotel Management Co., Ltd (note)	中國 二零一五年 五月三日 PRC 3 May 2015	100	100	註冊資本 人民幣1,000,000元 實繳資本 人民幣1,000,000元 Registered RMB1,000,000 paid up capital RMB1,000,000	中國 PRC	房地產開發 Property development

綜合財務報表附註

Notes to the Consolidated Financial Statements

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		Equity interest attributable to the Group at 31 December				
		二零一五年 2015 %	二零一四年 2014 %			
上海旭梭實業有限公司 (附註) Shanghai Xusuo Enterprise Co., Ltd (note)	中國 二零一四年 十一月五日 PRC 5 November 2014	100	100	註冊資本 人民幣1,000,000元 實繳資本 人民幣1,000,000元 Registered RMB1,000,000 paid up capital RMB1,000,000	中國 PRC	房地產開發 Property development
上海旭互實業有限公司 (附註) Shanghai Xugen Enterprise Co., Ltd (note)	中國 二零一四年 十一月五日 PRC 5 November 2014	100	100	註冊資本 人民幣1,000,000元 實繳資本 人民幣1,000,000元 Registered RMB1,000,000 paid up capital RMB1,000,000	中國 PRC	房地產開發 Property development
上海豐旭置業有限公司 (附註) Shanghai Fengxu Property Co., Ltd (note)	中國 二零一四年 十二月二十五日 PRC 25 December 2014	100	100	註冊資本 人民幣9,000,000元 實繳資本 人民幣9,000,000元 Registered RMB9,000,000 paid up capital RMB9,000,000	中國 PRC	房地產開發 Property development

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
瀋陽旭全置業有限公司 (附註) Shengyeng Xuquan Property Co., Ltd (note)	中國 二零一四年 十月二十一日 PRC 21 October 2014	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development
上海同碩房地產發展有限公司 (附註) Shanghai Tongshuo Real Estate Development Co., Ltd. (note)	中國 二零零五年 二月一日 PRC 1 February 2005	100	75.5	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development
上海欣博房地產有限公司 (附註) Shanghai Xinbo Real Estate Co., Ltd (note)	中國 二零零三年 三月十三日 PRC 13 March 2003	100	100	註冊資本 人民幣80,000,000元 實繳資本 人民幣80,000,000元 Registered RMB80,000,000 paid up capital RMB80,000,000	中國 PRC	房地產開發 Property development

綜合財務報表附註

Notes to the Consolidated Financial Statements

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
上海鑫辰置業發展有限公司 (附註) Shanghai Xincheng Property Development Co., Ltd. (note)	中國 一九九八年 四月十四日 PRC 14 April 1998	100	100	註冊資本 人民幣30,000,000元 實繳資本 人民幣30,000,000元 Registered RMB30,000,000 paid up capital RMB30,000,000	中國 PRC	房地產開發 Property development
上海新置建築工程有限公司 (附註) Shanghai Xinzhi Construction Co., Ltd. (note)	中國 二零零五年 七月二十日 PRC 20 July 2005	100	100	註冊資本 人民幣60,000,000元 實繳資本 人民幣60,000,000元 Registered RMB60,000,000 paid up capital RMB60,000,000	中國 PRC	物業建設 Property construction
上海旭輝投資諮詢有限公司 (附註) Shanghai Xuhui Investment Advisory Co., Ltd. (note)	中國 二零零六年 十一月九日 PRC 9 November 2006	100	100	註冊資本 人民幣160,000,000元 實繳資本 人民幣160,000,000元 Registered RMB160,000,000 paid up capital RMB160,000,000	中國 PRC	投資控股 Investment holding

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
上海旭美商業投資管理 有限公司(附註) Shanghai Xumei Business Investment Management Co., Ltd. (note)	中國 二零一零年 六月八日 PRC 8 June 2010	100	100	註冊資本 人民幣20,000,000元 實繳資本 人民幣20,000,000元 Registered RMB20,000,000 paid up capital RMB20,000,000	中國 PRC	物業管理 Property management
上海旭創置業有限公司(附註) Shanghai Xuchuang Property Co., Ltd. (note)	中國 二零零七年 九月十一日 PRC 11 September 2007	100	100	註冊資本 人民幣60,000,000元 實繳資本 人民幣60,000,000元 Registered RMB60,000,000 paid up capital RMB60,000,000	中國 PRC	房地產開發 Property development
上海旭匯置業有限公司(附註) Shanghai Xuhui Property Co., Ltd. (note)	中國 二零零九年 十月十四日 PRC 14 October 2009	100	100	註冊資本 人民幣35,000,000元 實繳資本 人民幣35,000,000元 Registered RMB35,000,000 paid up capital RMB35,000,000	中國 PRC	房地產開發 Property development

綜合財務報表附註

Notes to the Consolidated Financial Statements

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
上海旭通置業有限公司 (附註) Shanghai Xutong Property Co., Ltd. (note)	中國 二零一二年 八月八日 PRC 8 August 2012	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	房地產開發 Property development
蘇州旭名置業有限公司 (附註) Suzhou Xu Ming Property Development Co., Ltd. (note)	中國 二零一二年 五月二十九日 PRC 29 May 2012	100	100	註冊資本 人民幣560,000,000元 實繳資本 人民幣560,000,000元 Registered RMB560,000,000 paid up capital RMB560,000,000	中國 PRC	房地產開發 Property development
蘇州旭峰置業有限公司 (附註) Suzhou Xufeng Property Co., Ltd (note)	中國 二零一四年 二月二十二日 PRC 22 February 2014	100	100	註冊資本 人民幣20,000,000元 實繳資本 人民幣20,000,000元 Registered RMB20,000,000 paid up capital RMB20,000,000	中國 PRC	房地產開發 Property development

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
蘇州旭輝高科置業有限公司 (附註) Suzhou Xuhui High-Tech Property Co., Ltd. (note)	中國 二零零九年 十二月三日 PRC 3 December 2009	100	100	註冊資本 人民幣649,000,000元 實繳資本 人民幣649,000,000元 Registered RMB649,000,000 paid up capital RMB649,000,000	中國 PRC	房地產開發 Property development
蘇州旭輝置業有限公司 (附註) Suzhou Xuhui Property Co. Ltd. (note)	中國 二零零七年 三月十三日 PRC 13 March 2007	100	100	註冊資本 人民幣140,000,000元 實繳資本 人民幣140,000,000元 Registered RMB140,000,000 paid up capital RMB140,000,000	中國 PRC	房地產開發 Property development
蘇州旭輝興騰置業有限公司 (附註) Suzhou Xuhui Xingteng Property Co., Ltd. (note)	中國 二零零九年 十二月三日 PRC 3 December 2009	100	100	註冊資本 人民幣191,000,000元 實繳資本 人民幣191,000,000元 Registered RMB191,000,000 paid up capital RMB191,000,000	中國 PRC	房地產開發 Property development

綜合財務報表附註

Notes to the Consolidated Financial Statements

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		Equity interest attributable to the Group at 31 December				
		二零一五年 2015 %	二零一四年 2014 %			
上海旭明置業有限公司(附註) Shanghai Xuming Property Co., Ltd. (note)	中國 二零一零年 十二月二十八日 PRC 28 December 2010	100	100	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development
上海旭浦置業有限公司 (附註) Shanghai Xupu Property Co., Ltd. (note)	中國 二零零三年 十一月五日 PRC 5 November 2003	100	100	註冊資本 人民幣30,000,000元 實繳資本 人民幣30,000,000元 Registered RMB30,000,000 paid up capital RMB30,000,000	中國 PRC	房地產開發 Property development
上海旭盛房地產經紀有限公司 (附註) Shanghai Xusheng Real Estate Agency Co., Ltd. (note)	中國 二零零六年 十一月二十七日 PRC 27 November 2006	100	100	註冊資本 人民幣1,000,000元 實繳資本 人民幣1,000,000元 Registered RMB1,000,000 paid up capital RMB1,000,000	中國 PRC	提供房地產代理服務 Provision of property agency service

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
上海旭豐房地產開發有限公司 (附註) Shanghai Xufeng Real Estate Development Co., Ltd. (note)	中國 二零零五年 一月二十五日 PRC 25 January 2005	100	100	註冊資本 人民幣80,000,000元 實繳資本 人民幣80,000,000元 Registered RMB80,000,000 paid up capital RMB80,000,000	中國 PRC	房地產開發 Property development
上海旭泰房地產有限公司 (附註) Shanghai Xutai Real Estate Co., Ltd. (note)	中國 二零一零年 十一月五日 PRC 5 November 2010	100	100	註冊資本 人民幣59,000,000元 實繳資本 人民幣59,000,000元 Registered RMB59,000,000 paid up capital RMB59,000,000	中國 PRC	房地產開發 Property development
上海永匯房地產開發有限公司 (附註) Shanghai Yonghui Real Estate Development Co., Ltd. (note)	中國 二零零一年 四月十八日 PRC 18 April 2001	100	100	註冊資本 人民幣8,000,000元 實繳資本 人民幣8,000,000元 Registered RMB8,000,000 paid up capital RMB8,000,000	中國 PRC	房地產開發 Property development

綜合財務報表附註

Notes to the Consolidated Financial Statements

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
上海永升物業管理有限公司 (附註) Shanghai Yongsheng Property Management Co., Ltd. (note)	中國 二零零二年 五月三十一日 PRC 31 May 2002	100	100	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid up capital RMB10,000,000	中國 PRC	物業管理 Property management
上海藝建建築設計諮詢 有限公司(附註) Shanghai Yijian Architectural Design & Consulting Co., Ltd. (note)	中國 二零零二年 八月十二日 PRC 12 August 2002	100	100	註冊資本 人民幣1,000,000元 實繳資本 人民幣1,000,000元 Registered RMB1,000,000 paid up capital RMB1,000,000	中國 PRC	提供諮詢服務 Provision of consultancy services
唐山旭輝藝文房地產開發 有限公司(附註) Tangshan Xuhui Yiwen Real Estate Development Co.Ltd. (note)	中國 二零一一年 七月七日 PRC 7 July 2011	80	80	註冊資本 人民幣10,000,000元 實繳資本 人民幣8,000,000元 Registered RMB10,000,000 paid up capital RMB8,000,000	中國 PRC	房地產開發 Property development

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		Equity interest attributable to the Group at 31 December				
		二零一五年 2015 %	二零一四年 2014 %			
天津旭濱創意產業園管理 有限公司(附註) Tianjin Xu Bin Creative Industrial Park Managements Limited (note)	中國 二零一二年 七月二十五日 PRC 25 July 2012	100	100	註冊資本 20,000,000美元 實繳資本 20,000,000美元 Registered USD20,000,000 paid up capital USD20,000,000	中國 PRC	房地產開發 Property development
天津旭海房地產開發有限公司 (附註) Tianjin Xuhai Real Estate Development Co.Ltd. (note)	中國 二零一一年 八月五日 PRC 5 August 2011	100	100	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development
武漢市旭潤投資諮詢有限 責任公司(附註) Wuhan Xurun Investment Advisory Co., Ltd (note)	中國 二零一四年 五月二十九日 PRC 29 May 2014	100	100	註冊資本 人民幣500,000元 實繳資本 人民幣500,000元 Registered RMB500,000 paid up capital RMB500,000	中國 PRC	提供諮詢服務 Provision of consultancy services

綜合財務報表附註

Notes to the Consolidated Financial Statements

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
廈門永升實業發展有限公司 (附註) Xiamen Yongsheng Enterprise Development Co., Ltd. (note)	中國 一九九七年 十一月二十日 PRC 20 November 1997	100	100	註冊資本 人民幣45,000,000元 實繳資本 人民幣45,000,000元 Registered RMB45,000,000 paid up capital RMB45,000,000	中國 PRC	房地產開發 Property development
廈門市永升物業服務有限公司 (附註) Xiamen Yongsheng Property Services Co., Ltd. (note)	中國 一九九五年 十一月十三日 PRC 13 November 1995	100	100	註冊資本 人民幣30,000,000元 實繳資本 人民幣30,000,000元 Registered RMB30,000,000 paid up capital RMB30,000,000	中國 PRC	物業管理 Property management
旭名(香港)有限公司 Xu Ming (HK) Limited	香港 二零一一年 九月二十七日 Hong Kong 27 September 2011	100	100	註冊資本 10,000港元 實繳資本 1港元 Authorized HK\$10,000 paid up capital HK\$1	香港 Hong Kong	投資控股 Investment holding

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
旭名有限公司 Xu Ming Limited	英屬處女群島 二零一一年 九月二十日 BVI 20 September 2011	100	100	註冊資本 50,000美元 實繳資本 1美元 Registered USD\$50,000 paid up capital USD\$1	香港 Hong Kong	投資控股 Investment holding
旭凱(上海)投資顧問有限公司 (附註) Xukai (Shanghai) Investment Consultant Co., Ltd. (note)	中國 二零零五年 四月八日 PRC 8 April 2005	100	100	註冊資本 人民幣20,000,000元 實繳資本 人民幣20,000,000元 Registered RMB20,000,000 paid up capital RMB20,000,000	中國 PRC	投資控股 Investment holding
浙江旭輝置業有限公司 (附註) Zhejiang Xuhui Property Co., Ltd. (note)	中國 二零零六年 八月二十三日 PRC 23 August 2006	100	100	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development

綜合財務報表附註

Notes to the Consolidated Financial Statements

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
鎮江市旭江房地產開發 有限公司(附註) Zhenjiang City Xujiang Real Estate Development Co., Ltd. (note)	中國 二零零八年 二月四日 PRC 4 February 2008	100	100	註冊資本 人民幣20,000,000元 實繳資本 人民幣20,000,000元 Registered RMB20,000,000 paid up capital RMB20,000,000	中國 PRC	房地產開發 Property development
鎮江市旭潤房地產開發 有限公司(附註) Zhenjiang City Xurun Real Estate Development Co., Ltd. (note)	中國 二零一零年 七月十九日 PRC 19 July 2010	100	100	註冊資本 人民幣50,000,000元 實繳資本 人民幣50,000,000元 Registered RMB50,000,000 paid up capital RMB50,000,000	中國 PRC	房地產開發 Property development
中石房地產開發有限公司 (附註) Zhongshi Real Estate Development Co., Ltd. (note)	中國 二零零六年 十一月十四日 PRC 14 November 2006	100	100	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
上海旭康(附註32) Shanghai Xukang (Note 32)	中國 二零一三年 五月十日 PRC 10 May 2013	100	50	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development
蘇州旭陽(附註32) Suzhou Xuyang (Note 32)	中國 二零一二年 十二月二十二日 PRC 22 December 2012	100	49	註冊資本 人民幣100,000,000元 實繳資本 人民幣100,000,000元 Registered RMB100,000,000 paid up capital RMB100,000,000	中國 PRC	房地產開發 Property development
北京旭輝德龍置業有限公司 (附註) Beijing Xuhui Delong Property Co., Ltd (note)	中國 二零一五年 三月二日 PRC 2 March 2015	100	–	註冊資本 人民幣1,000,000元 Registered RMB1,000,000	中國 PRC	房地產開發 Property development
北京樂優富拓投資有限公司 (附註) Beijing Yueyou Futuo Investment Co., Ltd (note)	中國 二零一五年 二月二十八日 PRC 28 February 2015	100	–	註冊資本 人民幣1,000,000元 Registered RMB1,000,000	中國 PRC	投資管理 Investment management

綜合財務報表附註

Notes to the Consolidated Financial Statements

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
北京創富誠展投資有限公司 (附註) Beijing Chuangfu Chengzhan Investment Co., Ltd (note)	中國 二零一五年 二月二十八日 PRC 28 February 2015	100	–	註冊資本 人民幣1,000,000元 Registered RMB1,000,000	中國 PRC	投資管理 Investment management
北京德順富興投資有限公司 (附註) Beijing Deshun Fuxing Investment Co., Ltd (note)	中國 二零一五年 四月八日 PRC 8 April 2015	100	–	註冊資本 人民幣20,000,000元 實繳資本 人民幣20,000,000元 Registered RMB20,000,000 paid-up RMB20,000,000	中國 PRC	投資管理 Investment management
北京旭輝興鵬置業有限公司 (附註) Beijing Xuhui Xingpeng Property Co., Ltd (note)	中國 二零一五年 七月二十七日 PRC 27 July 2015	100	–	註冊資本 人民幣20,000,000元 Registered RMB20,000,000	中國 PRC	房地產開發 Property development
北京旭輝合創投資有限公司 (附註) Beijing Xuhui Hechuang Investment Co., Ltd (note)	中國 二零一五年 七月二十七日 PRC 27 July 2015	100	–	註冊資本 人民幣10,000,000元 Registered RMB10,000,000	中國 PRC	投資管理 Investment management

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
上海旭奕置業有限公司 (附註) Shanghai Xuyi Property Co., Ltd (note)	中國 二零一五年 二月十六日 PRC 16 February 2015	100	–	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid-up RMB10,000,000	中國 PRC	房地產開發 Property development
上海新安亭置業有限公司 (附註) Shanghai Xinanting Property Co., Ltd (note)	中國 二零零五年 三月二十四日 PRC 24 March 2005	38.25	–	註冊資本 人民幣20,000,000元 實繳資本 人民幣7,650,000元 Registered RMB20,000,000 paid-up RMB7,650,000	中國 PRC	房地產開發 Property development
上海永磐(附註18) Shanghai Yongpan (Note 18)	中國 二零一四年 四月十四日 PRC 14 April 2014	100	49	註冊資本 人民幣100,000,000元 Registered RMB100,000,000	中國 PRC	房地產開發 Property development
上海旭度實業有限公司 (附註) Shanghai Xudu Enterprise Co., Ltd (note)	中國 二零一五年 十一月四日 PRC 4 November 2015	100	–	註冊資本 人民幣1,000,000元 Registered RMB1,000,000	中國 PRC	房地產開發 Property development

綜合財務報表附註

Notes to the Consolidated Financial Statements

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
上海友築實業有限公司 (附註) Shanghai Youzhu Enterprise Co., Ltd (note)	中國 二零一五年 十一月六日 PRC 6 November 2015	100	–	註冊資本 人民幣1,000,000元 Registered RMB1,000,000	中國 PRC	房地產開發 Property development
上海友導實業有限公司 (附註) Shanghai Youdao Enterprise Co., Ltd (note)	中國 二零一五年 十一月六日 PRC 6 November 2015	100	–	註冊資本 人民幣1,000,000元 Registered RMB1,000,000	中國 PRC	房地產開發 Property development
天津旭元房地產資訊諮詢 有限公司(附註) Tianjin Xuyuan Real Estate Information Consulting Co., Ltd (note)	中國 二零一四年 十月十日 PRC 10 October 2014	100	100	註冊資本 人民幣1,000,000元 Registered RMB1,000,000	中國 PRC	物業資訊諮詢 Property information consulting
天津旭科房地產開發有限公司 (附註) Tianjin Xuke Real Estate Development Co., Ltd (note)	中國 二零一五年 四月三日 PRC 3 April 2015	100	–	註冊資本 人民幣700,000,000元 實繳資本 人民幣700,000,000元 Registered RMB700,000,000 paid-up RMB700,000,000	中國 PRC	房地產開發 Property development
天津旭興房地產開發有限公司 (附註) Tianjin Xuxing Real Estate Development Co., Ltd (note)	中國 二零一五年 五月二十日 PRC 20 May 2015	100	–	註冊資本 人民幣30,000,000元 Registered RMB30,000,000	中國 PRC	房地產開發 Property development

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
天津旭唯房地產開發有限公司 (附註) Tianjin Xuwei Real Estate Development Co., Ltd (note)	中國 二零一五年 五月二十日 PRC 20 May 2015	100	–	註冊資本 人民幣30,000,000元 Registered RMB30,000,000	中國 PRC	房地產開發 Property development
天津旭浩房地產開發有限公司 (附註) Tianjin Xuhao Real Estate Development Co., Ltd (note)	中國 二零一五年 五月二十日 PRC 20 May 2015	100	–	註冊資本 人民幣30,000,000元 Registered RMB30,000,000	中國 PRC	房地產開發 Property development
天津旭津(附註32) Tianjin Xujin (Note 32)	中國 二零一三年 二月二十六日 PRC 26 February 2013	100	49	註冊資本 人民幣103,000,000元 實繳資本 人民幣103,000,000元 Registered RMB103,000,000 paid-up RMB103,000,000	中國 PRC	房地產開發 Property development
瀋陽旭強商業管理有限公司 (附註) Shenyang Xuqiang Business Management Co., Ltd (note)	中國 二零一五年 一月一日 PRC 1 January 2015	100	–	註冊資本 人民幣10,000,000元 實繳資本 人民幣10,000,000元 Registered RMB10,000,000 paid-up RMB10,000,000	中國 PRC	房地產開發 Property development

綜合財務報表附註

Notes to the Consolidated Financial Statements

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
瀋陽旭盛企業管理有限公司 (附註) Shenyang Xusheng Business Management Co., Ltd (note)	中國 二零一五年 十月十六日 PRC 16 October 2015	100	–	註冊資本 人民幣10,000,000元 Registered RMB10,000,000	中國 PRC	企業管理 Business management
南京旭寧房地產開發有限公司 (附註) Nanjing Xuning Real Estate Development Co., Ltd (note)	中國 二零一四年 十二月二十六日 PRC 26 December 2014	100	100	註冊資本 人民幣20,000,000元 實繳資本 人民幣20,000,000元 Registered RMB20,000,000 paid-up RMB20,000,000	中國 PRC	房地產開發 Property development
南京旭城房地產開發有限公司 (附註) Nanjing Xucheng Real Estate Development Co., Ltd (note)	中國 二零一四年 十二月三十一日 PRC 31 December 2014	51	49	註冊資本 人民幣50,000,000元 實繳資本 人民幣25,500,000元 Registered RMB50,000,000 paid-up RMB25,500,000	中國 PRC	房地產開發 Property development
南京寧博投資管理有限公司 (附註) Nanjing Ningbo Investment Management Co., Ltd (note)	中國 二零一五年 五月七日 PRC 7 May 2015	100	–	註冊資本 人民幣1,000,000元 實繳資本 人民幣1,000,000元 Registered RMB1,000,000 paid-up RMB1,000,000	中國 PRC	投資及投資管理 Investment and investment management

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
南京寧康投資管理有限公司 (附註) Nanjing Ningkang Investment Management Co., Ltd (note)	中國 二零一五年 五月七日 PRC 7 May 2015	100	–	註冊資本 人民幣1,000,000元 實繳資本 人民幣1,000,000元 Registered RMB1,000,000 paid-up RMB1,000,000	中國 PRC	投資及投資管理 Investment and investment management
南京寧卓投資管理有限公司 (附註) Nanjing Ningzhuo Investment Management Co., Ltd (note)	中國 二零一五年 九月一日 PRC 1 September 2015	100	–	註冊資本 人民幣1,000,000元 Registered RMB1,000,000	中國 PRC	投資及投資管理 Investment and investment management
蘇州旭蘇投資諮詢有限公司 (附註) Suzhou Xusu Investment Advisory Co., Ltd (note)	中國 二零一五年 一月二十九日 PRC 29 January 2015	100	–	註冊資本 人民幣500,000元 Registered RMB500,000	中國 PRC	投資諮詢 Investment consultation
蘇州旭利投資諮詢有限公司 (附註) Suzhou Xuli Investment Advisory Co., Ltd (note)	中國 二零一四年 十二月二十五日 PRC 25 December 2014	100	100	註冊資本 人民幣500,000元 Registered RMB500,000	中國 PRC	投資諮詢 Investment consultation
蘇州旭諧投資諮詢有限公司 (附註) Suzhou Xuxie Investment Advisory Co., Ltd (note)	中國 二零一五年 一月二十九日 PRC 29 January 2015	100	–	註冊資本 人民幣500,000元 Registered RMB500,000	中國 PRC	投資諮詢 Investment consultation

綜合財務報表附註

Notes to the Consolidated Financial Statements

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年	二零一四年			
		2015	2014			
		%	%			
蘇州凱合投資諮詢有限公司 Suzhou Kaihe Investment Advisory Co., Ltd	中國 二零一五年 一月二十九日 PRC 29 January 2015	100	–	註冊資本 人民幣500,000元 Registered RMB500,000	中國 PRC	投資諮詢 Investment consultation
合肥旭榮置業有限公司 (附註) Hefei Xurong Property Co., Ltd (note)	中國 二零一五年 五月五日 PRC 5 May 2015	100	–	註冊資本 人民幣100,000,000元 Registered RMB100,000,000	中國 PRC	房地產開發 Property development
旭輝集團合肥置業有限公司 (附註) Xuhui Group Hefei Property Co., Ltd (note)	中國 二零一五年 五月十八日 PRC 18 May 2015	100	–	註冊資本 人民幣100,000,000元 Registered RMB100,000,000	中國 PRC	房地產開發 Property development
杭州旭辰投資有限公司 (附註) Hangzhou Xuchen Investment Co., Ltd (note)	中國 二零一五年 一月五日 PRC 5 January 2015	100	–	註冊資本 人民幣5,000,000元 Registered RMB5,000,000	中國 PRC	房地產開發 Property development
杭州卓德投資管理有限公司 (附註) Hangzhou Zhoude Investment Management Co., Ltd (note)	中國 二零一四年 十二月二十八日 PRC 28 December 2014	100	–	註冊資本 人民幣100,000元 實繳資本 人民幣100,000元 Registered RMB100,000 paid-up RMB100,000	中國 PRC	投資管理 Investment management

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015	二零一四年 2014			
		%	%			
上海旭登實業有限公司 (附註) Shanghai Xudeng Enterprise Co., Ltd (note)	中國 二零一五年 二月九日 PRC 9 February 2015	100	–	註冊資本 人民幣1,000,000元 Registered RMB1,000,000	中國 PRC	房地產開發 Property development
杭州旭輝置業有限公司 (附註) Hangzhou Xuhui Property Co., Ltd (note)	中國 二零一五年 四月二十日 PRC 20 April 2015	100	–	註冊資本 人民幣5,000,000元 Registered RMB5,000,000	中國 PRC	房地產開發 Property development
武漢旭和投資諮詢有限 責任公司(附註) Wuhan Xuhe Investment Advisory Co., Ltd (note)	中國 二零一五年 七月十三日 PRC 13 July 2015	100	–	註冊資本 人民幣500,000元 Registered RMB500,000	中國 PRC	投資諮詢公司 Investment consultancy corporation
武漢惠譽御恒置業有限公司 (附註) Wuhan Huiyu Yuheng Property Co., Ltd (note)	中國 二零一二年 八月二日 PRC 2 August 2012	55	–	註冊資本 人民幣200,000,000元 實繳資本 人民幣110,000,000元 Registered RMB200,000,000 paid-up RMB110,000,000	中國 PRC	房地產開發 Property development

綜合財務報表附註

Notes to the Consolidated Financial Statements

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及 日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015 %	二零一四年 2014 %			
武漢旭程(附註32) Wuhan Xucheng (Note 32)	中國 二零一三年 九月五日 PRC 5 September 2013	100	50	註冊資本 人民幣200,000,000元 實繳資本 人民幣200,000,000元 Registered RMB200,000,000 paid-up RMB200,000,000	中國 PRC	房地產開發 Property development
重慶旭潤房地產開發有限公司 (附註) Chongqi Xurun Real Estate Development Co., Ltd (note)	中國 二零一四年 十二月十八日 PRC 18 December 2014	100	–	註冊資本 人民幣79,962,900元 Registered RMB79,962,900	中國 PRC	房地產開發 Property development
旭安(附註32) Xu An (Note 32)	英屬處女群島 二零一三年 一月十七日 BVI 17 January 2013	50	–	註冊資本 50,000美元 實繳資本2美元 Registered USD50,000 Paid up capital USD2	中國 PRC	投資控股 Investment holding
上海旭弘置業有限公司 Shanghai Xuhong Property Co., Ltd	中國 二零一三年 十二月二十日 PRC 20 December 2013	50	–	註冊資本 37,000,000美元 Registered USD37,000,000	中國 PRC	房地產開發 Property development
旭正(附註32) Xu Zheng (Note 32)	英屬處女群島 二零一二年 九月六日 BVI 6 September 2012	100	49	註冊資本 50,000美元 實繳資本100美元 Registered USD50,000 Paid up capital USD100	中國 PRC	投資控股 Investment holding

44. 主要附屬公司詳情(續)

44. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES

(Continued)

間接附屬公司名稱 Name of indirect subsidiary	註冊成立地點及日期 Place and date of incorporation	本集團 於十二月三十一日 應佔股權 Equity interest attributable to the Group at 31 December		已發行及繳足股本 Issued and fully paid share capital	經營地點 Place of operation	主要業務 Principal activities
		二零一五年 2015 %	二零一四年 2014 %			
杭州旭開房地產開發有限公司 Hangzhou Xukai Real Estate Development Co., Ltd	中國 二零一三年 八月二十二日 PRC 22 August 2013	100	49	註冊資本 130,000,000美元 Registered USD130,000,000	中國 PRC	房地產開發 Property development

附註：由於該等公司並無註冊任何正式英文名稱，故其英文名稱乃由本公司的管理層竭力直譯其中文名稱得來。

Note: The English names of these companies represent the best effort made by management of the Company to directly translate their Chinese names as they did not register any official English names.

上表列出董事認為主要影響年內業績或構成本集團資產淨值絕大部分的本公司附屬公司。董事認為列出其他附屬公司詳情會令篇幅過份冗長。

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

此外，本公司董事已於初始應用國際財務報告準則第12號日期及於報告期末進行評估。董事認為，概無附屬公司個別地擁有對本集團屬重大的非控股權益，因此，並無就此等非全資附屬公司披露任何資料。

In addition, the directors of the Company made an assessment as at the date of initial application of IFRS 12 and at the end of the reporting period. In the opinion of the directors, there are no subsidiaries that have non-controlling interest individually that are material to the Group and therefore no information is disclosed for these non-wholly owned subsidiaries.

45. 報告期末後事項

於二零一六年一月二十二日，旭輝中國在中國發行非公開發行公司債券（「首批非公開發行境內債券」）。首批非公開發行境內債券的本金額為人民幣2,000,000,000元，票面利率定為每年4.99%，年期為2年。於發行首年年末，旭輝中國有權調整票面利率，而投資者則可行使要求發行人購回首批非公開發行境內債券的選擇權。

45. EVENTS AFTER THE END OF THE REPORTING PERIOD

On 22 January 2016, CIFI (PRC) issued non-public corporate bonds in the PRC (the "First Non-public Domestic Bonds"). The coupon rate of the First Non-public Domestic Bonds with a principal amount of RMB2,000,000,000 has been fixed at 4.99% per annum, with tenure of two years. At the end of first year after issue, CIFI (PRC) has the right to adjust the coupon rate, and investors can exercise an option to require the issuer to repurchase the First Non-public Domestic Bonds.

REGISTERED OFFICES

Registered Office
P.O. Box 309
Ugland House
Grand Cayman KY1-1104
Cayman Islands

Corporate Headquarters
CIFI Hongqiao International
5th Floor, Block 3, Lane 288
Tongxie Road
Changning District
Shanghai, PRC

Place of Business in Hong Kong
Suites 2002–2003, 20th Floor
One Pacific Place
88 Queensway
Hong Kong

TRUSTEE

Citicorp International Limited
39/F, Champion Tower
3 Garden Road
Central
Hong Kong

PRINCIPAL PAYING AND TRANSFER AGENT

Citibank, N.A., London Branch
c/o Citibank, N.A., Dublin Branch
One North Wall Quay
Dublin 1, Ireland

REGISTRAR

Citigroup Global Markets Deutschland AG
Reuterweg 16
60323 Frankfurt
Germany

LEGAL ADVISORS TO THE COMPANY

As to English Law

As to Hong Kong Law

*As to Cayman Islands and
British Virgin Islands Law*

As to PRC Law

Sidley Austin LLP
Woolgate Exchange
25 Basinghall Street
London EC2V 5HA
United Kingdom

Sidley Austin
39/F, Two International
Finance Centre
8 Finance Street
Central, Hong Kong

**Maples and Calder
(Hong Kong) LLP**
53rd Floor
The Center
99 Queen's Road
Central
Hong Kong

**Commerce & Finance
Law Offices**
6F NCI Tower
A12 Jianguomenwai
Avenue
Chaoyang District
Beijing, PRC

LEGAL ADVISORS TO THE JOINT LEAD MANAGERS

As to English and Hong Kong Law

As to PRC Law

Davis Polk & Wardwell
The Hong Kong Club Building
3A Chater Road
Hong Kong

Jingtian & Gongcheng
34/F, Tower 3
China Central Place, 77 Jianguo Road
Beijing, PRC

INDEPENDENT ACCOUNTANTS

Deloitte Touche Tohmatsu
35th Floor, One Pacific Place
88 Queensway
Hong Kong

SINGAPORE LISTING AGENT

Shook Lin & Bok LLP
1 Robinson Road
#18-00 AIA Tower
Singapore 048542