



# 中國新城市商業發展有限公司

## China New City Commercial Development Limited

(Incorporated in the Cayman Islands with limited liability)  
(於開曼群島註冊成立之有限公司)

Stock Code 股份代號: 1321



ANNUAL  
REPORT  
年報  
2017

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# Corporate Information 公司資料

## BOARD OF DIRECTORS

### Executive Directors

Mr. Dong Shuixiao (*Chief Executive Officer*)  
Ms. Jin Ni (*Vice Chairperson and Vice President*)  
Ms. Tang Yiyan (*Vice President*)

### Non-executive Director

Mr. Shi Kancheng (alias Shi Zhongan) (*Chairperson*)

### Independent Non-executive Directors

Mr. Ng Sze Yuen, Terry (*Vice Chairperson*)  
Mr. Xu Chengfa  
Mr. Yim Chun Leung

### Company Secretary

Mr. Chiu Ngam, Chris

## REGISTERED OFFICE

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

## HEAD OFFICE IN THE PRC

Room 1201, 12th Floor  
Building 2, Highlong Plaza  
North Ganjie Road  
Xiaoshan, Hangzhou  
Zhejiang Province  
the PRC

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 4003-4, 40th Floor  
China Resources Building  
26 Harbour Road  
Wanchai, Hong Kong

## 董事會

### 執行董事

董水校先生 (*行政總裁*)  
金妮女士 (*副主席及副總裁*)  
唐怡燕女士 (*副總裁*)

### 非執行董事

施侃成先生 (又名施中安) (*主席*)

### 獨立非執行董事

吳士元先生 (*副主席*)  
須成發先生  
嚴振亮先生

### 公司秘書

趙岩先生

## 註冊辦事處

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

## 中國總辦事處

中國  
浙江省  
杭州蕭山區  
北幹街道  
恒隆廣場2座  
12樓1201室

## 香港主要營業地點

香港灣仔  
港灣道26號  
華潤大廈  
40樓4003-4室

## COMPANY'S WEBSITE

www.chinanewcity.com.cn

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Royal Bank of Canada Trust Company (Cayman) Limited  
4th Floor, Royal Bank House  
24 Shedden Road, George Town  
Grand Cayman KY1-1110 Cayman Islands

## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited  
Level 22, Hopewell Centre  
183 Queen's Road East  
Hong Kong

## PRINCIPAL BANKERS

Agricultural Bank of China Limited, Hong Kong Branch  
Agricultural Bank of China Co., Ltd., Xiaoshan Branch  
Bank of Communications Co. Ltd., Hong Kong Branch  
Bank of Communications Co., Ltd., Zhejiang Province Branch  
China Merchants Bank Co., Ltd., Hangzhou Xiaoshan Branch  
China Minsheng Banking Corp., Ltd. Hangzhou Branch  
Industrial Bank Co., Ltd., Hangzhou Branch  
Ping An Bank Co., Ltd., Ningbo Branch  
Bank of Jiangsu Co., Ltd., Hangzhou Branch  
Shanghai Pudong Development Bank, Hangzhou Xiaoshan Branch  
Evergrowing Bank Co., Ltd., Hangzhou Branch

## LEGAL ADVISERS AS TO HONG KONG LAWS

Chiu & Partners

## AUDITORS

Ernst and Young

## INVESTOR RELATIONS

Capital Markets Department  
Email: cnc\_ir@chinanewcity.com.cn  
Telephone: (852) 2877 6991  
Facsimile: (852) 2877 6990

## 公司網址

www.chinanewcity.com.cn

## 主要股份過戶登記處

Royal Bank of Canada Trust Company (Cayman) Limited  
4th Floor, Royal Bank House  
24 Shedden Road, George Town  
Grand Cayman KY1-1110 Cayman Islands

## 香港股份過戶登記分處

卓佳證券登記有限公司  
香港  
皇后大道東183號  
合和中心22樓

## 主要往來銀行

中國農業銀行股份有限公司香港分行  
中國農業銀行股份有限公司蕭山分行  
交通銀行股份有限公司香港分行  
交通銀行股份有限公司浙江省分行  
招商銀行股份有限公司杭州蕭山分行  
中國民生銀行股份有限公司杭州分行  
興業銀行股份有限公司杭州分行  
平安銀行股份有限公司寧波分行  
江蘇銀行股份有限公司杭州分行  
上海浦東發展銀行股份有限公司杭州蕭山支行  
恒豐銀行股份有限公司杭州分行

## 香港法律方面的法律顧問

趙不渝 馬國強律師事務所

## 核數師

安永會計師事務所

## 投資者關係

資本市場部  
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# Chairperson's Statement

## 主席報告



Dear shareholders,

On behalf of China New City Commercial Development Limited (the "Company") and its subsidiaries (collectively referred as the "Group"), I am pleased to present the results of the Group for the year ended 31 December 2017 ("the year under review").

### REVIEW OF RESULTS

For the year under review, the contracted sales revenue of the Group was RMB3,296,300,000, representing an increase of approximately 178% from the year of 2016. The revenue of the Group was approximately RMB295,986,000, gross profit was approximately RMB135,369,000, and proceeds from disposal of investment properties was approximately RMB920,671,000. Profit attributable to equity holders of the Company was approximately RMB488,505,000, representing an increase of 232% when compared with the year of 2016, while basic earnings per share amounted to approximately RMB0.27, increased by 238% over the year of 2016 and recorded net cash inflow. The board of directors does not recommend the payment of final dividend for the year under review (2016: nil).

致各位股東：

本人謹代表中國新城市商業發展有限公司（「本公司」）連同其附屬公司（統稱「本集團」），欣然提呈本集團截至2017年12月31日止年度（「回顧年度」）之全年業績。

### 業績回顧

於回顧年度內，本集團的合同銷售收入為人民幣3,296,300,000元，較2016年增加了約178%。本集團的營業額約為人民幣295,986,000元，毛利約為人民幣135,369,000元及出售投資物業所得款項約為人民幣920,671,000元。本公司權益持有人應佔利潤約為人民幣488,505,000元，較2016年增加了232%；及每股基本盈利為人民幣27分，較2016年增加238%，並錄得淨現金流入。董事會不建議派發回顧年度末期利息（2016年：無）。

## MARKET AND BUSINESS REVIEW

In 2017, China's economy is booming and residents' spending power is continuously improving. The commercial property of the Company has improved significantly. Driven by the G20 Hanzhou Summit, Hangzhou quickly became the focus of the world with its city influence and brand competitiveness increasingly strengthened. The city cluster on Hangzhou Bay is on the rise and the economic development of the Yangtze River Delta with a strong economy has developed rapidly with industrial structure continuously optimized.

The Group is a commercial property developer and operator committed to developing integrated commercial complexes in the Yangtze River Delta region and other major economy regions. The Group follows the integrated business model of selling and leasing property, strategically decentralizing its income source and return period.

During the year under review, the Group pooled the wisdom and efforts of everyone to overcome difficulties and recorded the best performance in terms of contracted sales and profit since its listing despite the complex market environment. 2017 marked a milestone for the Group's development amidst the stable growth of commerce and real estate as well as a breakthrough development in the culture, tourism, healthcare and other segments.

## 市場及業務回顧

2017年，中國經濟蓬勃發展，居民消費能力不斷提升，本公司商用物業經營向好。受杭州G20峰會的帶動，杭州迅速成為世界的焦點，其城市影響力和品牌競爭力日益增強。杭州灣城市群正在崛起，實力雄厚的長三角經濟發展迅速，產業結構不斷優化。

本集團為商用物業發展商及運營商，致力於在長三角地區及其他主要經濟區域的開發商業綜合體。本集團沿用出售和出租相結合的業務模式，策略性的分散收入來源及回報時期。

回顧年內，面對複雜的市場環境，本集團群策群力，攻堅克難，合約銷售規模、利潤規模均創上市以來新高。2017年是本集團發展歷程中具有里程碑意義的一年。商業地產穩健發展；文化、旅遊、健康等多元產業開始突破增長。



## 1. Property Sales

Jia Run Mansion, the serviced apartments of the International Office Center ("IOC") (Plot A3) created successive satisfactory sales results and Xixi New City, the serviced apartments of Xixi parcel was open for sale at the end of the year and quickly achieved remarkable selling, which continued to be the major driver to significantly drive up the property sales income of the Group.

The Jia Run Mansion project is adjacent to the venue of 2016 Group of Twenty (G20) Summit and the stadium of Hangzhou Olympic and International Expo Center, in which the latter will host the 2022 Asian Games, with Qianjiang New Town, the political and cultural center of Hangzhou, just across the river. Thus, it is warmly welcomed by the market due to its favorable geographical location. The Company has developed Plot A2 this year to assure the steady growth of property sales income.

Xixi New City Project is located in the north of Xixi Wetland Park, the tourist attraction of Hangzhou and forms one integrated mass with the park as they are adjacent to each other. The project is in proximity to Hangzhou Future Sci-Tech City (杭州未來科技城). It is extremely recognized by the market due to its favorable geographical location and perfect surrounding facilities. The Company will continue to develop this project in this year with an aim to achieving the stable increase of the revenue from sales of properties.

For the year under review, the Group strategically disposed of certain investment properties, mainly IOC and Highlong Plaza projects, which not only recorded gain but also generated considerable net cash inflow for the Group.

## 1. 物業銷售

國際辦公中心(「IOC」)A3地塊的服務式公寓嘉潤公館接連創下銷售佳績，西溪地塊的服務式公寓西溪新城市也在年底開盤並快速部份去化，成為推動本集團物業銷售收入大幅增長的主要力量。

嘉潤公館項目比鄰2016年二十國集團(G20)峰會的召開場地以及2022年亞運會承辦體育場館—杭州奧體博覽城，隔江對望杭州政治與文化中心錢江新城，因其優越的地理位置備受市場青睞。本公司已於今年內開始開發A2地塊，以保證物業銷售收入的穩定發展。

西溪新城市項目位於杭州風景名勝西溪濕地公園正北面，與公園連接，渾然一體。項目距杭州未來科技城咫尺。項目優越的地理位置和成熟周邊配套使市場產生強烈認同，公司將於今年持續開發該項目，達到物業銷售收入的穩步攀升。

於回顧年內，本集團策略性出售了一批投資物業，主要為國際辦公中心及恆隆廣場項目，除錄得收益外，亦為本集團帶來了可觀的淨現金流入。

## 2. Property Leasing

Currently, the principal property leasing income of the Group is derived from Highlong Plaza and IOC, Hangzhou. In order to consolidate its local influence, the shopping mall portion of the project commenced its assets optimisation programs and commercial portfolio restructuring since April 2016. The occupancy rate of Highlong Plaza reached over 97% after its renovation. With the theme "Happy Moments", the plaza increased commercial elements catered for children, food and beverages, living and services and experience. The Group has successfully launched business invitation for the Zhong An Yin Tai Cheng project located in Yuyao, Ningbo, during the year and commenced operation at the end of 2017, which is expected to rapidly increase the revenue of property leasing segment of the Group in the future.

## 3. Hotel Operations

As for hotel operations, the hotel Holiday Inn Hangzhou Xiaoshan operated well. Hangzhou Qiandao Lake Bright Resort Hotel, the brand hotel of the Group has officially opened in the first half of 2017 and achieved satisfactory performance during the first half of the year. Huaibei Bright Hotel has been partially completed and commenced operation in the second half of 2017. With the above two brand hotels successively opening, new driver will be injected to the hotel segment of the Group. Benefiting from the obvious growth in terms of leasable guest rooms, it is expected that the hotel segment of the Group will record continual growth of operation revenue.

## 2. 物業租賃

目前，本集團的物業租賃收入主要來自位於杭州的恒隆廣場及國際辦公中心。為鞏固在當地的影響力，該項目商場部份自2016年4月開始進入資產優化工程和商戶組合調整。重裝開業後的恒隆廣場出租率達到逾97%，並增加了差異化和體驗元素的以兒童餐飲、生活、服務業態的「快樂時光」主題商業元素。本集團位於餘姚的眾安銀泰城項目已於年內成功招商，並在2017年底順利開業，未來將為本集團的物業租賃部份收入快速提升。

## 3. 酒店營運

酒店運營方面，位於杭州蕭山的眾安假日酒店營運狀況良好。本集團的品牌酒店杭州千島湖伯瑞特度假酒店已於2017年上半年正式開業，首半年的運營情況理想。淮北伯瑞特酒店已部份竣工，並已於2017年下半年開始營業。兩間品牌酒店的陸續開業，將為本集團的酒店板塊業務注入新的動力。受惠於可出租酒店房間數量的顯著增多，本集團酒店板塊的營業收入有望錄得持續增長。





## PRUDENTLY PURCHASE LAND AND REPLENISH LAND RESERVE

The Group implements prudent land purchase strategy and purchases lands with high quality and low cost according to market requirement as and when appropriate while maintaining a sound financial condition, aiming to optimize the local reserve structure.

The total GFA of land reserves of the Group was approximately 2,500,000 square meter ("sq.m.") distributed among six cities and regions of the Yangtze River Delta region.

## PROSPECTS AND OUTLOOK AND DEVELOPMENT STRATEGIES

Looking ahead into 2018, with the social stability and the continuous improvement of China's economy and the acceleration of urbanization, per capita income and consumer spending has continually increased, thus the commercial real estate market has great potential. The property market regulation and control policy will adhere to the main principle of "the housing properties are for accommodation but not for speculative trading" with shifting from targeted regulation and control featured with one policy for one city to diversified policies for several cities or for one city, and the regulatory mechanism also changing from the short-term mechanism represented by "purchase limitation" to the long-term mechanism so as to achieve the stable and healthy development of the real estate market.

As 2017, a growth period when we witnessed a series of property projects completion, ends and 2018 comes, the Group has entered into a period for stable development. The completion and launch of Yuyao Zhong An Times Square in Hangzhou and Yin Tai Cheng project, as well as the successive opening of Qiandao Lake Bright Resort Hotel and Huaibei Bright Hotel, significantly increase our leasable area and the number of leasable guest rooms of the entire property portfolio, providing stable cash flow support to the Group in the long run. In such context, the Group will uphold the synchronous development of traditional and emerging sectors as its development direction. That means the Group will continue to pursue scale development and achieve new industry cultivation and incubation on the basis of strengthening real estate development, small town developments and other traditional sectors, so as to promote the synergetic development of real estate segment and investment segment.

## 審慎購地，補充土地儲備

本集團貫徹審慎的購地策略，在保持穩健的財政狀況下，適時購買符合市場需求，優質且較低成本的土地，優化本地儲備結構。

本集團的土地儲備總建築面積約為250萬平方米，分佈在長三角六個不同的城市和地區。

## 前景展望與發展策略

展望2018年，隨著中國社會穩定經濟發展不斷提升，城市化進程的加快，人均收入不斷增加，消費能力不斷增強，商業房地產市場潛力巨大。樓市調控政策將堅持「房住不炒」的主線，從一城一策向定向調控的多城多策、一城多策轉變，從過去「限」為代表的短效機制向長效機制轉變，實現房地產市場的平穩健康發展。

經歷過了2017年眾多物業密集落成的增長期，2018年本集團將進入穩定發展期。隨著杭州餘姚眾安時代廣場及銀泰城的落成與開業，以及千島湖伯瑞特度假酒店與淮北伯瑞特酒店的陸續開業，本集團整體物業組合的可租賃面積和可出租客房數量大幅增加，未來將為本集團提供長期穩定的現金流支持。同時，本集團將圍繞「新老結合」的發展導向，堅定強化房產開發、小城鎮建設等傳統板塊，堅持規模化發展，不斷培育和孵化新產業，促進不動產板塊及投資板塊的協同發展。

The International Office Center ("IOC") project is still the major development project of the Group. In 2016, G20 Summit was successfully held in Hangzhou, which made Hangzhou becoming a new international focus. Qianjiang Century City (錢江世紀城), where IOC is located, and Qianjiang New Town (錢江新城) across the river are the new main city centers in Hangzhou. Benefiting from favorable policies, Qianjiang Century City where the project located is under fast construction and development. Hangzhou Olympic Sports Stadium, adjacent to the IOC project, will host international major sports events such as the 2022 Asian Games in future. Benefiting from its strategic layout and cheap cost of land that the Group had acquired in early years, the IOC project enjoys absolute geographical advantage and development potential in this segment. The Group intends to develop Plot A2 of IOC in 2018, which will create sustainable impetus to property sales. The Group plans to explore more lands with low price but high potential in 2018 through mergers and acquisitions.

For new businesses, the Group further adjusts its business model and optimizes its operating structure, achieving an operation model with an aim to satisfy people's demand. The Group will also proactively explore other business opportunities in the field of emerging industries such as recreation and tourism, healthcare, education and culture, movie entertainment and modern agriculture. Meanwhile, the Group has also launched its new child-oriented business model "Happy Moments", on the basis of the traditional business model. The Group will focus on serving children in cities and integrating child health, child education, child entertainment and child sports to build a diversified and intelligentized body of comprehensive functions, with the help of excellent partners around the world and to inject new impetus to the development of the child-related industry.

## ACKNOWLEDGEMENT

Last but not the least, on behalf of the Board, I would like to express my sincere gratitude to the continuing support and trust of the shareholders of the Company and business partners as well as the dedicated efforts of all the staff of the Group.

**Shi Kancheng**

*Chairperson*

Hong Kong, 21 March 2018

國際辦公中心(「IOC」)項目仍是本集團的重點發展項目。2016年G20首腦峰會的成功舉辦，讓杭州成為新的國際焦點。而IOC所在的錢江世紀城與隔江而立的錢江新城是杭州市新增的城市主中心。受到一系列利好政策的推動，項目所在的錢江世紀城板塊正在快速的建設和發展中。鄰近IOC項目的杭州奧體中心，未來仍將承辦包括2022年亞運會等諸多國際性的大型體育賽事。得益於本集團的早期戰略性佈局和低廉的土地成本，IOC項目在該板塊中享有絕對的地理優勢和發展潛力。本集團將於2018年開始發展IOC A2地塊，該物業將為物業銷售部份創造持續動力。本集團計劃在2018年通過收購兼併等方式尋覓更多低價高潛力的土地。

新業務方面，本集團在傳統商業模式基礎上，進一步調整業態，優化經營結構，達致以滿足人民需求為目標的經營模式。本集團積極拓展休閒旅遊、健康醫療、教育文化、影視娛樂及現代農業等新型產業。同時，推出以兒童為主題的新型商業業態「快樂時光」，專注於服務城市兒童，以兒童健康、兒童教育、兒童娛樂、兒童體育為一體，尋找世界上優秀的合作夥伴，合力打造全方位、智能化、場景化的多變的綜合體，為兒童領域的發展注入新的動力。

## 致謝

最後，本人謹代表董事會對本公司股東和業務合作夥伴的持續鼎力支持和充分信任，以及本集團全體員工辛勤努力的工作致以衷心感謝！

**施侃成**

*主席*

香港：2018年3月21日

# Investment Properties

## 投資物業

As at 31 December 2016 於2016年12月31日

Project 項目	Location 地點	Property type 物業種類	GFA 建築面積 sq.m. 平方米
<b>Completed Projects</b> 已竣工項目			
Guomao Building 國貿大廈	Hangzhou, Zhejiang Province 浙江省杭州	Integrated Commercial Complex 商業綜合體	12,225
Integrated Service Center 綜合服務中心	Hangzhou, Zhejiang Province 浙江省杭州	Integrated Commercial Complex 商業綜合體	5,913
Highlong Plaza 恒隆廣場	Hangzhou, Zhejiang Province 浙江省杭州	Integrated Commercial Complex 商業綜合體	80,644
Landscape Garden 山水苑	Hangzhou, Zhejiang Province 浙江省杭州	Integrated Commercial Complex 商業綜合體	9,004
Hidden Dragon Bay 隱龍灣	Hangzhou, Zhejiang Province 浙江省杭州	Integrated Commercial Complex 商業綜合體	23,562
La Vie 逸樂軒	Shanghai 上海	Commercial 商業	341
International Office Center 國際辦公中心	Hangzhou, Zhejiang Province 浙江省杭州	Integrated Commercial Complex 商業綜合體	86,316
Yuyao Intime City 余姚銀泰時代廣場	Yuyao, Zhejiang Province 浙江省余姚	Integrated Commercial Complex 商業綜合體	92,489
			<hr/> <hr/> <b>310,494</b>

# Major Properties Held for Development and/or Sale

## 持作發展及／或銷售的主要物業

Project 項目	Location 地點	Property type 物業種類	Site area 佔地面積 sq.m. 平方米	Project GFA 項目建築 面積 sq.m. 平方米	GFA of and land bank 土地儲備 建築面積 sq.m. 平方米
<b>Projects Under Development</b>					
<b>開發中項目</b>					
Zhong An Times Square (Phase I) 眾安時代廣場(一期)	Yuyao, Zhejiang Province 浙江省余姚	Integrated Commercial Complex 商業綜合體	65,159	305,473	196,678
Zhong An Times Square (Phase II) 眾安時代廣場(二期)	Yuyao, Zhejiang Province 浙江省余姚	Integrated Commercial Complex 商業綜合體	71,519	322,935	305,473
Hidden Dragon Bay 隱龍灣	Hangzhou, Zhejiang Province 浙江省杭州	Integrated Commercial Complex 商業綜合體	89,173	241,695	102,695
Cixi Ningbo Land 寧波慈溪地塊	Ningbo, Zhejiang Province 浙江省寧波	Integrated Commercial Complex 商業綜合體	49,804	159,510	159,510
Chaoyang Yinzuo 朝陽銀座	Hangzhou, Zhejiang Province 浙江省杭州	Integrated Commercial Complex 商業綜合體	10,541	53,033	28,483
International Office Center (Plot A) 國際辦公中心(A地塊)	Hangzhou, Zhejiang Province 浙江省杭州	Integrated Commercial Complex 商業綜合體	93,610	798,424	545,777
Xixi New City 西溪新城市	Hangzhou, Zhejiang Province 浙江省杭州	Office/Commercial 辦公室／商業	39,703	59,555	44,026
Xixi Manhattan 西溪曼哈頓	Hangzhou, Zhejiang Province 浙江省杭州	Integrated Commercial Complex 商業綜合體	24,534	61,335	42,815
<b>Projects contracted to be acquired</b>					
<b>已訂約將予收購項目</b>					
International Office Center (Plots B and C) 國際辦公中心(B地塊及C地塊)	Hangzhou, Zhejiang Province 浙江省杭州	Integrated Commercial Complex 商業綜合體	207,390	1,098,065	1,098,065
					2,523,522





# Management Discussion and Analysis

## 管理層討論與分析

### AWARDS AND HONOURS

Awarding Institution	Award	Awardee
China Financial Market, a renowned financial magazine in Hong Kong	China Financial Market Listed Company Award in 2017-Best Investment Value Award	China New City Commercial Development Limited

### BUSINESS REVIEW

In 2017, the property sector in China experienced stringent and frequent policy regulation. Both the number and strength of policies and regulations issued by the local governments were unprecedented. In the adverse market environment, the Group still strived to overcome difficulties and realized a good contract sales revenue growth of 178%. This fully embodied the Company's leading strategic vision, accurate investment layout as well as prudent and flexible operation strategy.

Looking ahead into 2018, China's real estate sales could decline to a certain extent under the supervision on both property and finance markets. However, in light of China's overall economic resilience, it is believed that the regulating policies concerning the property market are unlikely to ease materially in the first half of the year. In the long run, the reform of housing system will be deepened, a long-term mechanism is expected to establish, and the health of China's property market will be gradually improved.

### DEVELOPMENT OF MAJOR PROJECTS

#### Hangzhou, Zhejiang Province

##### Highlong Plaza

It is a large-scale integrated commercial complex located in Shanyin Road, Xiaoshan District, Hangzhou, comprising hotels, shopping malls and offices, and is the flagship project of the Company. The total site area of the project is 30,933 sq.m. and total GFA is 171,071 sq.m. The project was completed in January 2009.

##### International Office Center ("IOC")

IOC is a large-scale integrated commercial complex located in Qianjiang Century City (錢江世紀城), Xiaoshan District, Hangzhou, comprising serviced apartments, shopping malls and offices. The total site area of Plot A is 92,610 sq.m. and planned total GFA is 798,795 sq.m.. The project is in three phases, consists of Plots A1, A2 and A3. Among which, Plot A3 was completed in 2015, comprising serviced apartments, shops and underground car parking spaces with a total GFA of approximately 327,996 sq.m.. It is expected that Plot A2 will commence in 2018.

### 獎項及殊榮

頒發機構	獎項	獲獎方
香港著名財經雜誌 《中國融資》	2017中國融資上市公司大獎 之最具投資價值獎	中國新城市商業 發展有限公司

### 業務回顧

2017年，中國房地產行業歷經了嚴厲的和頻繁的政策調控，各地出台的樓市相關政策和規定的次數之多，力度之大都超過了以往。在不利的市場環境下，本集團仍然努力攻堅克難，實現了合約銷售收入增長178%的良好業績，充分體現了公司領先的戰略眼光，精準的投資佈局和穩健靈活的運營策略。

展望2018年，在樓市和金融的雙重監管之下，中國的房地產銷售或將出現一定程度的下行，但在中國經濟總體韌性較好的背景下，相信上半年樓市調控政策難以出現實質性鬆動。長遠來看，住房制度改革將會進一步深化，長效機制有望形成，中國樓市的健康程度將逐步提高。

### 主要項目發展概況

#### 浙江省杭州市

##### 恒隆廣場

座落於杭州蕭山區山陰路，由酒店、商場及辦公室組成的大型商業綜合體，是本公司的旗艦項目。該項目總佔地面積為30,933平方米，總建築面積171,071平方米。該項目已於2009年1月竣工。

##### 國際辦公中心(「IOC」)

位於杭州蕭山區錢江世紀城的大型商業綜合體，包括服務式住宅、商場及辦公室。項目A地塊總佔地面積為92,610平方米，預計總建築面積為798,795平方米。該項目分三期建設(A1地塊、A2地塊及A3地塊)，其中A3地塊已經於2015年竣工，包括服務式公寓、商舖及地下停車場，總建築面積約為327,996平方米。A2地塊預期將於2018年開工。

**Xixi New City**

It is located in Jiangcun Unit, Xihu District, Hangzhou and is in proximity to Xixi Wetland. The total site area of the project is 39,703 sq.m. and total GFA is 59,555 sq.m. The project has commenced construction in 2017, which will become an integrated commercial complex comprising offices, serviced apartments and shops.

**Xixi Manhattan**

It is a commercial real estate project located in Yuhang District, Hangzhou, with GFA of 109,998.35 sq.m. The project was open for sale in late August 2017 and is expected to be delivered in the first half of 2019.

**Chaoyang Ginza**

It is the commercial portion of the Chaoyang community parcel, Xiaoshan District, Hangzhou with a total site area of 10,541 sq.m. and total GFA of 53,033 sq.m. The project mainly includes serviced apartments and shops, and pre-sale was commenced in 2016. It is expected to complete by the end of 2018.

**Hangzhou Qiandao Lake Bright Resort Hotel**

It is a hotel project located in the southwest of Qiandaohu Town (千島湖鎮), Chunan County, Hangzhou, with total GFA of 46,691 sq.m. The hotel is built adjacent to Thousand-Islet Lake Passengers Port which enjoys a beautiful lake view and natural habitat. This project was completed and commenced business in the first half of 2017.

**Yuyao, Zhejiang province****Zhong An Times Square**

It is a large-scale integrated commercial project located in Yuyao, Zhejiang province with estimated total GFA of 628,408 sq.m.. The development of project is completed by two phases, comprising a hotel, shops, residences, serviced apartments, shopping malls and offices. The construction of phase II of this project was completed in 2016, and phase I remains under development. All net economic benefits arising from the sale or pre-sale of the residential apartments in Phase II ("Times Square Residential Portion") shall belong to a connected person (as defined under the Listing Rules) of the Group according to the Cooperation Agreement entered into between such connected person and the Group (through its indirect non-wholly owned subsidiary) on 16 March 2014. Details of the Cooperation Agreement were disclosed in the prospectus ("Prospectus") of the Company dated 17 June 2014 under the section headed "Continuing Connected Transaction" and under the section headed "Related Party and Connected Transactions" on this report.

**西溪新城市**

位於杭州西湖區蔣村單位，距離西溪濕地僅一路之隔。項目總佔地面積為39,703平方米，總建築面積為59,555平方米。該項目於2017年開始動工，建設為包括辦公室、服務式公寓及商鋪的商業綜合體。

**西溪曼哈頓**

位於杭州余杭區的商業地產項目，項目建築面積109,998.35平方米，於2017年8月下旬開盤銷售，預期將於2019年上半年交付使用。

**朝陽銀座**

位於杭州蕭山區朝陽社區地塊的商業部份，總佔地面積為10,541平方米，總建築面積53,033平方米。該項目主要包括服務式公寓和商鋪，已於2016年開啟預售，並於2018年底前全部竣工。

**杭州千島湖伯瑞特度假酒店**

位於杭州市淳安縣千島湖鎮西南面的酒店項目，總建築面積為46,691平方米。該酒店建於千島湖岸，擁有美麗的湖泊景色及自然環境。該項目已於2017年上半年竣工，並開始營業。

**浙江省余姚市****眾安時代廣場**

位於浙江省余姚市的大型商業綜合項目，估計總建築面積為628,408平方米。項目分為兩期發展，包括酒店、商鋪、住宅、服務式公寓、商場及辦公室。該項目二期已於2016年竣工，一期目前仍然在開發中。根據2014年3月16日本集團（通過其間接非全資擁有子公司）與本集團一位關連人士（根據上市規則之定義）所訂立的合作協議，從出售或預售項目二期的住宅公寓（「時代廣場住宅物業」）所產生之全部經濟利益淨額歸該關連人士所有。合作協議之詳情已於日期為2014年6月17日之本公司招股章程（「招股章程」）「持續關連交易」一節及本報告「關聯方及關連交易」一節披露。



## Huaibei, Anhui Province

### Huaibei Bright Hotel

It is a hotel project in Huaibei, Anhui province, with a site area of 60,768 sq.m. and total GFA of 67,061 sq.m.. This project is partially completed and has commenced business in second half of 2017.

### Sales Review

For the year under review, the recognized sales of properties (sold and delivered) was approximately RMB152,246,000 (2016: approximately RMB769,893,000). The recognized sales area of properties was approximately 3,036 sq.m. and the recognized average sales price was approximately RMB30,434 per sq.m.. In addition, the sales of investment properties of approximately RMB920,671,000 was not included in the sales of properties in accordance with international accounting standards. Only net gains on disposal of investment properties of approximately RMB63,221,000 was recorded in other income and gains during the year under review.

## 安徽省淮北市

### 淮北伯瑞特酒店

位於安徽省淮北市的酒店項目，佔地面積60,768平方米，總建築面積67,061平方米。該項目已部份竣工並已於2017年下半年開始營業。

### 銷售回顧

在回顧年度內，物業銷售之已確認（出售及支付）銷售金額約為人民幣152,246,000元（2016年：約為人民幣769,893,000元）。已確認的物業銷售面積約為3,036平方米及已確認每平方米銷售均價約為人民幣30,434元。此外，根據國際會計準則，銷售投資物業約人民幣920,671,000元並未計入物業銷售。於回顧年度內，只有出售投資性物業淨收益約人民幣63,221,000元於其他收入及收益入賬。

		Sales of properties	Proceeds from disposal of investment properties
		物業銷售	出售投資物業所得款項
		(RMB million)	(RMB million)
		(人民幣百萬元)	(人民幣百萬元)
International Office Centre	國際辦公中心	79.0	570.4
Yuyao Zhong An Times Square	余姚眾安時代廣場	41.8	-
Others	其他	31.4	5.2
Highlong Plaza	恒隆廣場	-	345.1
		152.2	920.7

## 2017 Contracted sales

For the year under review, the contracted sales area of the Group was approximately 243,268 sq.m. (2016: approximately 87,225 sq.m.), contracted sales revenue was approximately RMB3,296,300,000 (2016: approximately RMB1,187,000,000), details of the contracted sales of the major projects are as below:

## 2017年的合同銷售

於回顧年度內，本集團的合同銷售面積約為243,268平方米（2016年：約為87,225平方米），合同銷售收入約為人民幣3,296,300,000元（2016年：約人民幣1,187,000,000元），主要項目的合同銷售詳情如下：

		Contracted sales area 合同銷售面積 (sq.m.) (平方米)	Contracted sales revenue 合同銷售收入 (RMB million) (人民幣百萬元)
Hidden Dragon Bay	隱龍灣	6,288	68.5
Jia Run Mansion	嘉潤公館	30,925	745.3
Yuyao Zhong An Times Square	余姚眾安時代廣場	22,366	223.2
Chaoyang Yinzuo	朝陽銀座	24,549	340.6
Highlong Plaza	恒隆廣場	24,258	335.8
Shenglong Landscape Garden	盛隆山水苑	1,372	14.5
Xixi New City	西溪新城市	9,007	302.4
Xixi Manhattan	西溪曼哈頓	18,520	321.0
Xinnongdu	新農都	105,983	945.0
Total	總計	243,268	3,296.3



## Management Discussion and Analysis

### 管理層討論與分析

It is expected that the GFA available of major projects for sale or lease in 2018 is approximately to be 648,000 sq.m., with details as below:

預計於2018年可供出售或租賃之主要項目建築面積約為648,000平方米，詳情如下：

		<b>GFA available for sale/lease 可供出售／租賃 的建築面積 (sq.m.) (平方米)</b>	<b>Usage 用途</b>
Hangzhou, Zhejiang province 浙江省杭州市	International Office Center Plot A3 國際辦公中心A3地塊	112,449	For sale/leasing 出售／租賃
	Hidden Dragon Bay 隱龍灣	121,169	For sale/leasing 出售／租賃
	Highlong Plaza 恒隆廣場	72,929	For sale/leasing 出售／租賃
	Chaoyang Yinzuo 朝陽銀座	36,452	For sale 出售
Yuyao, Zhejiang province 浙江省余姚市	Yuyao Zhong An Times Square 余姚眾安時代廣場	305,473	For sale 出售
	<b>Total 總計</b>	<b>648,472</b>	



## Hotel Operation

There are three hotels of the Group that are currently under operation, being Holiday Inn Hangzhou Xiaoshan, Hangzhou Qiandao Lake Bright Resort Hotel and Huaibei Bright Hotel. The hotel operation of the Group recorded a revenue of approximately RMB67,391,000 (2016: approximately RMB46,749,000), represented an increase of approximately 44%, during the year under review and the hotel occupancy rate was approximately 52% (2016: 58%).

## Leasing Business

The current leasing income of the Group mainly comes from Highlong Plaza and IOC, including office and shopping malls. The total revenue from leasing business for the year under review was approximately RMB76,997,000, representing an increase of approximately 33% from approximately RMB58,087,000 recorded in the year of 2016. The average occupancy rate of leasing properties was approximately 91% (2016: 79%).

## Land Reserve

As at 31 December 2017, the total GFA of land reserves of the Group was approximately 2,500,000 sq.m..

## Placing of new Shares

Reference is made to the announcements of the Company dated 5 July, 7 July and 26 July 2017. On 26 July 2017, the Company has placed 110,012,000 Shares to not less than six placees at the placing price of HK\$1.82 each. The Shares were allotted and issued under the general mandate granted to the Directors by a resolution passed by the then shareholders of the Company at the annual general meeting of the Company held on 8 June 2017. The gross proceeds raised from the placing shares are approximately HK\$200.2 million and the net proceeds derived from the placing shares (after deduction of the relevant expenses) are approximately HK\$197 million, which are used by the Company for investment in commercial property development or general working capital as intended during the year under review.

## 酒店營運

本集團現有三間酒店正在營運，即杭州蕭山假日酒店、杭州千島湖伯瑞特度假酒店及淮北伯瑞特酒店。於回顧年度內，本集團酒店營運錄得收入約人民幣67,391,000元（2016年：約為人民幣46,749,000元），增加約44%，酒店出租率約達52%（2016年：58%）。

## 租賃業務

本集團目前的租金收入主要來自恒隆廣場及國際辦公中心，包括寫字樓和購物商場。於回顧年度，來自租賃業務之總收入約人民幣76,997,000元，較2016年的約人民幣58,087,000元增加約33%。出租物業之平均出租率約達91%（2016年：79%）。

## 土地儲備

截至2017年12月31日，本集團的土地儲備之總建築面積約為2,500,000平方米。

## 配售新股份

茲提述本公司日期為2017年7月5日、7月7日及7月26日之公告。於2017年7月26日，本公司按配售價每股1.82港元向不少於六名承配人配售合共110,012,000股股份。配售股份乃根據於2017年6月8日舉行之本公司股東週年大會上當時之本公司股東通過之決議案授予董事之一般授權配發及發行。配售股份之所得款項總額約為200,200,000港元，而來自配售股份之所得款項淨額（經扣除有關開支後）約為197,000,000港元，本公司於回顧年度內按擬定用途將有關款項用作投資於商用物業開發或一般營運資金。

## Acquisition of Zhejiang Xinnongdu

Reference is made to the joint announcements of the Company and Zhong An Real Estate Limited (“Zhong An”) dated 11 January 2017, 21 August and 29 August 2017. On 11 January 2017, Zhejiang Zhong An Shenglong Commercial Co., Ltd. (“Zhongan Shenglong”), an indirect non-wholly owned subsidiary of the Company, entered into a memorandum of understanding with Hangzhou Oriental Culture Tourism Group Co., Ltd (杭州東方文化園旅業集團有限公司) (“Hangzhou Oriental”) in relation to the proposed acquisition by Zhong An Shenglong of 42.5% of the entire equity interests in Zhejiang Xinnongdu Industrial Co., Ltd (浙江新農都實業有限公司) (“Zhejiang Xinnongdu”) from Hangzhou Oriental. On 21 August 2017, Zhong An Shenglong entered into an equity transfer agreement with Hangzhou Oriental, pursuant to which Zhong An Shenglong has conditionally agreed to acquire 19.85% of the entire equity interests in Zhejiang Xinnongdu from Hangzhou Oriental at a cash consideration of RMB327 million. The completion of the equity transfer agreement took place on 29 August 2017.

## Acquisition of Huaiji Yueshan Hot Springs

Reference is made to the announcement of the Company dated 14 December 2017. On 14 December 2017, Zhongan Jiankang Chanye Development Co., Ltd, an indirect non-wholly owned subsidiary of the Company, entered into the cooperation agreement with the Ms. Li Qiu Lian, Ms. Li Qiu Jiao, Zhaoqing Shi Weixin Shiye Co., Ltd. (肇慶市威信實業有限公司) (“Weixin Shiye”) and Feng Hua (HK) Limited in relation to among others, i) the acquisition of the entire equity interest of Huaiji Yueshan Hot Springs Resort District Co., Ltd from Ms. Li Qiu Lian and Ms. Li Qiu Jiao; ii) the establishment of a PRC company (the “New PRC Company”) with Weixin Shiye; and iii) the acquisition of the 5% of the entire equity interests in the New PRC Company from Weixin Shiye at a consideration of RMB50.05 million, which comprise of cash consideration of RMB10.05 million and consideration RMB40,000,000 will be settled by the allotment and issuance of the 26,890,773 new shares of the Company at the issue price of HK\$1.75 per share of the Company. As at the date of this report, the acquisition has not completed.

## 收購浙江新農都

茲提述本公司與眾安房產有限公司(「眾安」)日期為2017年1月11日、及2017年8月21日及2017年8月29日之聯合公告。於2017年1月11日，本公司之間接非全資附屬公司浙江眾安盛隆商業有限公司(「眾安盛隆」)已與杭州東方文化園旅業集團有限公司(「杭州東方」)訂立諒解備忘錄，內容有關眾安盛隆建議向杭州東方收購浙江新農都實業有限公司(「浙江新農都」)全部股權之42.5%。於2017年8月21日，眾安盛隆與杭州東方訂立股權轉讓協議，據此，眾安盛隆有條件同意向杭州東方收購浙江新農都全部股權之19.85%，現金代價為人民幣327,000,000元。股權轉讓協議已於2017年8月29日完成。

## 收購懷集岳山溫泉

茲提述本公司日期為2017年12月14日之公告。於2017年12月14日，本公司之間接非全資附屬公司眾安健康產業發展有限公司與李秋連女士、李秋嬌女士、肇慶市威信實業有限公司(「威信實業」)及鋒華(香港)有限公司訂立合作協議，內容有關(其中包括)：i)自李秋連女士及李秋嬌女士收購懷集岳山溫泉旅遊度假區有限公司的全部股權；ii)與威信實業成立中國公司(「新中國公司」)；及iii)自威信實業收購新中國公司全部股權的5%，代價為人民幣50,050,000元，當中包括現金代價人民幣10,050,000元及代價人民幣40,000,000元將透過按發行價每股本公司股份1.75港元配發及發行26,890,773股本公司新股份支付。於本報告日期，收購事項尚未完成。

## Cooperation with Maggie & Rose

Reference is made to the announcement of the Company dated 24 November 2017. On 24 November 2017, Complete Victory Enterprise Limited, direct wholly-owned subsidiary of the Company, entered into a joint venture agreement with Maggie & Rose (CN) Limited, Highest Joy Limited and the Maggie & Rose (Greater China) Group Limited (“MRGC”) for the establishment of the holding company to invest in the high quality family lifestyle business including amongst other things, high quality Flagship Clubs, Family Clubs, children development and education institutions, nurseries, books, food and beverage and events using the System or websites or internet or other medium under the “Maggie & Rose” brand in the PRC, Macau and Taiwan. Upon signing of the joint venture agreement, Maggie & Rose (CN) Limited, Maggie & Rose Limited and MRGC also entered into an exclusive licence agreement, pursuant to which Maggie & Rose (CN) Limited, as licensor, agrees to license and make available all of its intellectual property assets, existing from time to time, to MRGC, as licensee, for the business operation of MRGC in the PRC, Macau and Taiwan. Pursuant to the joint venture agreement, Complete Victory Enterprise Limited has agreed to contribute a total amount of RMB150,000,000 or in HK\$ equivalent, which will be in the form of cash, Maggie & Rose (CN) Limited has agreed to contribute a total amount of HK\$143,712,550 which will be in the form of entering into the exclusive licence agreement with MRGC. Highest Joy Limited has agreed to contribute a total amount of HK\$35,568,826 which will be in the form of entering into a service agreement with MRGC.

## 與Maggie & Rose (麥琪夢絲) 合作

茲提述本公司日期為2017年11月24日之公告。於2017年11月24日，本公司之直接全資附屬公司全勝企業有限公司與Maggie & Rose (CN) Limited、高悅有限公司及Maggie & Rose (Greater China) Group Limited (「MRGC」) 訂立合營協議，以成立控股公司投資優質家庭生活業務，包括(其中包括)在中國、澳門及台灣以「Maggie & Rose」品牌使用系統、網站、互聯網或其他媒介從事優質旗艦俱樂部、家庭俱樂部、兒童發展及教育機構、托兒所、書籍、餐飲及活動。在簽署合營協議後，Maggie & Rose (CN) Limited、Maggie & Rose Limited及MRGC亦訂立獨家許可協議，據此，Maggie & Rose (CN) Limited (作為許可人) 同意將其不時具有的所有知識產權許可提供予MRGC (作為獲許可人)，以在中國、澳門及台灣經營MRGC的業務。根據合營協議，全勝企業有限公司已同意注入總款項人民幣150,000,000元或等值港元，將以現金形式注入，Maggie & Rose (CN) Limited已同意注入總款項143,712,550港元，將以與MRGC訂立獨家許可協議的形式注入。高悅有限公司已同意注入總款項35,568,826港元，將以與MRGC訂立服務協議的形式注入。



## FINANCIAL ANALYSIS

### Revenue

Consolidated revenue of the Group was approximately RMB295,986,000 for the year under review, representing an decrease of 66% as compared to the revenue of approximately RMB858,371,000 for the year of 2016. This was mainly due to the decrease in the revenue from sales of properties.

For the year under review, the revenue from sales of properties amounted to approximately RMB152,246,000, representing decrease of 80% from approximately RMB769,893,000 for the year of 2016. The decrease was primarily due to the sales of investment property of approximately RMB920,671,000 and gain on disposal of investment properties approximately RMB63,221,000 were not included in the Group's revenue and gross profit in accordance with international accounting standards, and hence the revenue and gross profit decrease during the year under review.

The revenue from property leasing recorded a increase of 33% to approximately RMB76,997,000 during the year under review (2016: approximately RMB58,087,000). The revenue from hotel operation was approximately RMB67,391,000 during the year under review, representing a increase of approximately 44% as compared to previous year of approximately RMB46,749,000.

### Gross Profit and Gross Profit Margin

Gross profit of the Group for the year under review amounted to approximately RMB135,369,000, representing a decrease of approximately 58% when compared to approximately RMB324,991,000 for the year of 2016. This was mainly due to the decrease in sales of properties can be recorded as revenue.

Gross profit margin for the year under review was approximately 46% (2016: 38%). The increase was mainly due to the proportion of hotel operating income increase which has a higher gross profit margin.

### Other Income and Gains

During the year under review, other income and gains amounted to approximately RMB77,844,000 (2016: RMB16,832,000), higher as compared with last year. This was mainly due to the gain recorded from the disposal of investment properties of approximately RMB63,221,000.

## 財務分析

### 收入

本集團於回顧年度的綜合收入約為人民幣295,986,000元，較2016年的收入約人民幣858,371,000元減少66%。主要由於物業銷售收入減少。

於回顧年度內，物業銷售收入約為人民幣152,246,000元，較2016年的約人民幣769,893,000元減少80%。有關減少的主要原因是根據國際會計準則，出售投資物業約人民幣920,671,000元及出售投資物業項目之收益約人民幣63,221,000元不計入本集團的收入及毛利內，因此收入及毛利於回顧年度內減少。

於回顧年度內，物業租賃收入增加33%至約人民幣76,997,000元（2016年：約人民幣58,087,000元）。於回顧年度內酒店營運收入約為人民幣67,391,000元，較去年的約為人民幣46,749,000元增加約44%。

### 毛利及毛利率

本集團於回顧年度內的毛利約為人民幣135,369,000元，較2016年的約人民幣324,991,000元減少約58%，主要由於可記錄於收入之物業銷售減少。

回顧年度內的毛利率約為46%（2016年：38%）。增加主要是由於具有較高毛利率的酒店經營收入佔比增加。

### 其他收入及收益

於回顧年度內，其他收入及收益約為人民幣77,844,000元（2016年：人民幣16,832,000元），較去年增加。主要由於錄得出售投資物業收益約人民幣63,221,000元。

## Selling and Distribution Costs

For the year under review, selling and distribution expenses amounted to approximately RMB152,252,000 (2016: RMB80,142,000), representing an increase of 90% as compared to that from last year. Such increase was principally due to an increase in sales commission advertising and promotional expenses of the investment property sold during the year under review.

## Administrative Expenses

For the year under review, administrative expenses amounted to approximately RMB114,451,000 (2016: RMB107,503,000), representing an increase of approximately 6% from last year.

## Finance Costs

For the year under review, finance costs was approximately RMB13,161,000 (2016: RMB2,218,000), representing an increase of approximately 493% from last year, which arising from the interest on bank loans and other borrowings for completed properties held for sale which could no longer be capitalized.

## Earnings

For the year under review, the profit attributable to equity holders of the Company amounted to approximately RMB488,505,000 (2016: RMB147,042,000), representing an increase of approximately 232% compared to last year. The increase in profit attributable to equity holders of the Company for the year under review was primarily attributable to the material gain in fair value of investment properties recorded in the year under review.

## MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

Details are disclosed under sections headed “Acquisition of Zhejiang Xinnongdu”, “Acquisition of Huaiji Yueshan Hot Springs” and “Cooperation with Maggie & Rose”.

Save as disclosed above, during the year under review, there was no other material acquisition or disposal of subsidiaries or associated companies of the Company.

## 銷售及分銷開支

於回顧年度內，銷售及分銷開支約為人民幣152,252,000元（2016年：人民幣80,142,000元），較去年增加90%，主要由於回顧年內所售投資物業的銷售佣金、廣告及推廣開支增加所致。

## 行政開支

於回顧年度內，行政開支約為人民幣114,451,000元（2016年：人民幣107,503,000元），較去年增加約6%。

## 融資成本

於回顧年度內，融資成本約為人民幣13,161,000元（2016年：人民幣2,218,000元），較去年增加約493%，乃由於來自持作銷售已竣工物業的銀行貸款及其他借款利息再不能予以資本化。

## 盈利

於回顧年度內，本公司權益持有人應佔利潤約為人民幣488,505,000元（2016年：人民幣147,042,000元），較去年增加約232%。回顧年度內本公司權益持有人應佔利潤增加主要由於回顧年度內錄得重大投資物業公允價值收益。

## 重大收購及出售附屬公司及聯營公司

詳情披露於「收購浙江新農都」、「收購懷集岳山溫泉」及「與Maggie & Rose（麥琪夢絲）合作」內。

除上文所披露者外，於回顧年度內，概無其他重大收購或出售本公司附屬公司或聯營公司。



**LIQUIDITY AND FINANCIAL RESOURCES****流動資金及財務資源****Cash Position and Fund Available****現金狀況及可用資金**

As at 31 December 2017, the total cash and bank balances of the Group were approximately RMB612,463,000 (2016: RMB462,797,000), comprising cash and cash equivalents of approximately RMB323,312,000 (2016: RMB298,308,000) and restricted cash of approximately RMB289,151,000 (2016: RMB164,489,000).

於2017年12月31日，本集團現金及銀行結餘總額約為人民幣612,463,000元（2016年：人民幣462,797,000元），包括現金及現金等價物約人民幣323,312,000元（2016年：人民幣298,308,000元）及受限制現金約為人民幣289,151,000元（2016年：人民幣164,489,000元）。

As at 31 December 2017, the Group's total available financial resources amounted to approximately RMB11.6 billion being the undrawn borrowing facilities were approximately RMB8.5 billion and the borrowings were approximately RMB3.1 billion.

於2017年12月31日，本集團可動用財務資源總額約人民幣116億元，即未提取的借款融資為約人民幣85億元及借款為約人民幣31億元。

**Borrowings****借款**

As at 31 December 2017, the Group's bank and other borrowings amounted to approximately RMB3,107,739,000 (2016: RMB3,300,609,000), comprising bank loans of approximately RMB2,297,739,000 (2016: RMB3,000,609,000) and other loans of approximately RMB810,000,000 (2016: RMB300,000,000).

於2017年12月31日，本集團銀行貸款及其他借款約為人民幣3,107,739,000元（2016年：人民幣3,300,609,000元），包括銀行貸款約為人民幣2,297,739,000元（2016年：人民幣3,000,609,000元）及其他貸款約為人民幣810,000,000元（2016年：人民幣300,000,000元）。

The maturity profile of borrowings were as follows:

有關借款到期情況載列如下：

		As at 31 December 2017 於2017年 12月31日 RMB'000 人民幣千元	As at 31 December 2016 於2016年 12月31日 RMB'000 人民幣千元
Within 1 year or on demand	一年內或按要求	1,180,739	1,104,000
Over 1 year but within 2 years	多於一年但少於兩年	1,270,000	989,609
Over 2 years but within 5 years	多於兩年但少於五年	487,000	757,000
Over 5 years	五年以上	170,000	450,000
		<b>3,107,739</b>	<b>3,300,609</b>

For bank and other borrowings, except for certain short term bank and other borrowings amounting to RMB1,201,000,000 (2016: RMB770,000,000) that bear interest at fixed rates, all bank loans bear interest at floating rates. The Group's bank and other borrowings bear effective interest at rates ranging from 0.9% to 8.2% per annum as at 31 December 2017 (2016: 2.1% to 12.0% per annum). The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank and other borrowings.

## Pledge of Assets

As at 31 December 2017, the Group's bank borrowings of approximately RMB3,057,739 (2016: RMB3,250,609,000) were secured by the Group's pledge of assets as follows:

		As at 31 December 2017 於2017年 12月31日 RMB'000 人民幣千元	As at 31 December 2016 於2016年 12月31日 RMB'000 人民幣千元
Investment properties	投資物業	1,732,798	2,355,739
Properties under development	開發中物業	786,511	1,673,772
Completed properties held for sale	持作銷售已竣工物業	1,086,533	893,109
Property and equipment	物業及設備	90,704	128,816
Restricted cash	受限制現金	181,463	117,231
		<b>3,878,009</b>	5,168,667

## Net Current Assets and Current Ratio

As at 31 December 2017, the Group's net current assets amounted to approximately RMB215,003,000 (2016: approximately RMB250,528,000). As at 31 December 2017, the Group's current ratio, calculated as current assets divided by current liabilities, was approximately 1.05 (2016: 1.09).

就銀行貸款及其他借款，除若干按固定利率計息之短期銀行貸款及其他借款人民幣1,201,000,000元（2016年：人民幣770,000,000元）外，所有銀行貸款按浮動利率計息。本集團於2017年12月31日的銀行貸款及其他借款按介乎0.9%至8.2%（2016年：2.1%至12.0%）的實際年利率計息。本集團的目標是運用銀行貸款及其他借款來維持資金連續性與靈活性之間的平衡。

## 資產抵押

於2017年12月31日，本集團銀行借款約為人民幣3,057,739元（2016年：人民幣3,250,609,000元）由本集團以下資產押作抵押：

## 淨流動資產及流動比率

於2017年12月31日，本集團之淨流動資產約為人民幣215,003,000元（2016年：約為人民幣250,528,000元）。於2017年12月31日，本集團之流動比率（按流動資產除以流動負債計算）約為1.05（2016年：1.09）。

## Gearing Ratio

As at 31 December 2017, the Group's gearing ratio (as measured by net debt to total equity) was 42% (2016: 53%). Net debt is calculated as total borrowings less cash, cash equivalents and restricted cash.

## Cost of borrowings

For the year under review, the total cost of borrowings of the Group was approximately RMB218,090,000 (2016: RMB253,749,000), representing a decrease of approximately 14% when compared with the year of 2016. In addition, for the year under review, interests with an amount of approximately RMB204,929,000 (2016: RMB251,531,000) were capitalized. The decrease was mainly attributable to lower average balance of borrowings.

## TREASURY POLICIES

The Group principally operates in PRC and the revenue, operating cost and borrowings were mainly denominated in RMB. As a result, the Group has minimal exposure to exchange rate fluctuation. The interest rates for the Group's borrowings were floating and fixed. Upward fluctuations in interest rates will increase the cost of borrowings.

The Group adopts conservative treasury policies in cash and financial management. Cash is generally placed in short-term deposits mostly denominated in RMB. The Group does not use any financial instruments for hedging purpose for the year under review.

## GUARANTEES AND CONTINGENT LIABILITIES

As at 31 December 2017, the Group's contingent liabilities was approximately RMB232,541,000 (2016: RMB314,227,000), which were mainly the guarantees provided by the Group in favour of certain banks for the grant of mortgage loans to purchasers of the Group's properties.

## 資本負債比率

於2017年12月31日，本集團之資本負債比率（按債務淨額除以總權益計算）為42%（2016年：53%）。債務淨額按總借款減去現金、現金等價物及受限制現金計算。

## 借款成本

於回顧年度內，本集團借款成本總額約為人民幣218,090,000元（2016年：人民幣253,749,000元），較2016年減少約14%。此外，於回顧年度內利息資本化金額約為人民幣204,929,000元（2016年：人民幣251,531,000元）。有關減少主要由於借款平均結餘減少所致。

## 庫務政策

由於本集團主要在中國經營業務，而收入、經營成本及借款主要以人民幣計值，故本集團所承擔之匯率波動風險甚微。本集團借款利率為浮動及固定。利率向上波動將增加借款成本。

本集團在現金及財務管理方面採取審慎理財政策。現金通常會存作短期存款，大部份以人民幣為單位。本集團於回顧年度內並無使用任何金融工具作對沖用途。

## 擔保及或有負債

於2017年12月31日，本集團或有負債約為人民幣232,541,000元（2016年：人民幣314,227,000元），主要為本集團就若干銀行向本集團物業的買家授出的按揭貸款出具的擔保。

## COMMITMENTS

As at 31 December 2017, the Group's commitments for property development expenditures amounted to approximately RMB520,421,000 (2016: RMB478,185,000). It is expected that the Group will finance such commitments from its own funds and loans.

## HUMAN RESOURCES AND REMUNERATION POLICY

As at 31 December 2017, the Group employed 1,272 staff (2016: 793). For the year under review, the staff costs of the Group was approximately RMB87,824,000 (2016: RMB64,442,000), representing increase of 36%, mainly due to the increased average headcounts and average salary during the year under review.

The employees' remuneration policy was determined by reference to factors such as remuneration information in respect of the local market, the overall remuneration standard in the industry, inflation level, corporate operating efficiency and performance of the employees. The Group conducts performance appraisal once every year for its employees, the results of which are applied in annual salary review and promotion assessment. The Group's employees are considered for the entitlement of annual bonus according to certain performance conditions and appraisal results. The Group also provides continuous learning and training programmes to its employees to enhance their skills and knowledge, so as to maintain and enhance their competitiveness.

## 承擔

於2017年12月31日，本集團物業開發開支承擔約為人民幣520,421,000元（2016年：人民幣478,185,000元）。預計本集團將由其自有資金及銀行貸款撥付相關承擔。

## 人力資源及薪酬政策

於2017年12月31日，本集團僱用員工1,272人（2016年：793人）。本集團於回顧年度內的員工成本約為人民幣87,824,000元（2016年：人民幣64,442,000元），增加36%，主要原因為回顧年度內員工平均人數及平均薪金增加。

員工薪酬政策是參照當地市場薪資行情，結合市場同行業的整體薪資狀況、通脹水準、企業經營效益以及員工的績效等多方面因素而確定。本集團對僱員的表現每年作出一次評核，結果用於每年薪金審查及晉升評估。本集團的員工均會獲考慮根據若干表現條件及評核結果而獲發年度花紅。本集團亦向員工提供持續教育和培訓計劃，提升員工的技能和知識，保持及提高公司人才競爭力。



## STRATEGIES

The management has developed sound strategies to overcome the abovementioned challenges and address the uncertainties facing the Group, including formulating effective marketing strategy plan and improving our products and services quality to consolidate our brand. The Group will put effort in formulating new policies, guidelines, systems and processes to facilitate effectively cost management, risk management, internal control and sustainable environmental management to enhance company management standards and corporate governance standards. For growth strategy, the Group will focus on identifying possible acquisitions with future development prospects and profitability to improve the returns on assets. The Group will further emphasize on investor relations management, and continue to convey clearly the operation vision, business updates and future development strategies of the Group and other information to various stakeholders through press conferences, roadshows, media delegation visits and one-on-one analyst or investor interview and otherwise to strive for the recognition and support from various stakeholders and obtain more resources for business development purpose and maximize shareholders' value.

## RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

Employees, customers and suppliers are the key stakeholders who affected the sustainability of our business. Engaging with those stakeholders will not only help us understand the possible risks and opportunities to our business, but also help us to mitigate risk and seize the opportunities in the real market situation.

The Group believes that our people are critical factors to the Group's success and competitiveness in the market. As such, we had adopted a share option scheme in 20 May 2015 for the purpose of providing incentives and rewards to eligible participants who contributed to the success of the Group's operations.

Customer satisfaction with our services and products has profound effects on our profitability. Our dedicated team of sales people constantly communicate with our customers and potential customers to uncover and create customer needs and help customers make informed decisions. To grasp the market trend is critical for the Group to timely adjust our operating strategies to fit the market requirement.

## 策略

管理層已經制定良好的戰略用以克服上述挑戰，解決本集團面臨的不確定性，包括制定有效的市場策略計劃及提高產品及服務質素來鞏固我們的品牌。本集團將會加大精力於制定新政策、指引、系統及程序來有效促成成本管理、風險管理、內部控制及可持續的環境管理，提高公司管理水平及企業管治水平。在增長策略上，本集團將致力物色具備未來發展盈利能力的可收購項目，提高資產回報率。本集團更會注重投資者關係管理，繼續以新聞發佈會、路演、媒體考察團及一對一分析師或投資者會面等等的方式，將本集團的經營理念、業務現狀及未來發展策略以及其他資料的訊息，清楚轉達給各個持份者，爭取各個持份者的認可和支持，並獲取更多業務發展的資源，實現股東價值最大化。

## 與僱員、客戶及供應商的關係

僱員、客戶及供應商是影響我們業務持續發展的主要持份者。這些持份者的參與不但有助我們理解業務上可能存在的風險和機遇，同時也幫助我們在真實市場情況下減輕風險和抓緊機會。

本集團相信我們的人才是本集團市場競爭優勢的關鍵成功因素。因此，我們已於2015年5月20日採納購股權計劃，以激勵及獎勵為本集團成功營運作出貢獻的合資格參與者。

顧客滿意，對我們的服務和產品盈利能力產生深遠的影響。我們專業的銷售團隊與客戶及潛在客戶不斷的溝通，發現及創造客戶需要並協助客戶在知情的基礎上作出決策。把握市場走勢對本集團及時調整我們的經營策略以適應市場需求非常重要。

Collaborative and mutual beneficial business relationship with our strategic suppliers and contractors is of importance to achieve higher levels of efficiency and competitive advantage. The Group evaluates the capabilities of our suppliers and contractors to determine if they are able to meet the requirements and needs of the Group from time to time.

Developing and maintaining good relationship with various commercial banks and financial institutions is always our main task because our capital-intensive projects require on-going funding to maintain continuous growth.

## COMPLIANCE WITH LAWS AND REGULATIONS

The Company's policies and practices highlight the importance of compliance with all relevant local laws, rules, regulations and standard. This in return, facilitate the continuous granting of specific licenses and permissions.

The Group will seek professional legal advice from legal advisers, where necessary, to ensure transactions and business to be performed by the Group are in compliance with the applicable laws and regulation.

No material accidents related to serious injuries or death or property damage and no environmental claims, lawsuits, penalties or administrative sanctions were reported to our management during the year under review and as at the date of this annual report. The management is of the view that the Group were in compliance with all relevant PRC laws and regulations in all material respects.

我們與戰略供應商和承包商的協作和互惠互利業務合作關係對實現更高的效率和競爭優勢非常重要。本集團不時對供應商及承包商的能力進行評估，以確保彼等可達到本集團的要求及需求。

與各商業銀行和金融機構發展和維護良好關係一直是我們的主要任務，因為我們資本密集的项目需要持續的資金來保持持續增長。

## 遵守法律法規

本公司的政策和常規強調遵守所有相關的本地法律、規則、法規和標準的重要性。這有助特定牌照和准許的繼續授予。

本集團在有需要時將尋求法律顧問的專業法律意見，以確保本集團所進行的交易和業務均符合適用的法律和法規。

在回顧年度內及截至本年報日期，管理層概無接獲涉及重傷、死亡或財物損毀的重大意外報告及涉及環境索償、訴訟、罰款或行政處分的報告。管理層認為本集團在各主要方面遵守所有相關中國法律及法規。



## ENVIRONMENT POLICIES AND PERFORMANCE

As a responsible corporation, the Group is committed to protecting the environment in the areas where we operate and ensuring that environmental standards set by the government are consistently met.

We have closely monitored our projects at different stages to ensure that construction process is in compliance with environment protection and safety laws and regulations. The Group endeavors to manage its project operations by working with suppliers and contractors to ensure that they understand the importance of environmental protection, pollution prevention and waste reduction. We also encourage all our employees to be more environmentally conscious.

## DIVIDEND

The Board does not recommend the payment of final dividend for the year ended 31 December 2017 (2016: Nil).

## ANNUAL GENERAL MEETING (“AGM”)

The AGM of the Company will be held on Tuesday, 5 June 2018. Notice of AGM will be published on the websites of the Company ([www.chinanewcity.com.cn](http://www.chinanewcity.com.cn)) and the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)), and will be despatched to the shareholders of the Company within the prescribed time and in such manner as required under the Listing Rules.

## REVIEW BY AUDIT COMMITTEE

The Company has set up an audit committee (“Audit Committee”) and adopted the terms of reference which complied with the code provisions of the Corporate Governance Code contained in Appendix 14 to the Listing Rules (“CG Code”). The Audit Committee was set up for the purposes of reviewing and supervising the financial reporting process and internal control procedures of the Group and regulating the financial reporting procedures, internal controls and risk management system of the Group. It is responsible for making recommendations to the Board for the appointment, reappointment or removal of the external auditor; reviewing and monitoring the external auditor’s independence and objectivity, as well as reviewing and monitoring the effectiveness of the audit process to make sure that the same is in full compliance with applicable standards.

## 環境政策及績效

作為負責任的企業，本集團致力保護我們運營所在的地區環境，並確保政府設置的環保標準始終一致地滿足。

我們在項目的不同階段密切監控，以確保施工過程符合環保和安全的法律法規。本集團努力管理其項目運營，通過與供應商和承包商合作，確保他們也明白環保的重要性，防止污染及減少浪費。我們也鼓勵所有員工提高環保意識。

## 股息

董事會不建議派發截至2017年12月31日止年度末期股息（2016年：無）。

## 股東週年大會（「股東週年大會」）

本公司股東週年大會將於2018年6月5日（星期二）舉行。股東週年大會通告將在上市規則規定的指定時間內以指定方式刊載於本公司網站([www.chinanewcity.com.cn](http://www.chinanewcity.com.cn))及聯交所網站([www.hkexnews.hk](http://www.hkexnews.hk))，及向本公司股東寄發。

## 審核委員會的審閱

本公司已設立審核委員會（「審核委員會」），並採納遵從上市規則附錄十四所載企業管治守則之守則條文（「企業管治守則」）的職權範圍。設立審核委員會的目的是為審議和監督本集團的財務報告和內部控制程序，並規範了本集團的財務報告程序、內部控制和風險系統管理。審核委員會負責向董事會提出任命、再委任或者撤銷外部審計師的建議、審查和監督外部審計師的獨立性和客觀性，以及審查和監督審計流程的有效性，以確保其完全符合適用標準。

The Chairperson of the Audit Committee is Mr. Ng Sze Yuen, Terry. The other members are Mr. Xu Chengfa and Mr. Yim Chun Leung. The Audit Committee is comprised of all of the three independent non-executive Directors.

The results for the year ended 31 December 2017 have been audited in accordance with Hong Kong Standards on Auditing, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), by Ernst & Young whose unmodified auditor’s report is included in the annual report to be sent to shareholders.

The Audit Committee had reviewed the audited consolidated financial statements of the Group for the year under review, and reviewed with the management of the Group regarding the accounting principles and practices adopted by the Group, and discussed with them the internal controls and financial reporting matters.

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding the Directors’ securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules.

The Company has made specific enquiry of all Directors and all Directors have confirmed that they have complied with the required standards set out in the Model Code for the year under review and up to the date of this report.

## PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the knowledge of the directors, they confirm that the Company has maintained at least 25% of the Company’s total issued share capital held by the public for the year under review and as at the date of this annual report.

## COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board has adopted the code provisions of the CG Code. The Board has reviewed the Company’s corporate governance practices and is satisfied that the Company has complied with the code provisions set out in the CG Code for the year under review and up to the date of this report.

審核委員會主席為吳士元先生。其他成員為須成發先生及嚴振亮先生。審核委員會由本公司所有三名獨立非執行董事組成。

截至2017年12月31日止年度之業績已通過安永會計師事務所，按照香港會計師公會（「香港會計師公會」）發佈的香港審計準則被審核，其未經修改的審計報告會包括在年度報告中向股東寄發。

審核委員會已審閱本集團於回顧年度之經審核綜合財務報表，並與本集團管理層審閱本集團採納的會計原則及實務，且與彼等討論了內部控制及財務報告等事宜。

## 董事進行證券交易的標準守則

本公司已採納董事進行證券交易的操守守則，其條款不遜於上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）所載的規定準則。

本公司已向所有董事作出特定查詢，且所有董事已確認，於回顧年度及直至本報告日期，彼等已遵守標準守則所載的規定準則。

## 公眾持股量

根據本公司所得公開資料，據董事所悉，彼等確認，於回顧年度及截至本年報日期，本公司已維持本公司已發行股本總數由公眾人士持有不少於25%。

## 遵守企業管治守則

董事會已採納企業管治守則之守則條文。董事會已審閱本公司企業管治常規，確信本公司於回顧年度及直至本報告日期已遵守企業管治守則所載守則條文。



## CLOSURE OF REGISTER OF MEMBERS

For determination of the entitlement to attend and vote at the AGM, the transfer books and register of members will be closed from Thursday, 31 May 2018 to Tuesday, 5 June 2018 (both days inclusive) during which period no transfer of shares of the Company will be effected. In order to qualify for attending and voting at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch registrar and transfer office, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Wednesday, 30 May 2018.

The Board is committed to maintaining good corporate governance in safeguarding the interests of the shareholders of the Company (the "Shareholders") and enhancing Shareholders' value. The Board reviews its corporate governance practices periodically in order to meet the rising expectations of stakeholders, and to comply with increasingly stringent regulatory requirements as well as fulfill its commitment to excellence in corporate governance.

## 暫停辦理股份登記手續

為釐定出席股東週年大會並於會上投票的資格，本公司將自2018年5月31日（星期四）至2018年6月5日（星期二）（包括首尾兩日）暫停辦理股份過戶登記手續，期間不會辦理本公司任何股份過戶登記。為合資格出席股東週年大會並於會上投票，所有股份過戶文件連同相關股票必須於2018年5月30日（星期三）下午四時三十分前送交本公司在香港的股份過戶登記分處卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心22樓，以辦理登記手續。

董事會致力於保持良好的企業管治，以維護本公司股東（「股東」）的利益及提升股東價值。董事會定期檢討其企業管治慣例以符合持份者日益提高的期望，遵守愈發嚴格的監管規定並履行其對卓越企業管治的承擔。



## CORPORATE GOVERNANCE PRACTICES

During the year ended 31 December 2017, the Company has complied with the code provisions in the CG Code as set out in Appendix 14 to the Listing Rules.

## CORPORATE GOVERNANCE STRUCTURE

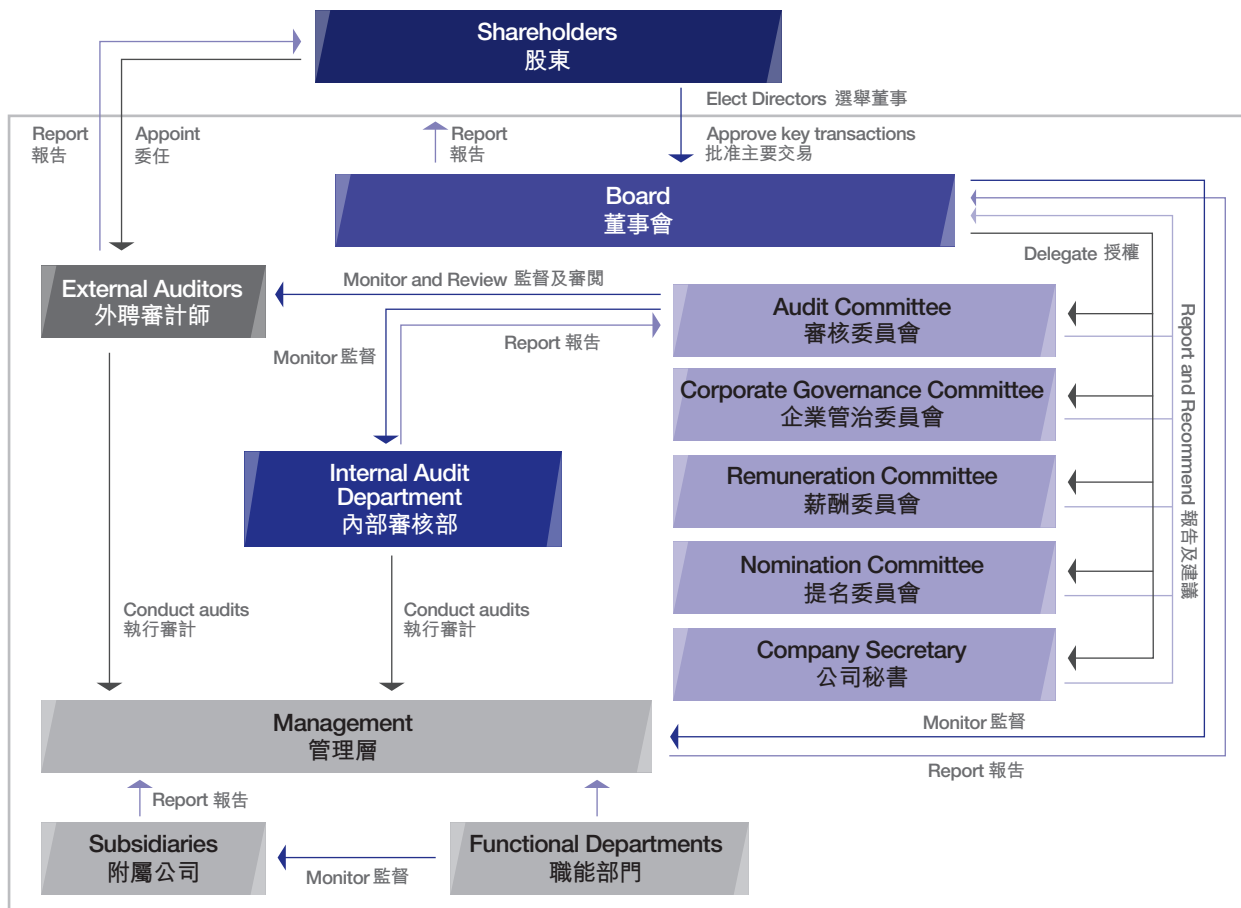
The Board will review the corporate governance structure of the Group from time to time and will adopt appropriate measures as may be desirable for future development of the operating activities or business of the Group.

## 企業管治常規

截至2017年12月31日止年度，本公司已遵守上市規則附錄十四所載企業管治守則的守則條文。

## 企業管治架構

董事會將不時檢討本集團的企業管治架構，並適當時候採取適當措施，以供本集團營運活動或業務的未來發展。



## BOARD OF DIRECTORS

The Board currently comprises three executive directors, namely Mr. Dong Shuixiao, Ms. Jin Ni and Ms. Tang Yiyang, one non-executive director, namely Mr. Shi Kancheng and three independent non-executive directors, namely, Mr. Ng Sze Yuen, Terry, Mr. Xu Chengfa and Mr. Yim Chun Leung.

The details of the Directors and (where applicable) their family relationships are set out in the section headed “Biographical Details of Directors and Senior Management” on pages 63 to 67 in this annual report. There are no relationships (including financial, business, family or other material/relevant relationships) among members of the Board. A list of the Directors identifying their roles and functions are available on the websites of the Company and the Stock Exchange.

The Company has received from each of its independent non-executive Directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Board considers that all the independent non-executive Directors are independent in accordance with the guidelines set out in Rule 3.13 of the Listing Rules.

During the year under review, the Board meets regularly to discuss the overall strategy, the operational and financial performance of the Group. The Directors can attend meetings in person or through other electronic means of communication in accordance with the articles of association of the Company (the “Articles”).

## 董事會

董事會現時包括三名執行董事，即董水校先生、金妮女士及唐怡燕女士，一名非執行董事，即施侃成先生，以及三名獨立非執行董事，即吳士元先生、須成發先生及嚴振亮先生。

董事的履歷詳情及（如適用）彼等的親屬關係載於本年報第63至67頁「董事及高級管理層的履歷」一節。董事會成員之間概無關係（包括財務、業務、家族或其他重要／相關關係）。列明董事角色及職能的董事名單可於本公司及聯交所網站查閱。

本公司已接獲各獨立非執行董事根據上市規則第3.13條的規定提交就其獨立性作出的週年確認書。董事會認為，根據上市規則第3.13條之指引，所有獨立非執行董事均為獨立。

於回顧年度內，董事會定期開會討論本集團的整體戰略、營運及財務表現。根據本公司的組織章程細則（「細則」），董事可親自或通過其他電子通訊方式參加會議。

During the year under review, a total of 11 Board meetings and one general meeting were held. The individual attendance of the Directors is tabulated as follows:

於回顧年度內，舉行合共十一次董事會會議及一次股東大會。各董事的個別出席率如下：

		Number of attendance/ Number of Board meetings 出席董事會 會議次數/ 董事會 會議次數	Number of attendance/ Number of general meetings 出席 股東大會次數/ 股東大會次數
<b>Non-executive Director</b>	<b>非執行董事</b>		
Mr. Shi Kan Cheng	施侃成先生	11/11	1/1
<b>Executive Directors</b>	<b>執行董事</b>		
Mr. Dong Shuixiao	董水校先生	11/11	1/1
Ms. Jin Ni	金妮女士	9/11	1/1
Ms. Tang Yiyang	唐怡燕女士	9/11	1/1
<b>Independent non-executive Directors</b>	<b>獨立非執行董事</b>		
Mr. Ng Sze Yuen, Terry	吳士元先生	9/11	1/1
Mr. Xu Chengfa	須成發先生	9/11	1/1
Mr. Yim Chun Leung	嚴振亮先生	9/11	1/1

## Chairperson and Chief Executive Officer

The roles of the chairperson and chief executive officer are separate and are not performed by the same individual as this ensures better checks and balances and hence better corporate governance. During the year under review and as at the date of this report, the role of the chairperson was performed by Mr. Shi Kan Cheng, while Mr. Dong Shuixiao was chief executive officer of the Group.

The chairperson had held a meeting with all independent non-executive Directors in the absence of executive Directors. No specific or other issues had been raised or discussed as it had been concluded that all issues which would be discussed had been properly dealt with in the meetings of the Board.

## 主席及行政總裁

主席及行政總裁的職能乃屬獨立，且並非由同一人士執行以確保較好的制衡作用，從而達到最佳的企業管治。於回顧年度內及於本報告日期，施侃成先生擔任本公司主席，而董水校先生為本集團行政總裁。

主席在執行董事缺席的情況下主持與全體獨立非執行董事的會議。因所有議題均已經董事會會議討論，在該會議上並無提出或討論特別或其他議題。

## Non-Executive Director and Independent Non-Executive Directors

The non-executive Director, Mr. Shi Kancheng, has been appointed for a term of 3 years commencing on 31 May 2014, which is automatically renewable for a successive term of one year from the next day upon the expiry of the appointment.

The independent non-executive Directors, Mr. Ng Sze Yuen, Terry, Mr. Xu Chengfa and Mr. Yim Chun Leung, have been appointed for a term of 3 years commencing on 31 May 2014, which is automatically renewable for a successive term of one year from the next day upon the expiry of the appointment.

All non-executive Director and independent non-executive directors possess extensive academic, professional and/or industry expertise and management experience and have provided their professional advice to the Board.

## Power of and Delegation by the Board

The Board operates and exercises its power in accordance with the Articles. The Board focuses on overall corporate strategies and policies with emphasis on the business growth, financial performance and corporate governance standard of the Group. It also decides on matters such as annual and interim results, major transactions, director appointments or re-appointments, investment policy, dividend and accounting policies and responsible for developing, reviewing and monitoring the policies and practices on corporate governance and legal and regulatory compliance of the Group. In addition, the Board has also specifically resolved that all transactions/contracts/other matters of the Group that are subject to the disclosure requirement in accordance with the Listing Rules should be approved by the Board in advance.

The Board has delegated to the senior management to deal with day-to-day operations and reviewed those arrangements on a periodic basis. The senior management frequently reports back to the Board and obtains prior approval from the Board before making decisions for key matters or entering into any commitments on behalf of the Company.

## 非執行董事及獨立非執行董事

非執行董事施侃成先生的任期為3年，自2014年5月31日起計，並於聘任年期屆滿後翌日自動按年續約一年。

獨立非執行董事吳士元先生、須成發先生及嚴振亮先生的任期均為3年，自2014年5月31日起計，並於聘任年期屆滿後翌日自動按年續約一年。

所有非執行董事及獨立非執行董事均擁有廣泛的學術、專業及／或行業專長以及管理經驗，並已向董事會提供專業意見。

## 董事會權力及授權

董事會按照細則運用及行使其權力。董事會專注於整體企業策略及政策，尤其關注本集團的業務增長、財務表現及企業管治標準。其亦就年度及中期業績、主要交易、委任及續聘董事、投資政策、股息及會計政策等事宜作出決定，並負責制定、檢討及監察本集團的企業管治政策及慣例與遵守法律及法規情況。此外，董事會亦已特別議決，本集團按照上市規則受披露規定所規限的所有交易／合同／其他事宜應由董事會事先批准。

董事會委以高級管理層職能處理日常營運事宜，並定期檢討該等安排。管理層於作出有關主要事項的決策或代表本公司訂立任何承擔之前須先向董事會匯報及獲得事先批准。

## Appointment, Re-election and Removal of Directors

The Articles provide that any Director appointed by the Board to fill a casual vacancy in the Board or as an additional member of the Board shall hold office only until the next following general meeting of the members of Company and shall then be eligible for re-election at such meeting.

In accordance with the Articles, at each AGM, one third of the Directors for the time being, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years and, being eligible, offer themselves for re-election. The Company may, at any general meetings convened and held in accordance with the Articles, remove a Director by ordinary resolution at any time before the expiration of his period of office notwithstanding anything contrary in the Articles or in any agreement between the Company and such Director and may by ordinary resolution elect another person in his/her stead.

## BOARD COMMITTEES

The Board has established four committees and has delegated various responsibilities to the committees, including the remuneration committee (the "Remuneration Committee"), the nomination committee (the "Nomination Committee"), the audit committee (the "Audit Committee") and the corporate governance committee (the "Corporate Governance Committee") of the Company. All the Board committees perform their distinct roles in accordance with their respective terms of reference which are available for inspection by the Shareholders on the websites of the Company and the Stock Exchange. The Board Committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expense.

## 董事之委任、重選及罷免

細則列明，任何由董事會委任以填補董事會臨時空缺或作為董事會新增成員的董事，任期僅至本公司下屆股東大會止，屆時於該大會上合資格膺選連任。

根據細則，於每屆股東週年大會上，佔當時董事人數三分之一之董事須輪席告退，惟各董事（包括以指定任期委任之董事）須最少每三年輪席告退一次，屆時均符合資格並願意膺選連任。本公司可於按照細則召開及舉行的任何股東大會上以普通決議案隨時罷免一名任期並未屆滿的董事，而不論細則或本公司與該名董事之間訂立之任何協議有相反規定，彼等亦可以普通決議案選舉另一名人士代替其職位。

## 董事委員會

董事會轄下已成立四個委員會，並將各種職責分派至各委員會，分別為本公司薪酬委員會（「薪酬委員會」）、提名委員會（「提名委員會」）、審核委員會（「審核委員會」）及企業管治委員會（「企業管治委員會」）。所有董事會委員會均按其各自的職權範圍履行其特定的職務，而該職權範圍刊載於本公司及聯交所網站可供股東查閱。董事會委員會有充足資源以履行其職責，且在合理要求下，可由本公司付費在適合情況下尋求獨立專業意見。

## (i) Remuneration Committee

The Remuneration Committee comprises a total of three members, being one executive Director, Ms. Tang Yiyan, and two independent non-executive Directors, Mr. Xu Chengfa (chairperson of the Remuneration Committee) and Mr. Yim Chun Leung.

The Company has adopted written terms of reference for the Remuneration Committee. The role and function of the Remuneration Committee of the Company include the following:

- (a) to make recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policy;
- (b) to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board on the remuneration of non-executive Directors;
- (c) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (d) to review and approve the compensation payable to executive Directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive;

## (i) 薪酬委員會

薪酬委員會由合共三名成員（即一名執行董事唐怡燕女士及兩名獨立非執行董事須成發先生（薪酬委員會主席）及嚴振亮先生）組成。

本公司已書面訂明薪酬委員會的職權範圍。本公司薪酬委員會的角色及職能如下：

- (a) 就本公司董事及高級管理人員的全體薪酬政策及架構，及就設立正規透明的程序制訂此等薪酬政策，向董事會提出建議；
- (b) 就獨立執行董事及高級管理人員的薪酬待遇，包括實物利益、退休金權利及補償金額（包括喪失或終止職務或委任的補償），並就非執行董事的薪酬向董事會提出建議；
- (c) 透過參照董事會的公司目的和目標，檢討及批准管理層薪酬建議；
- (d) 檢討及批准向執行董事及高級管理人員支付與任何喪失或終止職務或委任有關的補償，以確保該等補償按有關合約條款釐定；若未能按有關合約條款釐定，補償亦須公平合理，不會造成過重負擔；

- (e) to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and are otherwise reasonable and appropriate;
- (f) to ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration; and
- (g) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group.

One meeting of the Remuneration Committee was held during the year under review. The Remuneration Committee had reviewed the policies of remuneration packages of the Board of Directors. The individual attendance of the members was tabulated as follows:

		<b>Number attendance/ Number of meetings 出席次數／會議次數</b>
Mr. Xu Chengfa	須成發先生	1/1
Mr. Yim Chun Leung	嚴振亮先生	1/1
Ms. Tang Yiyun	唐怡燕女士	1/1

## (ii) Nomination Committee

The Nomination Committee comprises a total of three members, being one executive Director, Ms. Jin Ni, and two independent non-executive Directors, Mr. Xu Chengfa (chairperson of the Nomination Committee) and Mr. Yim Chun Leung.

- (e) 檢討及批准因董事行為失當而解僱或罷免有關董事所涉及的補償安排，以確保該等安排按有關合約條款釐定；若未能按有關合約條款釐定，有關賠償亦須合理適當；
- (f) 確保任何董事或其任何聯繫人不得參與釐訂彼等自身的薪酬；及
- (g) 考慮同類公司支付的薪酬、須付出的時間及職責，以及集團內其他職位的僱用條件。

於回顧年度內薪酬委員會舉行了一次會議。薪酬委員會已審閱了董事會的薪酬福利政策。各成員的個別出席次數如下：

## (ii) 提名委員會

提名委員會由合共三名成員（即一名執行董事金妮女士及兩名獨立非執行董事須成發先生（提名委員會主席）及嚴振亮先生）組成。



The Company has adopted written terms of reference for the Nomination Committee. The role and function of the Nomination Committee are as follows:

- (a) to review the structure, size and composition (including the skills, knowledge, experience and diversity of perspectives) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (b) to identify individuals suitably qualified to become members of the Board and select or make recommendations to the Board on the selection of individuals nominated for directorship;
- (c) to review the board diversity policy of the Company (the "Board Diversity Policy") and the progress on achieving the objectives set for implementing the Board Diversity Policy, and to make disclosure of its review results in the corporate governance report of the Company's annual report;
- (d) to assess the independence of the independent non-executive Directors;
- (e) to make recommendations to the Board on relevant matters relating to, among others, the appointment or re-appointment of Directors and succession planning for Directors (in particular, the chairperson and the chief executive officer of the Company);
- (f) to give full consideration to, among others, the skills and expertise required from members of the Board and the relevant requirements of the Listing Rules with regard to Directors and such like in the discharge of the Nomination Committee's duties;

本公司已書面訂明提名委員會的職權範圍。提名委員會的角色及職能如下：

- (a) 至少每年定期檢討董事會的架構、人數及組成（包括技能、知識及經驗以及多樣的觀點），並就任何為配合本公司的企業策略而擬對董事會作出的變動提出建議；
- (b) 物色具備合適資格可擔任董事的人士，挑選被提名人士出任董事或就此向董事會提供意見；
- (c) 檢討本公司董事會多元化政策（「董事會多元化政策」）及達致董事會多元化政策目標的執行進度；並在本公司年報的《企業管治報告》內容披露檢討結果；
- (d) 評核獨立非執行董事的獨立性；
- (e) 向董事會提呈（其中包括）委任及重新委任董事的相關事項，以及董事接替計劃的相關事宜（尤其是本公司主席及行政總裁）的建議；
- (f) 對（其中包括）董事會成員所須的技能及專才，以及上市規則對董事的相關要求給予充份考慮並履行提名委員會的責任；

- (g) in respect of any proposed service contracts to be entered into by any members of the Group with its director or proposed director, which require the prior approval of the Shareholders at general meeting under Rule 13.68 of the Listing Rules, to review and provide recommendations to the Shareholders (other than shareholders who are directors with a material interest in the relevant service contracts and their respective associates) as to whether the terms of the service contracts are fair and reasonable and whether such service contracts are in the interests of the Company and the Shareholders as a whole, and to advise Shareholders on how to vote;
- (h) to ensure that on appointment to the Board, non-executive Directors (including independent non-executive Directors) receive a formal letter of appointment setting out what is expected of them in terms of time commitment, committee service and involvement outside meetings of the Board;
- (i) to conduct exit interviews with any Director upon their resignation in order to ascertain the reasons for his/her departure; and
- (j) to consider other matters, as defined or assigned by the Board from time to time.

The Board has set the following measurable objectives implementing the Board Diversity Policy:

- when identifying suitably qualified candidates to become Board members, it should be based on a series of diverse aspects, including Board members with different background, skills, regional and industry experience, race, gender and other qualities, that are in balanced and complementary with each other, creating synergy, and enabling the Board to function effectively as a whole.

- (g) 檢討及就按上市規則第13.68條須事先取得股東批准的現董事或建議委任董事與集團成員的擬定服務合同，向股東（除該股東是董事及並擁有有關服務合同的重大利益，和其相關連絡人外）就該議定服務合同條款的公平及合理性、服務合同對本公司及整體股東是否有利及本公司股東應怎樣表決而提呈建議；
- (h) 確保每位被董事會委任的非執行董事（包括獨立非執行董事）於被委任時均取得正式委任函件，當中須訂明對其等之要求，包括工作時間、委員會服務要求及參與董事會會議以外的工作；
- (i) 會見辭去本公司董事職責的董事並瞭解其離職原因；及
- (j) 考慮董事會不時委派的其他事項。

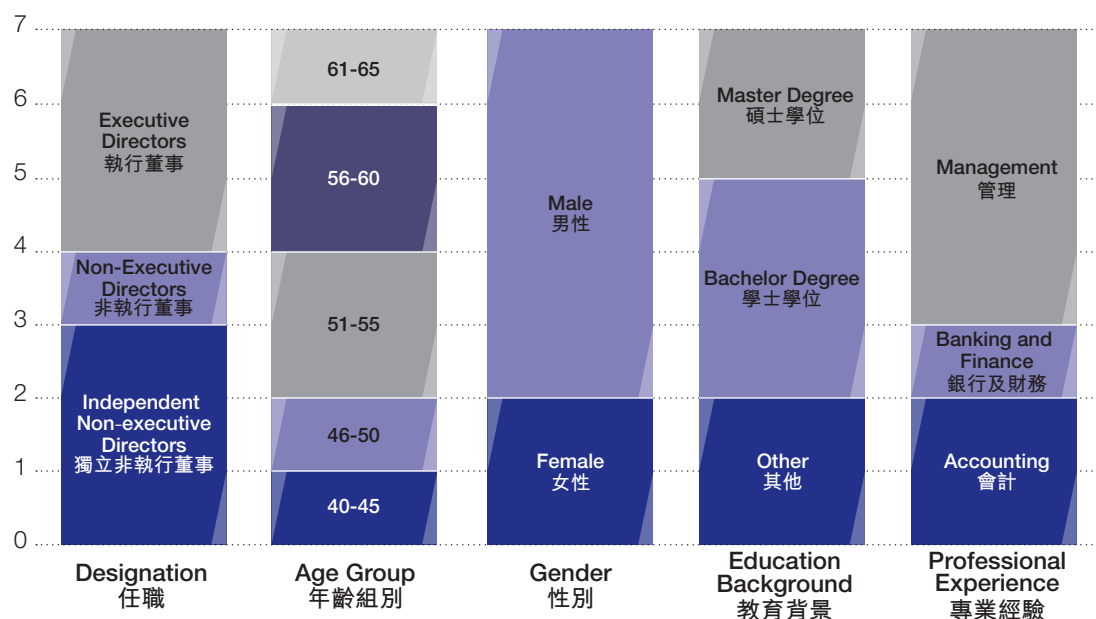
董事會已確定多元化政策下可測量的目標如下：

- 在物色可擔任董事會成員的合適人選時，應依據一系列多元化範疇為基準，包括具備不同背景、才能、地域及行業經驗、種族、性別及其他特質，且彼此之間為平衡和互補，令董事會作為一個整體能夠產生協同效應及有效地發揮作用。

The nomination procedures are as follow:

- candidates for directorship are selected by the Nomination Committee subject to the review and approval of the Board in accordance with the Articles.
- when reviewing the composition of the Board and considering the nomination of new Directors, the Nomination Committee will take into account the skills, regional and industry experience, background, race, gender and other qualities of potential candidates and also business needs of the Company.

As at the date of this report, the Board's composition under major criteria for diversity was summarized as follows:



Based on the review by the Nomination Committee, the Nomination Committee considers that the Company has achieved the measurable objectives set for implementing the Board Diversity Policy for the year under review.

One meeting of the Nomination Committee were held during the year under review. The Nomination Committee had reviewed the structure and the diversification policy of the Board of Directors and had revised and restated the Board Diversity Policy.

提名程序如下：

- 董事人選由提名委員會挑選，由董事會按照本公司的細則審核及批准，始可作實。
- 於檢討董事會組成及考慮新董事的提名時，提名委員會將考慮潛在人選的技能、地域及行業經驗、背景、種族、性別及其他品行，以及本公司的業務需要。

於本報告日期，按主要的多元化角度看董事會的組成概覽如下：

根據提名委員會之審閱，提名委員會認為，於回顧年度內，本公司已達到為實施董事會多元化政策而制訂的可計量目標。

於回顧年度內提名委員會共舉行一次會議。提名委員會檢討董事會的架構及多元化政策與修訂及重列董事會成員多元化政策。

The individual attendance of the members of the Nomination Committee was tabulated as follows:

各提名委員會成員的個別出席率如下：

		Number of attendance/ Number of meetings 出席次數／會議次數
Mr. Xu Chengfa	須成發先生	1/1
Mr. Yim Chun Leung	嚴振亮先生	1/1
Ms. Jin Ni	金妮女士	1/1

### (iii) Audit Committee

The Audit Committee comprises a total of three members, being three independent non-executive Directors, Mr. Ng Sze Yuen Terry (chairperson of the Audit Committee), Mr. Xu Chengfa and Mr. Yim Chun Leung. Mr. Yim Chun Leung possess the appropriate professional qualification, and accounting and financial management expertise.

The role and functions of the Audit Committee include the following:

- (a) to be primarily responsible for making recommendations to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and other terms of engagement of the external auditor, and any questions of its resignation or dismissal;
- (b) to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards. The Committee should discuss with the auditor the nature and scope of the audit and reporting obligations before the audit commences;
- (c) to discuss with the auditors the nature and scope of the audit and reporting obligations and ensure co-ordination where more than one audit firm is engaged before the audit commences;

### (iii) 審核委員會

審核委員會由合共三名成員（即三名獨立非執行董事吳士元先生（審核委員會主席）、須成發先生及嚴振亮先生）組成。嚴振亮先生擁有適當專業資格及會計及財務管理專長。

審核委員會的角色及職能如下：

- (a) 主要負責就外聘核數師的委任、重新委任及罷免向董事會提供建議、批准外聘核數師的薪酬及聘用條款，及處理任何有關該外聘核數師辭職或辭退該外聘核數師的問題；
- (b) 按適用的標準檢討及監察外聘核數師是否獨立客觀及核數程序是否有效；委員會應於核數工作開始前先與核數師討論核數性質及範疇及有關申報責任；
- (c) 於核數工作開始前先與核數師討論核數性質及範疇及有關申報責任；如多於一家外聘核數師公司參與核數工作時，確保他們能互相配合；

- (d) to develop and implement policy on engaging an external auditor to supply non-audit services. For this purpose, “external auditor” includes any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party knowing all relevant information would reasonably conclude to be part of the audit firm nationally or internationally. The Committee should report to the Board, identifying and making recommendations on any matters where action or improvement is needed;

#### Review of the Company’s financial information

- (e) to monitor the integrity of the Company’s financial statements and annual report and accounts, interim report and, if prepared for publication, quarterly reports, and to review significant financial reporting judgments contained in them;
- (f) in reviewing these reports (the Company’s annual report and accounts, interim report and, if prepared for publication, quarterly report) before submission to the Board, the Committee should focus particularly on:
  - (i) any changes in accounting policies and practices;
  - (ii) major judgmental areas;
  - (iii) significant adjustments resulting from the audit;
  - (iv) the going concern assumption and any qualifications;
  - (v) compliance with accounting standards;
  - (vi) compliance with the Listing Rules and legal requirements in relation to financial reporting;
  - (vii) the fairness and reasonableness of any connected transaction and the impact of such transaction on the profitability of the Group and whether such connected transactions, if any, have been carried out in accordance with the terms of the agreement governing such transactions;

- (d) 就外聘核數師提供非核數服務制定政策，並予以執行。就此規定而言，「外聘核數師」包括與負責核數的公司處於同一控制權、所有權或管理權之下的任何機構，或一個合理知悉所有有關資料的第三方，在合理情況下會斷定該機構屬於負責核數的公司的本土或國際業務的一部份的任何機構。委員會應就任何須採取行動或改善的事項向董事會報告並提出建議；

#### 審閱本公司的財務資料

- (e) 監察本公司的財務報表以及年度報告及賬目、中期報告及（若擬刊發）季度報告的完整性，並審閱報表及報告所載有關財務申報的重大意見；
- (f) 在向董事會提交有關（本公司的年度報告及賬目、中期報告及（若擬刊發）季度報告）報表及報告前，委員會應特別針對下列事項加以審閱：
  - (i) 會計政策及慣例的任何更改；
  - (ii) 涉及重要判斷的地方；
  - (iii) 因核數而出現的重大調整；
  - (iv) 持續經營的假設及任何保留意見；
  - (v) 是否遵守會計準則；
  - (vi) 是否遵守有關財務申報的上市規則及法律規定；
  - (vii) 關連交易是否屬公平合理及對本集團盈利的影響及該等關連交易（如有），是否按照有關交易的規管協議的條款而執行；

- (viii) whether all relevant items have been adequately disclosed in the Group's financial statements and whether the disclosures give a fair view of the Group's financial conditions;
- (ix) any significant or unusual items that are, or may need to be, reflected in such reports and accounts; and
- (x) the cash flow position of the Group;

and to provide advice and comments thereon to the Board;

- (g) in regard to (e) and (f) above:
  - (i) members of the Committee should liaise with the Board and senior management of the Group and the Committee must meet, at least twice a year, with the Company's auditors; and
  - (ii) the Committee should consider any significant or unusual items that are, or may need to be, reflected in the reports and accounts, it should give due consideration to any matters that have been raised by the Company's staff responsible for the accounting and financial reporting function, compliance officer or auditors;
- (h) to discuss problems and reservations arising from the interim and final audits, and any matters the auditors may wish to discuss (in the absence of management where necessary);

- (viii) 本集團的財務報表有否足夠披露所有有關項目，及是否足夠令投資者公平地了解本集團的財政狀況；
- (ix) 考慮該等報告及賬目中所反映或需反映的任何重大或不尋常項目；及
- (x) 本集團現金流量的狀況；

並就此向本公司董事會提供建議及意見；

- (g) 就上述(e)項及(f)項而言：
  - (i) 委員會成員應與董事會及本集團的高級管理人員聯絡。委員會須至少每年與本公司的核數師開會兩次；及
  - (ii) 委員會應考慮於該等報告及賬目中所反映或需反映的任何重大或不尋常事項，並應適當考慮任何由本公司負責會計及財務匯報職員、監察主任或核數師提出的事項；
- (h) 與核數師討論中期評審及年度審核所遇上的問題及作出的保留，以及核數師認為應當討論的其他事項（管理層可能按情況而須避席此等討論）；

**Overseeing the Company's financial reporting system, risk management and internal control systems**

- (i) to review the Company's financial controls and, unless expressly addressed by a separate Board risk committee, or by the Board itself, to review the Company's risk management and internal control systems;
- (j) to discuss the risk management and internal control systems with management to ensure that management has performed its duty to have effective systems. This discussion should include the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function;
- (k) to consider major investigation findings on risk management and internal control matters as delegated by the Board or on its own initiative and management's response to these findings;
- (l) where an internal audit function exists, to ensure co-ordination between the internal and external auditors, and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor its effectiveness;
- (m) to review the Group's financial and accounting policies and practices;
- (n) to review the external auditor's management letter, any material queries raised by the auditor to management about accounting records, financial accounts or systems of control and management's response;
- (o) to ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter;

**監管本公司財務匯報制度、風險管理及內部監控系統**

- (i) 檢討本公司的財務監控、以及(除非有另設的董事會轄下風險委員會又或董事會本身會明確處理)檢討本公司的風險管理及內部監控系統;
- (j) 與管理層討論風險管理及內部監控系統,確保管理層已履行職責建立有效的系統。討論內容應包括本公司在會計及財務匯報職能方面的資源、員工資歷及經驗是否足夠,以及員工所接受的培訓課程及有關會計及財務匯報職能的預算是否充足;
- (k) 主動或應董事會的委派,就有關風險管理及內部監控事宜的重要調查結果及管理層對調查結果的回應進行研究;
- (l) 如果本集團設有內部審核功能,須確保內部和外聘核數師工作得到協調,也須確保內部審核功能在本公司內部有足夠資源運作;並且有適當的地位;以及檢討及監察其成效;
- (m) 檢討本集團的財務及會計政策及慣例;
- (n) 檢查外聘核數師給予管理層的《審核情況說明函件》、核數師就會計紀錄、財務賬目或監控系統向管理層提出的任何重大疑問及管理層作出的回應;
- (o) 確保董事會及時回應於外聘核數師給予管理層的《審核情況說明函件》中提出的事宜;

- (p) to conduct exit interviews with any Director, manager, financial controller or internal credit control manager upon their resignation in order to ascertain the reasons for his departure;
- (q) to prepare work reports for presentation to the Board and to prepare summary of work reports for inclusion in the Group's interim and annual reports;
- (r) to consider the appointment of any person to be a Committee member, auditors and accounting staff either to fill a casual vacancy or as an additional Committee member, auditors and accounting staff or dismissal of any of them;
- (s) to report to the Board on the matters set out above;
- (t) to review arrangements employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters. The Committee should ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action;
- (u) to act as the key representative body for overseeing the Company's relations with the external auditor; and
- (v) to consider other matters, as defined or assigned by the Board from time to time.
- (p) 於本公司董事、經理、財務總監或內部核數部門主管離職時，接見有關人員並瞭解其離職原因；
- (q) 就期內的工作草擬報告及概要報告；前者交董事會審閱，後者刊於本集團的中期及年度報告；
- (r) 考慮委任任何人作為委員會成員、核數師及財務工作人員以填補有關空缺或作為新增的委員會成員、核數師及財務工作人員或罷免該等人士；
- (s) 就上述事宜向董事會匯報；
- (t) 檢討可讓本公司僱員就財務匯報、內部監控或其他方面可能發生的不正當行為在保密情況下提出關注之安排。委員會應確保有適當安排，讓本公司對此等事宜作出公平獨立的調查及採取適當行動；
- (u) 擔任本公司與外聘核數師之間的主要代表，負責監察二者之間的關係；及
- (v) 考慮及董事會不時界定或委派的其他事項。

A total of two meetings of the Audit Committee were held during the year under review. The work performed by the Audit Committee during the year under review included the following:

- reviewed the annual report and results announcement of the Company for the year ended 31 December 2016;
- reviewed the interim report and interim results announcements of the Company for the six months ended 30 June 2017;
- reviewed the accounting principles and practices adopted by the Group and other financial reporting matters;

於回顧年度內審核委員會共舉行兩次會議。審核委員會於回顧年度內進行的工作包括以下各項：

- 審閱本公司截至2016年12月31日止年度的年報及業績公告；
- 審閱本公司截至2017年6月30日止六個月的中期報告及中期業績公告；
- 審閱本集團所採納的會計政策及慣例和其他財務匯報事宜；



- reviewed the results of external audit and had discussion with external auditors on any significant findings and audit issues;
  - reviewed the internal control reports and had discussion with internal control consultant on any significant findings and internal control issues for the first half of the year under review;
  - reviewed the internal control reports and had discussion with internal auditors on any significant findings and internal control issues for the second half of the year under review;
  - discussed with the external auditors before the audit commenced, the nature and scope of the audit and the respective relevant issues; and
  - considered and approved the service contract of the auditors for the year under review.
- 審閱外部審計結果，並就任何重大發現及審計事宜與外部核數師進行討論；
  - 審閱內控顧問的內審報告，並就於上半回顧年度內任何重大發現及其他內部控制事宜進行討論；
  - 審閱內部核數師的內審報告，並就於下半回顧年度內任何重大發現及其他內部控制事宜進行討論；
  - 於審核開始前與外聘核數師討論審核的性質及範圍以及各有關事宜；及
  - 考慮及批准本回顧年度的核數師服務合約。

The individual attendance of the members of the Audit Committee was tabulated as follows:

審核委員會各成員的個別出席率如下：

		Number of attendance/ Number of meetings 出席次數／會議次數
Mr. Ng Sze Yuen, Terry	吳士元先生	2/2
Mr. Xu Chengfa	須成發先生	2/2
Mr. Yim Chun Leung	嚴振良先生	2/2

#### (iv) Corporate Governance Committee

#### (iv) 企業管治委員會

The Corporate Governance Committee comprises a total of three members, being one executive Director, Ms. Jin Ni (chairperson of the Corporate Governance Committee), and two independent non-executive Directors, Mr. Ng Sze Yuen Terry and Mr. Yim Chun Leung.

企業管治委員會由合共三名成員（即一名執行董事金妮女士（企業管治委員會主席）及兩名獨立非執行董事吳士元先生及嚴振亮先生）組成。

The role and functions of the Corporate Governance Committee include the following:

企業管治委員會的角色及職能如下：

- (a) to develop and review the Group's policies and practices on corporate governance and make recommendations to the Board;
  - (b) to review and monitor the training and continuous professional development of Directors and senior management;
- (a) 制定及檢討本集團的企業管治政策及常規，並向董事會提出建議；
  - (b) 檢討及監察董事及高級管理人員的培訓及持續專業發展；

- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- (e) to review the Company's compliance with the code provisions of the CG Code and the disclosures in the Corporate Governance Report.

One meeting of the Corporate Governance Committee were held during the year under review. The Corporate Governance Committee had discussed and reviewed the Board's and the Group's compliance with the code provisions of the CG Code and the prevailing Listing Rules during the year under review. The Corporate Governance Committee had also reviewed the internal control reports and had discussion with internal control consultant on any significant findings and internal control issues for the first half of the year under review and had revised and restated Code for Securities Transactions by Directors and Employees and Inside Information Policy;

The individual attendance of the members of the Governance Committee was tabulated as follows:

		<b>Number of attendance/ Number of meeting 出席次數／會議次數</b>
Ms. Jin Ni	金妮女士	1/1
Mr. Ng Sze Yuen, Terry	吳士元先生	1/1
Mr. Yim Chun Leung	嚴振亮先生	1/1

Further details of the terms of reference of Board committees are available on websites of the Company and the Stock Exchange.

- (c) 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- (d) 制定、檢討及監察僱員及董事適用的操守準則及合規手冊（如有）；及
- (e) 檢討本公司遵守企業管治守則的守則條文的情況及在《企業管治報告》內的披露。

於回顧年度內企業管治委員會共舉行了一次會議。企業管治委員會已討論及審閱董事會及本集團於回顧年度內遵守企業管治守則的守則條文及現行上市規則的情況。企業管治委員會並且已審閱內控顧問的內審報告，並就於上半回顧年度內任何重大發現及其他內部控制事宜進行討論，以及修訂及重列董事及有關僱員進行證券及交易守則與內幕消息政策；

企業管治委員會各成員的個別出席率如下：

所有董事會委員會的職權範圍的進一步詳情於本公司及聯交所網站刊載。

## RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The Group recognizes that good risk management is essential for the long-term and sustainable growth of a business. The Board puts particular emphasis on determining the risk-tolerance levels in achieving the Group's strategic objectives and is responsible for the risk management and internal control systems and reviewing their effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. The management also learns from other outstanding companies and takes into consideration of the Company's unique business and operating environment in formulating the risk management and control framework. All employees are committed to continually enhancing the risk management framework, linking to our corporate strategies as well as integrating it into day-to-day operation.

### Objective of the Risk Management and Internal Control

The objectives of the risk management and internal control framework of the Group include:

- to strengthen the Company's risk management and internal control in compliance with the Listing Rules requirement;
- to establish and constantly improve the risk management and internal control system;
- to implement a top-down and companywide risk management system that covers every aspect of the business; and
- to keep baseline risks within the acceptable range.

## 風險管理及內部監控系統

本集團確認良好風險管理對業務之長期可持續發展至關重要。董事會於達致本集團之策略目標時尤其著重釐定風險承受能力以及負責風險管理和內部監控系統及審查其有效性。這樣的系統旨在管理而不是消除未能實現業務目標的風險，並且只能提供合理而不是絕對的保證來防止重大的錯報或損失。管理層於制定風險管理及監控架構時亦借鑒其他優秀公司之經驗及考慮本公司之獨特營商環境。所有僱員均致力不斷優化風險管理框架，將風險管理貫徹到企業策略及日常營運中。

### 風險管理及內部監控之目標

本集團之風險管理及內部監控框架之目標包括：

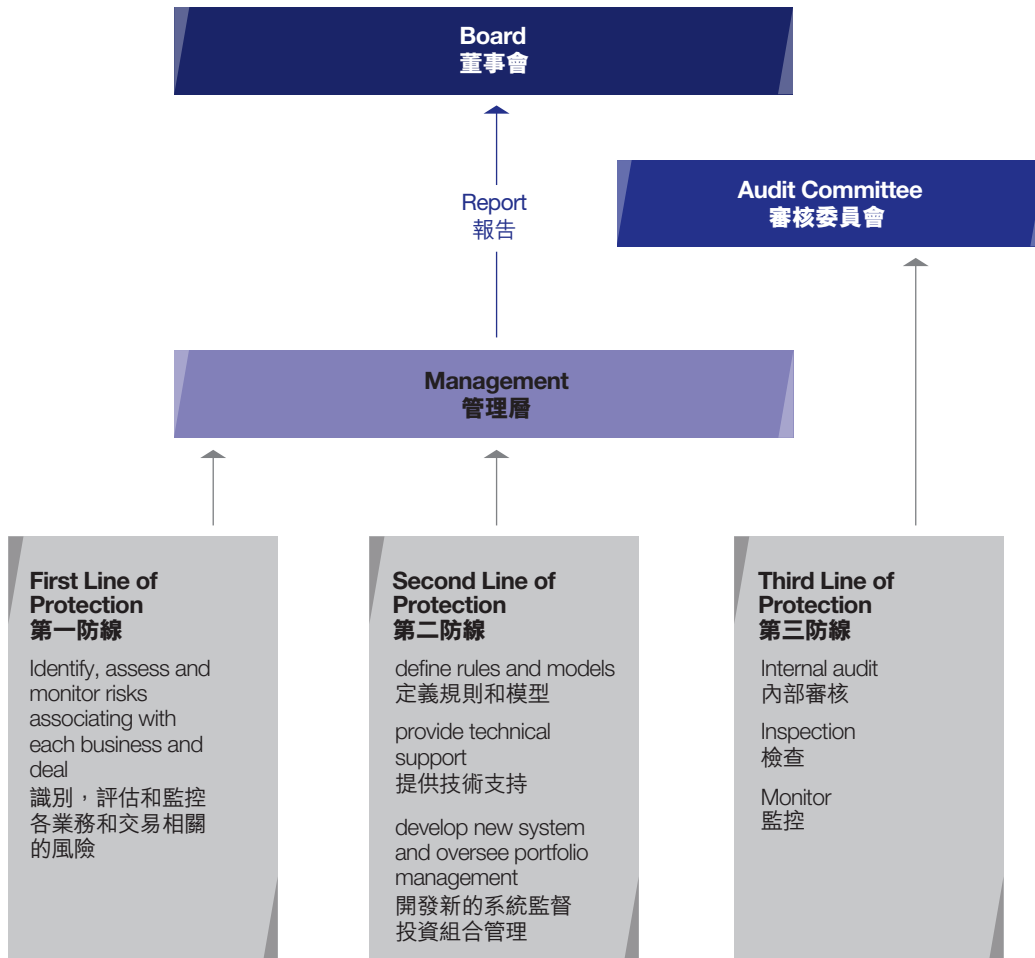
- 根據上市規則規定加強本公司之風險管理及內部監控；
- 建立及持續改善風險管理及內部監控系統；
- 實施一個自上而下及涵蓋全公司之風險管理系統，其涵蓋業務之各個方面；及
- 保持基線風險在可接受範圍內。

## Main Features of Risk Management System – Three-tier Risk Management Approach

The Group has adopted a three-tier risk management approach to identify, assess, mitigate and handle significant risks. At the first line of protection, business units are responsible for identifying, assessing and monitoring risks associated with each business or deal. The management, as the second line of defense, defines rule sets and models, provide technical support, develops new systems and oversees portfolio management. It ensures risks are within the acceptable range and that the first line of protection is effective. As the final line of protection, the internal audit department ensures that the first and second lines of protection are effective through constant inspection and monitoring.

## 風險管理系統主要特點－三級風險管理方法

本集團採納三級風險管理方法以識別、評估、降低及應對重大風險。在第一道防線，業務單位負責識別、評估及監察與每項業務或交易有關之風險。作為第二道防線，管理層界定規則組合及模型、提供技術支持、制定新系統及監督組合管理。其確保風險在可接受範圍內及第一道防線有效。作為最後一道防線，內部審核部門透過持續檢查及監控確保第一及第二道防線有效。



## Main Features of Internal Control System

Our internal control systems are developed with reference to the Committee of Sponsoring Organizations of the Treadway Commission principles which involved five elements as internal environment, risk assessment, control activities, information and communication and internal supervision. The aim of internal control is to reasonably guarantee the compliance of its operation and management with regulations and laws, assets security, and authenticity and integrity of financial report and related information, improve the efficiency and effect of operating activities and promote the realization of development strategy of the Group.



## Principal Risks and Key Controls

### 1. Market risks

The Group's revenue is mainly derived from customers from PRC. The Group is exposed to the risks associated with the PRC market which include the risks of policy change, interest rate change, demand-supply imbalance and the overall economic conditions. The market risks may pose an adverse impact on the Group's business, financial condition or results of operations.

The project team will carefully scrutinize each project for related risks and returns. These include assessment of relevant government policies, market demand and conditions and economic data. The management is responsible for supervision, conducting regular operation reviews and keeping the Board fully informed through regular reports, and prompt decisions can therefore be made if changes are required.

## 內部監控系統主要特點

本集團之內部監控系統乃參照美國反虛假財務報告委員會發起人委員會(Committee of Sponsoring Organizations of the Treadway Commission)原則制定，其涉及內部環境、風險評估、監控活動、資訊及溝通以及內部監督等五項要素。內部監控旨在合理保證公司經營管理合規合法、資產安全、財務報告及相關資料真實完整，提高經營活動之效率及效果，促進本集團實現發展策略。

## 主要風險及關鍵監控

### 1. 市場風險

本集團之收入主要來自中國客戶。本集團面臨與中國市場有關之風險，其包括政策變動、利率變動、供求失衡及整體經濟狀況之風險。市場風險可能會對本集團之業務、財務狀況或經營業績造成不利影響。

項目團隊將會細審每個項目涉及之相關風險及回報。其包括評估有關政府政策、市場需求及市況以及經濟數據。管理層負責監督、定期進行營運檢討及透過定期報告令董事會全面了解有關情況，從而於需要變動時可迅速作出決定。

## 2. Business and operational risks

Distinctive risks factors in property related businesses such as default of buyers, tenants and strategic business partners, and inadequacies or failures of internal processes, people and systems may have different levels of negative impact on the results of the Group's operation. Industrial accidents may happen although precautionary measures is established, which may damage the Company's reputation or cause financial loss to the Group.

The internal audit team will review key activities of the Group and ensures all material controls, including financial and operational, are functioning effectively. Precautionary and contingency measures are also set up to ensure the Group is protected against major potential loss, damage or impact to our operations. Insurance coverage against accidental losses and/or other hazards is used in protecting our assets and reputation against any potential liabilities.

## 3. Financial risks

The investment and business operation are exposed to risks from exchange rates, interest rates and liquidity. Amid global financial uncertainties, the financial risks encountered by the Group had increased accordingly.

The Group closely monitors the financial risks and when appropriate will adopt measures to manage and hedge corresponding risks by using of derivatives such as interest rate and currency swaps. The Group's cash and financing are centrally managed and controlled at the corporate level to achieve a better borrowing terms and coherent financial risk management. To meet our obligations as and when needed, the Group maintains sufficient facilities with various banks and financial institutions. The maturity of deposits and loans is carefully planned and managed to reduce liquidity risk.

## 2. 業務及營運風險

物業相關業務之獨有風險因素，如買家、租戶及策略性商業夥伴之違約，以及內部流程、人員及系統不足或失效，可能會對本集團之經營業績造成不同程度之負面影響。儘管採取預防措施，惟仍可能發生工業事故，從而可能損害本公司之聲譽或導致本集團產生財務虧損。

內部審核團隊將檢討本集團之主要活動並確保所有重大監控（包括財務及營運監控）有效運作。本集團亦已制定預防及應急措施以確保本集團之營運免遭重大潛在虧損、損害或影響。本集團已針對事故損失及／或其他危害投購保險，藉以保障本集團之資產及聲譽免受任何潛在責任之影響。

## 3. 財務風險

投資及業務營運面臨匯率、利率及流動資金之風險。在全球金融尚不明朗之情況下，本集團面臨之財務風險相應上升。

本集團密切監控財務風險，並將於適當時候採取措施，透過使用衍生工具（如利率貨幣掉期）以管理及對沖相應風險。本集團之現金及融資乃於公司層面集中管理及監控以達致更佳之借貸條款及貫徹一致之財務風險管理。為履行本集團之所需責任，本集團於多間銀行及金融機構備存充足融資額度。本集團審慎計劃及管理存款及貸款之到期日以降低流動資金風險。

#### 4. Talent risks

Talent shortage and high employee turnover will have a negative impact on the Group's present and future performance. We believe that human resources are of critical importance for the success of the Company.

To attract, motivate and retain talented employees, the Group evaluate our employee remuneration packages and monitor them against market trends. We provide on-the-job training for new staff and offer career advancement opportunities for suitable staff to develop their full potential at various stages of their career. We also encourage communication with all levels of staff to gather feedback and suggestions for future improvement.

### Review of Internal Control System

The internal audit department of the Company ("Internal Audit Department") in the year under review responsible for the internal control functions. The Internal Audit Department is required to provide internal control assessment reports to the Audit Committee and the Board on a regular or ad hoc basis.

The Board recognized its responsibility to ensure the Group maintains a sound and effective risk management and internal control system. The Directors had conducted a review of the effectiveness of the system of internal control of the Group during the Year. Such review had covered all material controls including financial, operational and compliance controls and risk management functions. No major issue but areas for improvement have been identified. The Board and the Audit Committee considered that the key areas of the Group's internal control systems are reasonably implemented.

#### 4. 人才風險

人才短缺及僱員高流動率將對本集團之現時及未來表現造成負面影響。我們相信人力資源對公司的成功至關重要。

為吸引、激勵及挽留人才，本集團評估其僱員薪酬待遇並因應市場趨勢監察檢討有關待遇。本集團為新員工提供在職培訓及為合適員工提供職業晉升機會，令其在職業生涯各個階段盡展其才。本集團亦鼓勵與所有職級員工進行溝通，以收集有關日後提升之反饋意見及建議。

### 內部監控系統之檢討

於回顧年度內，本公司的內部審核部門（「內部審核部門」）負責內部監控職能，內部審核部門需要定期或不定期向審核委員會和董事會提供內控評價監督報告。

董事會確認其確保本集團維持健全有效風險管理及內部監控系統的責任。董事已於年內對本集團內部監控系統的有效性進行檢討。有關檢討涵蓋所有重要的監控範疇，包括財務、營運及合規監控以及風險管理職能。概無發現重大事項，惟已識別需改進事項。董事會及審計委員會認為本集團已合理實施內部監控系統的主要部份。

## HANDLING AND DISSEMINATION OF INSIDE INFORMATION

The procedures and internal controls for the handling and dissemination of inside information are as follows:

- the Group conducts its affairs with close regard to the disclosure requirement under the Listing Rules as well as the “Guidelines on Disclosure of Inside Information” published by the Securities and Future Commission in June 2012;
- the Group has implemented and disclosed its policy on fair disclosure by pursuing broad, non-exclusive distribution of information to the public through channels such as financial reporting, public announcements and its website;
- the Group has strictly prohibited unauthorized use of confidential or inside information;
- the Group has established and implemented procedures for responding to external enquiries about the Group’s affairs, so that only the executive Directors of the Company, company secretary and investor relations officers are authorized to communicate with parties outside the Group; and
- employees or Directors possessing inside information should report the same to an executive Director, who will then report to the Board. The Board will then discuss and handle the relevant disclosures or dissemination of inside information accordingly.

## COMPANY SECRETARY

Mr. Chiu Ngam, Chris (“Mr. Chiu”), the company secretary of the Company, is a full time employee of the Group, appointed by the Board and responsible for the Board. He also serves as the secretary of the Audit Committee, the Nomination Committee, the Remuneration Committee and the Corporate Governance Committee. Mr. Chiu is responsible for advising the Board through the chairperson and/or the chief executive officer on governance matters and assisting the Board in discharging its obligations to Shareholders pursuant to the Listing Rules. He is also responsible for ensuring that the activities of the Board conducted efficiently and effectively, and procedures and all applicable laws and regulations complied with, and facilitating induction and professional developments of the Directors. During the year under review, the company secretary has taken no less than 15 hours of relevant professional training.

## 內幕消息之處理及發佈

處理及發佈內幕消息的程序及內部監控措施如下：

- 本集團處理事務時會充分考慮上市規則項下之披露規定及證券及期貨事務監察委員會於2012年6月頒佈的「內幕消息披露指引」；
- 本集團透過財務報告、公告及其網站等途徑，向公眾廣泛及非獨家地披露資料，以實施及披露其公平披露政策；
- 本集團已經嚴格禁止未經授權使用機密或內幕消息；
- 本集團已就外界對本集團事務的查詢訂立及執行回應程序，據此只有本公司執行董事、公司秘書及投資者關係專員獲授權與外界人士溝通；及
- 擁有內幕信息的員工或董事應向執行董事報告，有關執行董事再向董事會報告。然後，董事會將相應地討論和處理內部信息的相關披露及發佈。

## 公司秘書

本公司公司秘書趙岩先生（「趙先生」）為本集團全職僱員，由董事會任命，並向董事會負責。其亦擔任審核委員會、提名委員會、薪酬委員會及企業管治委員會的秘書。趙先生負責就管治事宜透過主席及／或行政總裁向董事會提供意見及協助董事會根據上市規則向股東履行其職責。其亦負責確保董事會活動能有效率和有效地進行，及有關程序和所有適用法律及法規得到遵守，並安排董事的入職培訓及專業發展。於回顧年度內，公司秘書參與不少於15小時的相關專業培訓。



## ACCOUNTABILITY AND AUDIT

### Financial Reporting

The Directors acknowledge that they are responsible for the preparation of accounts which give a true and fair view of the Group. The Company has selected appropriate accounting policies and has applied them consistently based on prudent and reasonable judgments and estimates.

During the year under review, all Directors have been given on a quarterly basis the latest information report about the financial position and business development of the Group. The Directors endeavor to ensure a balanced and understandable assessment of the Company's position and prospects in annual reports, interim reports, inside information announcements and other disclosures required under the Listing Rules and other statutory requirements.

The statement of the auditors of the Company about their reporting responsibilities on the accounts of the Group is set out in the section headed "Independent Auditors' Report" in this annual report.

### OPERATION OF MEETING AND SUPPLY OF AND ACCESS TO INFORMATION

Notice of at least 14 days should be given of a regular board meeting to give all directors an opportunity to attend. For all other board meetings, reasonable notice should be given.

Full Board or committee papers will be sent to all Directors at least three days before the intended date of a Board meeting or a Board committee meeting.

Management has supplied the Board and its committees with adequate information and explanations so as to enable them to make an informed assessment of the information put before the Board and its Board committees for approval. Management is also invited to join the Board or Board committee meetings where appropriate.

Draft and final version of minutes of the meetings should be sent to all Board and Board committee members for their comment and records. Minutes of the meetings are kept by our Company Secretary, and the Board and Board committee members may inspect the documents and minutes of the Board and the Board committees at any time.

## 問責及核數

### 財務報告

董事承認，他們負責編製真實及公平地反映本集團狀況的賬目。本公司已根據審慎及合理判斷及估計選擇合適的會計政策並貫徹採用。

於回顧年度內，所有董事已定時每季度獲提供有關本集團的財務狀況及業務發展之最新資訊報告。董事於年報、中期報告、內幕消息公告及根據上市規則和其他法規要求的其他披露內容，致力確保就本公司之狀況和前景作出持平及容易理解之評估。

本公司核數師就報告本集團賬目的責任所作聲明載於本年報「獨立核數師報告」一節。

### 會議運作和資料的提供與索取

定期董事會會議應給予至少14天通知以讓所有董事有機會出席。對於其他所有董事會會議應給予合理的通知。

董事會及委員會的全部會議文件至少會在計劃舉行董事會會議或董事會委員會會議日期的三日前送予所有董事。

管理層向董事會及其委員會提供充足資料及解釋，以讓彼等能對呈交予董事會及其董事會委員會審批的資料作詳盡評估。管理層於適當時候亦會被邀請參加董事會或董事會委員會會議。

會議記錄的草稿及最終版都會發送給所有董事會及董事會委員會成員評論及記錄。公司秘書負責保管所有會議記錄，而董事會及董事會委員會成員可於任何時候檢閱董事會及董事會委員會的文件及會議記錄。

## AUDITORS' REMUNERATION

The audit fee of the Group in respect of audit services provided by the independent auditors, Ernst & Young, for the Year was RMB950,000 (2016: RMB950,000).

During the year under review, the independent auditors was also engaged to review the interim results of the Company at a fee of RMB250,000 (2016: RMB250,000) and no other non-audit services took place (2016: Nil).

## NON-COMPETE UNDERTAKINGS

In respect of the compliance with the provisions of the Non-compete Undertakings by the Controlling Shareholders, please refer to the section headed "Non-compete Undertakings" in the Directors Report of this report.

## DIRECTORS' AND OFFICERS' INSURANCE

The Company had arranged liability insurance for Directors and senior management officers of the Company with appropriate coverage in respect of legal action against them arising from their duties performed.

## DIRECTORS' CONTINUING PROFESSIONAL DEVELOPMENT

All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company updates Directors on the latest development regarding the Listing Rules and other applicable regulatory requirements from time and time, to ensure compliance and enhance their awareness of good corporate governance practices.

## 核數師酬金

獨立核數師安永就本年度向本集團提供的審核服務的費用為人民幣950,000元（2016年：人民幣950,000元）。

於回顧年度內，獨立核數師亦獲委任審閱本公司中期業績，費用為人民幣250,000元（2016年：人民幣250,000元）及並無發生其他非核數服務（2016年：無）。

## 不競爭承諾

有關控股股東遵守不競爭承諾條文的詳情，請參閱本報告董事會報告「不競爭承諾」一節。

## 董事及行政人員的保險

本公司已為董事及本公司高級管理人員購買責任保險，就彼等履行職責時引起的法律訴訟而提供適當保障。

## 董事持續專業發展

本公司鼓勵所有董事參與持續專業發展，發掘並更新彼等的知識及技能。本公司不時向董事提供上市規則以及其他適用監管規定的最新發展概況，以確保董事遵守良好的企業管治常規，並提升其對良好企業管治常規的意識。

According to the records provided by the Directors, a summary of training received by Directors during the year under review is as follows:

根據董事提供的記錄，於回顧年度內，董事所接受的培訓概要如下：

Name of Directors 董事姓名	Type of continuous professional development 持續專業發展類別
<b>Executive Directors</b>	<b>執行董事</b>
Mr. Dong Shuixiao	董水校先生 B
Ms. Jin Ni	金妮女士 B
Ms. Tang Yiyan	唐怡燕女士 B
<b>Non-executive Director</b>	<b>非執行董事</b>
Mr. Shi Kan Cheng	施侃成先生 B
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>
Mr. Ng Sze Yuen, Terry	吳士元先生 A/B
Mr. Xu Chengfa	須成發先生 A/B
Mr. Yim Chun Leung	嚴振亮先生 A/B

## Notes:

A: attending briefing sessions and/or seminars relating to matters in financial, legal and corporate governance

B: reading seminar materials and updates relating to the latest development of the Listing Rules and other applicable regulatory requirements

## 附註：

A：出席有關財務、法律及企業管治方面的簡介會及／或研討會

B：閱讀有關上市規則及其他適用監管規定最新發展之研討會資料及更新資料

## MECHANISM FOR THE PROPERTY DEVELOPMENT ON MIXED-USE LANDS

In relation to the mechanism for the property development on Mixed-use Lands (as defined in the Prospectus), each of Zhong An together with its subsidiaries, (the “Zhong An Group”) and the Company has undertaken to each other that it must, in respect of each of its financial year ending after the Listing, instruct its auditors or independent financial advisers to review such documents as the auditors or independent financial advisers may require and confirm to its board of directors that the mechanism set out the section headed “Relationship with our Controlling Shareholders – Joint property development on mixed commercial-residential use land projects” in the Prospectus had been complied with during such financial year. During the year under review, the Directors confirm that there has not been any occasion where an opportunity aroused for an acquisition and development of land for property development project on mixed commercial-residential use land projects in which the remaining Zhong An Group (i.e. Zhong An Group, excluding the Group) (the “Remaining Zhong An Group”) has invited the Group to participate in the Joint Development (as defined in the Prospectus).

## 混合用途土地上開發物業的機制

關於混合用途土地上開發物業的機制（定義見招股章程），眾安及其下屬公司，統稱「眾安集團」及本公司已分別向對方承諾，就於上市後結束的每個財政年度，必須指示核數師或獨立財務顧問審核核數師或獨立財務顧問所要求的文件，並向董事會確認，載於招股章程「與控股股東之關係－商住混合用途土地項目的共同物業開發」一節的機制已於該財政年度被遵守。於回顧年度內，董事確認於任何情況下並無就商住混合用途的土地項目出現收購及開發用作物業開發項目土地的機會，而商住混合用途的土地項目中餘下眾安集團（即是排除本集團後的眾安集團）（「餘下眾安集團」）已邀請本集團參與共同開發（定義見招股章程）。

## DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding the Directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules.

Having made specific enquiry of all Directors, all Directors have confirmed that they have complied with the required standard set out in the Model Code and the Company's code of conduct during the year under review.

Senior management who, because of their office in the Group, are likely to be in possession of inside information, have also been requested to comply with the provisions of the Model Code when dealing in the Company's shares.

## SHAREHOLDERS' RIGHTS

### Convening Extraordinary General Meeting and Putting Forward Proposals at Shareholders' Meetings

The following procedures are subject to the Articles, the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised from time to time) of the Cayman Islands and the applicable legislation and regulation.

There are no provisions allowing Shareholders to propose new resolutions at the general meetings under the Cayman Islands Companies Law (2012 Revision). Pursuant to article 64 of the Articles, general meetings shall be convened on the written requisition of any two or more Shareholders made to Directors or the Secretary specifying the objects of the meeting, provided that such requisitionists held as at the date of deposit of the requisition shall not hold less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

## 董事的證券交易

本公司已以條款不遜於上市規則附錄10所載的上市公司董事進行證券交易的標準守則（「標準守則」）的規定準則，採納有關董事進行證券交易的行為守則。

本公司已向所有董事作出特定查詢，而所有董事已確認，彼等於回顧年度內已遵守標準守則及本公司行為守則所載標準。

因受聘於本集團而可能獲得內幕消息的高級管理層，於買賣本公司股份時亦須遵守標準守則的條文。

## 股東權利

### 召開股東特別大會及於股東大會上提出議案

以下流程須遵守細則、開曼群島公司法第22章（1961年第3條法例，經不時綜合及修訂）及適用法律及法規。

開曼群島公司法（2012年修訂本）並無條文批准股東於股東大會上提呈新決議案。根據細則第64條，股東大會可由任何兩位或以上股東向董事或秘書提交列明大會目的的書面要求，惟在提交上述要求當日，該等呈請人須持有不少於有權在本公司股東大會上投票的本公司繳足股本的十分之一。倘在提交要求日起21日內董事會並無於隨後21日內召開會議，呈請人可按相同方式盡快召開股東大會，猶如董事會召開大會一樣，因董事會未有召開大會導致呈請人產生的一切合理開支由本公司向彼等償付。

## Procedures for Proposing a Person for Election as a Director

If a shareholder, who is entitled to attend and vote at the relevant general meeting, wishes to nominate a person (not being the nominating shareholder) to stand for election as a Director, he or she should give to the company secretary of the Company notice in writing of the intention to propose a person for election as a Director and notice in writing by that person of his or her willingness to be so elected, no earlier than the 7 clear days after the dispatch of the notice of the relevant general meeting and no later than 7 clear days prior to the date appointed for the relevant general meeting.

Detailed procedures for Shareholders to propose a person for election as a Director are available on the Company's website.

## INVESTOR RELATIONS/WITH SHAREHOLDERS AND INVESTORS COMMUNICATION

The Company attaches great importance to communication with the Shareholders. A number of means are used to promote greater understanding and dialogue with the Shareholders. The means of access includes the release by the Company of the various corporate communication of the Company via the website of the Stock Exchange and the website of the Company (<http://www.chinanewcity.com.cn>). Shareholders are encouraged by the Company to attend general meetings of the Company where the chairperson of the Company and other members of the Board and (if appropriate) the auditors of the Company, are available to answer questions.

In addition, our chairperson, Directors and senior management actively participated in various investor relations activities to reach and establish a good long-term interactive relationship with shareholders and potential investors. We introduced our current operating conditions and future development strategies and at the same time also received advices from investors regarding the Company's development, from which we understand more about investors' expectations of the Company. Thereby, we can continue improving the operation management of the Company and establish effective mutual communication channels.

## 提名人士參選董事的流程

倘有權出席相關股東大會及於會上投票的股東欲提名一名人士（並非作出提名的股東）參選董事，彼應在不早於寄發相關股東大會通知後七日及不遲於相關股東大會指定舉行日期前七日期間，向本公司的公司秘書發出書面通知，表示有意提名一名人士參選董事，以及該名人士願意參選的書面通知。

股東提名候選董事的流程詳情於本公司網站刊載。

## 投資者關係／與股東及投資者的溝通

本公司十分重視與股東的溝通，並為此透過多種管道，增進與股東之瞭解及交流。溝通的管道包括本公司通過聯交所網站及本公司網站 (<http://www.chinanewcity.com.cn>) 刊發本公司各種企業傳訊。本公司鼓勵股東出席本公司股東大會，本公司董事會主席及其他成員及（如適當）核數師在會上回答提問。

此外，主席、董事和高級管理人員積極參與各項投資者關係活動以達成與股東及潛在投資者建立良好而長遠的互動關係。我們介紹公司目前的營運情況和未來發展戰略，同時也收取了投資者對公司發展的意見，從中了解投資者對公司的期望，藉此持續改善公司的經營管理，建立有效的雙向溝通渠道。

## Enquiries and Proposals to the Board

Shareholders are encouraged to communicate with the Company for any enquiries in relation to the affairs of the Group. Shareholders may contact the Company in writing to the Company's head office in the PRC or the Company's principal place of business in Hong Kong or by e-mail to [cnc\\_ir@chinanewcity.com.cn](mailto:cnc_ir@chinanewcity.com.cn) or direct any enquiries to the Company's investor relations representative, Capital Markets Department, whose contact details are set out in the annual report of which this report forms part.

## Annual Results Conference

During the year under review, the Company convened the 2016 annual results conference and gave full elaboration on its operating conditions for the Year. The Directors and senior management attended the conference and communicated actively with the investors, securities analysts and media attending the conference to enable them to understand fully the operating conditions and development strategies of the Company, and actively strived for the understanding and recognition from the market regarding the Company's profit growth and sustainability.

## Annual General Meeting

The 2016 annual general meeting was held on 8 June 2017 at Conference Room No. 5, 4th Floor, Holiday Inn Hangzhou Xiaoshan, No. 688 Shanyin Road, Xiaoshan District, Hangzhou, Zhejiang Province, the PRC. The Directors and senior management together with the external independent auditors attended the annual general meeting to answer enquiries from shareholders and investors attending the meeting. All ordinary resolutions proposed in the meeting were duly passed by way of poll.

## Regular Meetings with Investors

During the year under review, the Directors, senior management and investor relations team have meetings with investors, fund managers and financial analysts from time to time, introducing the operating conditions and development strategies of the Company and answered the questions raised. The Company provides the investors and analysts with clear and timely compliance information to enable them to make reasonable investment decisions with sufficient information.

## 向董事會查詢及提出建議

本公司鼓勵股東與本公司進行溝通，就有關本集團事宜提出質詢。股東可通過向本公司中國總辦事處或本公司香港主要營業地點寄發書信或向 [cnc\\_ir@chinanewcity.com.cn](mailto:cnc_ir@chinanewcity.com.cn) 發送電子郵件與本公司進行溝通，或直接向本公司投資者關係代表資本市場部查詢，其聯絡詳情載於年報，而本報告為其中一部份。

## 年度業績發布會

於回顧年度內，本公司召開了2016年度業績發布會並詳細介紹了年度經營情況。董事和高級管理人員均出席了發布會，與在場的投資者、證券分析員及媒體積極溝通，使其充分了解公司的經營狀況、發展戰略，並積極爭取市場對公司盈利增長和可持續性的理解和認同。

## 股東週年大會

2016年度股東週年大會於2017年6月8日假座中國浙江省杭州市蕭山區山陰路688號杭州蕭山眾安假日酒店四樓五號會議室召開。董事和高級管理人員連同外聘獨立核數師均已出席股東週年大會，並回答到會股東及投資者的提問。會上所提呈之所有普通決議案均以投票方式表決並獲正式通過。

## 日常投資者會議

於回顧年度內，董事、高級管理人員及投資者關係團隊不時約見投資者、基金經理及財務分析員，介紹本公司經營情況和發展戰略，並回答彼等所提問題。本公司為投資者和分析員提供了明確和及時的合規資訊，以便其具備充分信息進行合理的投資決策。

## Media Reverse Roadshow

During the year under review, the Company organized a Hong Kong media team to conduct reverse roadshow. The Directors and senior management attended the reverse roadshow and answered the questions raised by the media. This enabled investors to understand more about the development conditions and strategic directions of the new business.

## Investor Relations Plan

In 2018, we will continue to enhance communication with investors in accordance to the main needs and concerned issues from investors and analysts. It is expected that multiple activities for investors will be conducted in 2018 through field trip, non-deal roadshow and one-to-one meeting and publishing voluntary disclosure announcement to mass investors in order to enhance their understanding of the Group.

Should investors have any inquiries and/or suggestions, please contact us at [cnc\\_ir@chinanewcity.com.cn](mailto:cnc_ir@chinanewcity.com.cn).

## CONSTITUTIONAL DOCUMENTS

The Company's constitutional documents was adopted on 31 May 2014. There was no change in the memorandum and articles of association of the Company during the year under review.

For and on behalf of the Board

**China New City Commercial Development Limited**

**Shi Kancheng**

*Chairperson*

The Hong Kong, 21 March 2018

## 媒體反向路演

於回顧年度內，本公司就組織了香港媒體團隊進行反向路演。董事和高級管理層均出席了反向路演並回答媒體提問，使投資者更了解新業務的發展狀況和戰略方向。

## 投資者關係計劃

於2018年，我們將繼續針對投資者與分析師的需求及關心的問題加強與投資者的溝通。預計將在2018年通過舉辦實地考察、非交易路演及一對一會議進行投資者多重活動和發布自願性信息披露予群眾投資者，以提高投資者對本集團的理解。

倘投資者有任何查詢及／或建議，請電郵至 [cnc\\_ir@chinanewcity.com.cn](mailto:cnc_ir@chinanewcity.com.cn)。

## 章程文件

本公司章程文件乃於2014年5月31日採納。於回顧年度內，本公司的組織章程大綱及細則概無變動。

代表董事會

中國新城市商業發展有限公司

主席

施侃成

香港，2018年3月21日

# Biographical Details of Directors and Senior Management 董事及高級管理層的履歷

## DIRECTORS

### Executive Directors

**Mr. Dong Shuixiao (董水校先生)**, aged 52, has been appointed as the executive Director and chief executive officer of the Group on 16 June 2015 and is responsible for leading the business of the Group. He has over 20 years of experience in property operation and management. He was the vice president and director of certain subsidiaries of Zhong An (stock code: 00672), a company which shares are listed on the main board of the Stock Exchange, since 2012 and was responsible for assisting the chief executive officer of Zhong An on the administration and general project management of the Zhong An Group until July 2014 and thereafter continue to serve as such positions for the Remaining Zhong An Group until June 2015. He joined the Zhong An Group since 1997 and had served as deputy general manager and general manager for various subsidiaries of Zhong An during the period from 1997 to July 2014 and thereafter continue to serve as deputy general manager and general manager for various members of the Remaining Zhong An Group until June 2015. He has extensive professional and senior managerial experiences in real estate industry, particularly in the field of project administration and management, on-site technology supervision, construction cost control and financial operation. Prior to joining the Zhong An Group, he held managerial positions as accountant, deputy finance manager, operational management manager, deputy general manager and general manager in the PRC companies including Xiaoshan Material Bureau (1985-1989), Changzheng Material Company Limited (1989-1993) and Hangzhou Xiaoshan Hongsen Material Company Limited (1994-1996). Mr. Dong graduated from Wuhan University of Technology with a civil engineering degree and the China University of Geosciences with a business administration diploma. Mr. Dong has resigned from all his managerial positions in the Remaining Zhong An Group before joining the Group. He is also a director of certain members of the Group.

**Ms. Jin Ni (金妮女士)**, aged 42, is the executive Director, vice chairperson of Board and vice president of the Group, and is responsible for formulating and implementing strategies and business plans for the development of the Group's property sales, property leasing and property management businesses. She was appointed as an executive Director on 30 September 2013. Ms. Jin has over 18 years of experience in sales, and operation and management of commercial projects. Prior to joining the Group, Ms. Jin held directorial and/or executive roles of certain members of the Remaining Zhong An Group. She obtained a bachelor degree in administrative management from the Zhejiang University of Technology (浙江工業大學) in July 2003 and obtained a diploma in financial accounting from the Oriental Institute of the Zhejiang University\* (浙江大學東方學院) (currently known as Oriental Institute of Finance and Economics\* (浙江財經大學東方學院)) in July 1997. She is also a director of certain members of the Group.

## 董事

### 執行董事

**董水校先生**，52歲，自2015年6月16日起被任命為執行董事兼集團行政總裁並負責領導本集團業務。彼擁有超過20年的物業經營和管理經驗。彼自2012年起為眾安（股票代碼：00672）（其股份於聯交所主板上市的公司）副總裁及兼任其若干附屬公司的董事，負責協助眾安行政總裁處理眾安集團行政及日常項目營運工作直到2014年7月，此後繼續擔任餘下眾安集團這樣的職位直到2015年6月。彼自1997年起加入眾安集團，並於1997年至2014年7月期間於多家眾安成員公司擔任副總經理及總經理。此後繼續擔任餘下眾安集團各成員公司的副總經理、總經理，直到2015年6月。彼於房地產行業擁有豐富專業及高級管理層經驗，特別是項目行政及管理、現場技術監督、建設成本控制以及財務營運方面。於加入眾安集團前，彼於蕭山物資局（1985年至1989年）、長征物資有限公司（1989年至1993年）及杭州蕭山紅申物資有限公司（1994年至1996年）等中國公司擔任會計師、財務副經理、經營管理部經理、副總經理及總經理管理職務。董先生畢業自武漢理工大學並取得土木工程學位及自中國地質大學取得工商管理專業大專學歷。董先生於加入本集團前已辭去其於餘下眾安集團之所有管理職務。彼亦為本集團若干成員公司的董事。

**金妮女士**，42歲，為執行董事、董事會副主席兼集團副總裁。彼負責對本集團之物業銷售、物業租務及物業管理業務發展制定及執行策略和業務計劃。彼於2013年9月30日獲委任為執行董事。金女士於銷售、經營和管理商業項目方面擁有逾18年經驗。於加入本集團前，金女士擔任餘下眾安集團若干成員公司的董事及／或行政職位。彼於2003年7月獲得浙江工業大學行政管理專業學士學位，並於1997年7月獲得浙江大學東方學院（現稱為浙江財經大學東方學院）頒授財務會計文憑。彼亦為本集團若干成員公司的董事。



## Biographical Details of Directors and Senior Management

### 董事及高級管理層的履歷

**Ms. Tang Yiyan (唐怡燕女士)**, aged 47, is the executive Director and vice president of the Group, and is responsible for overall property management of our Group. She was appointed as an executive Director on 30 September 2013. Ms. Tang has over 15 years of experience in operations and management. Prior to joining the Group, she held various positions including assistant to general manager of Jiaqing Jiahe Beijing City Shopping Center Company Limited (嘉興嘉禾北京城購物廣場有限公司), and manager of sales department, project supervisor, deputy general manager and vice general manager in general affairs of Zhejiang Lai Yin Da Commercial Development Company Ltd. (浙江萊茵達商業發展有限公司). Ms. Tang obtained a diploma in economics and management from the Zhejiang Province Mechanic and Politics University (浙江省職工政治大學) (currently known as Zhejiang University of Economics and Management (浙江經濟管理大學)) in July 1994.

### Non-executive Director

**Mr. Shi Kan Cheng (施侃成先生)** (alias Shi Zhongan (施中安)), aged 55, is a non-executive Director and chairperson of the Board. He was appointed as a Director on 2 July 2013 and re-designated as non-executive Director on 30 September 2013. He is responsible for assisting the Board in the strategic planning of the Group, leading the Board to ensure that it will perform its roles and carry out its responsibilities effectively, and ensuring proper corporate governance practices and procedures are implemented within the Group. However, he does not participate in the day-to-day management of the business operations of the Group.

Mr. Shi has over 21 years of experience in property development and property investment. Mr. Shi currently also serves as the executive director, chairman and the chief executive officer of Zhong An (stock code: 00672). Mr. Shi served as a tax officer in the finance and revenue bureau of Xiaoshan District of Hangzhou (formerly known as Xiaoshan City) and the general manager of Hangzhou Xiaoshan Milkyway Real Estate Development Co., Ltd. Mr. Shi completed an Executive Master of Business Administration Program (Finance Track) organized by Shanghai National Accounting Institute and obtained a CFO Qualifying Training Certificate in June 2007. From 2005 to 2006, Mr. Shi completed a program for executive officers, focusing on globalization and real estate developers, co-organized by Harvard University, Tsinghua University, The University of Hong Kong and the United States Military Academy and a program for presidents of real estate companies organized by Zhejiang University in July 2006. Mr. Shi obtained a doctoral degree of business administration program jointly organized by Shanghai Advanced Institute of Finance (SAIF) and W. P. Carey School of Business, Arizona State University (ASU) in the US in May 2017. Mr. Shi is a director of certain members of the Remaining Zhong An Group and the Group. Mr. Shi is the sole director and the sole shareholder of Whole Good Management Limited, which is the controlling shareholder of the Company.

**唐怡燕女士**，47歲，為執行董事兼本集團副總裁，彼負責本集團整體物業管理。彼於2013年9月30日獲委任為執行董事。唐女士於經營及管理積累逾15年經驗。於加入本集團前，彼於嘉興嘉禾北京城購物廣場有限公司擔任若干職位包括總經理助理等，及於浙江萊茵達商業發展有限公司任營運經理、項目經理、副總經理及常務副總經理。唐女士於1994年7月在浙江省職工政治大學（現為浙江經濟管理大學）獲得經濟及管理學大專文憑。

### 非執行董事

**施侃成先生**（又名施中安），55歲，為非執行董事兼董事會主席。彼於2013年7月2日獲委任為董事，並於2013年9月30日調任非執行董事。彼負責協助董事會制定本集團的策略性規劃，帶領董事會以確保董事會能夠履行其職務並有效地進行其職責，並確保於本集團內實施適當的企業管治常規及程序。然而，彼不會參與本集團日常業務管理。

施先生於物業開發及物業投資方面擁有21年經驗。施先生現為眾安（股份代號：00672）之執行董事、主席兼行政總裁。施先生歷任杭州蕭山區（原稱蕭山市）財政稅務局稅務專員和杭州蕭山銀河房地產開發有限公司總經理。施先生於2007年6月完成上海國家會計學舉辦的工商管理碩士課程並獲得首席財務官資格培訓證書、於2005年至2006年，施先生完成哈佛大學、清華大學、香港大學及美國陸軍軍官學校專為全球化及房地產發展商行政人員合辦的課程及於2006年7月完成浙江大學房地產公司總裁班課程。施先生於2017年5月獲得上海高級金融學院（SAIF）與美國亞利桑那州立大學（ASU）凱瑞商學院合辦的工商管理博士學位。施先生亦為餘下眾安集團及本集團若干成員公司董事。施先生為全好管理有限公司（本集團的控股股東）之唯一董事及唯一股東。

## Independent non-executive Directors

**Mr. Ng Sze Yuen, Terry** (吳士元先生), aged 58, is the independent non-executive Director and vice chairperson of the Board. He was appointed as an independent non-executive Director on 31 May 2014. He has over 30 years of experience in operations and management and is now the chief executive officer and an executive director of L'AVENUE International Holdings Limited, a private company in Hong Kong. His leadership responsibilities include strategic planning, financial investments, management of property development and investment portfolio, both in Hong Kong and overseas. He has also been appointed an independent non-executive director of Sun Hing Printing Holdings Limited (stock code: 01975), a company which shares are listed on the main board of the Stock Exchange since October 2017 and provides independent views to the Board, the audit committee as well as the nomination committee. Since January 2012, Mr. Ng has been the founding member and a director of Terry Ng & Associates Limited in which he manages his own investment portfolio including real estate, equity market and private equity. Mr. Ng was an executive director of Hang Lung Group Limited (stock code: 00010) and Hang Lung Properties Limited (stock code: 00101), companies which shares are listed on the main board of the Stock Exchange, respectively and was mainly responsible for such groups' strategic and corporate planning, financial investments, and relations with the investment community. He was also an executive director of Giordano International Limited (stock code: 00709), a company which shares are listed on the main board of the Stock Exchange. Mr. Ng has over 8 years of work experience with Giordano International Limited and its affiliated companies, and held other various positions including senior vice president of international business and assistant director of business development. He also worked at the Stock Exchange and held various positions including senior manager of listing division, department head of finance division and manager of finance division. Mr. Ng is a fellow member of CPA Australia. He obtained a master's degree in business administration from Asia International Open University (Macau) (currently known as City University of Macau) in November 1995 and a bachelor degree in commerce majoring in accounting and finance systems from the University of New South Wales in April 1985.

**Mr. Xu Chengfa** (須成發先生), aged 65, is the independent non-executive Director. He was appointed as an independent non-executive Director on 31 May 2014. Mr. Xu has over 21 years of experience in banking operations and management. He worked in the Bank of Communications Co., Ltd. (stock code: 03328) Hong Kong Branch, a company which shares are listed on the main board of the Stock Exchange and held various positions including senior manager of investment banking department, senior manager of corporate services department, assistant general manager, deputy general manager, deputy chief executive officer and consultant.

## 獨立非執行董事

吳士元先生，58歲，為獨立非執行董事兼董事會副主席。彼於2014年5月31日獲委任為獨立非執行董事。彼於營運及管理方面擁有逾30年經驗。吳先生現任尚嘉國際控股有限公司（香港一間私營公司）的行政總裁兼執行董事，負責掌管策略規劃、財務投資及管理香港和海外之物業發展及投資組合。彼自2017年10月獲委任為新興印刷控股有限公司（股份代號：01975）（其股份於聯交所主板上市）獨立非執行董事，給予董事局、審核委員會及提名委員會獨立意見。自2012年1月起吳先生擔任Terry Ng & Associates Limited的創始成員及董事，管理其個人的投資組合，包括房地產、股票市場及私募股權投資。吳先生曾獲委任為恒隆集團有限公司（股份代號：00010）及恒隆地產有限公司（股份代號：00101）（股份分別於聯交所主板上市）執行董事，主要負責該集團的策略及企業規劃、金融投資以及與投資界的關係。彼亦曾為佐丹奴國際有限公司（股份代號：00709）（其股份於聯交所主板上市）執行董事。吳先生於佐丹奴國際有限公司及其聯屬公司擁有逾8年工作經驗，彼亦曾出任國際業務高級副總裁及業務發展助理董事等多個職務。彼亦曾於聯交所工作，出任上市科高級經理、財務科部門主管及財務科經理。吳先生為澳洲會計師公會的資深會員。彼於1995年11月獲取亞洲（澳門）國際公開大學（現稱澳門城市大學）頒授工商管理碩士學位，及於1985年4月獲新南威爾士大學頒授商業學士學位，主修會計及財務系統。

須成發先生，65歲，為獨立非執行董事。彼於2014年5月31日獲委任為獨立非執行董事。須先生在銀行業務和管理方面擁有逾21年的經驗。彼曾於交通銀行股份有限公司（股份代號：03328）（其股份於聯交所主板上市）香港分行工作，擔任多項職務包括投資銀行部高級經理、企業服務部高級經理、助理總經理、副總經理及副行政總裁及顧問。

## Biographical Details of Directors and Senior Management

### 董事及高級管理層的履歷

**Mr. Yim Chun Leung (嚴振亮先生)**, aged 56, is the independent non-executive Director. He was appointed as an independent non-executive Director on 31 May 2014. Mr. Yim has over 33 years of experience in auditing, accounting and finance fields. He is the independent non-executive Director who has the qualifications and experience to meet the requirements under Rule 3.10(2) of the Listing Rules.

Mr. Yim is a non-practicing member of the Hong Kong Institute of Certified Public Accountants, a fellow of the Association of Chartered Certified Accountants and an associate of the Institute of Chartered Accountants in England and Wales. He also possesses a master's degree in business administration.

Mr. Yim is also an executive director of Jacobson Pharma Corporation Limited (a company which shares are listed on the main board of the Stock Exchange, stock code: 02633) which, together with its group companies, are principally engaged in development, production, marketing and sale of generic drugs and proprietary medicines. Mr. Yim had served in numerous companies listed on the main board of the Hong Kong Stock Exchange which included an executive director and chief executive officer of LVGEM (China) Real Estate Investment Company Limited (formerly known as New Heritage Holdings Ltd.) (stock code: 00095) since December 2004 and July 2014 respectively until he resigned in March 2016, the financial controller of Soundwill Holdings Limited (stock code: 00878) from May 2002 to June 2004, the chief financial officer of Sinolink Worldwide Holdings Limited (stock code: 01168) from December 2000 to February 2002, an executive director of N P H International Holdings Limited (currently known as Concord New Energy Group Limited, stock code: 00182) from January 1998 to April 1999 and the finance director of Tysan Holdings Limited (currently known as Hong Kong International Construction Investment Management Group Co., Limited, stock code: 00687) from January 1994 to January 1998.

## SENIOR MANAGEMENT

**Mr. Shi Nanlu (施南路先生)** is the vice-president of the Group, and is responsible for healthy business sector. He joined the Group in June 2015. He held various positions in Zhong An Group Limited including asset management manager, fund management manager and vice president in the financial center from June 2010 to June 2015. Mr. Shi has over 8 years of experience in financial and investment management. Mr. Shi holds a Bachelor of Financial and Accounting from University of Manitoba.

**嚴振亮先生**，56歲，為獨立非執行董事。彼於2014年5月31日獲委任為獨立非執行董事。嚴先生於審計、會計及財務方面已積逾33年經驗。彼為獨立非執行董事，具備上市規則第3.10(2)條所規定的資格及經驗。

嚴先生為香港會計師公會非執業會員、特許公認會計師公會資深會員及英格蘭及威爾斯特許會計師公會會員。彼同時擁有工商管理碩士學位。

嚴先生同時擔任雅各臣科研製藥有限公司（其股份於聯交所主板上市，股份代號：02633）之執行董事。雅各臣科研製藥有限公司及其集團公司主要從事非專利藥及品牌成藥開發、生產、營銷與銷售業務。嚴先生亦曾任職多間在香港聯交所主板上市的公司，其中包括分別自2004年12月及2014年7月起擔任綠景（中國）地產投資有限公司（前稱新澤控股有限公司）（股份代號：00095）之執行董事及行政總裁並於2016年3月辭任，於2002年5月至2004年6月擔任金朝陽集團有限公司（股份代號：00878）財務總監，於2000年12月至2002年2月擔任百仕達控股有限公司（股份代號：01168）首席財務官，於1998年1月至1999年4月擔任南北行國際集團有限公司（現稱協合新能源集團有限公司，股份代號：00182）執行董事及於1994年1月至1998年1月擔任泰昇集團控股有限公司（現稱香港國際建設投資管理集團有限公司，股份代號：00687）財務董事。

## 高級管理層

**施南路先生**是本集團副總裁，負責健康養生業務。他於2015年6月加入本集團。他於2010年6月至2015年6月在眾安集團有限公司擔任資產管理經理，資金管理經理，財務中心副總裁等職務。施先生在財務和投資管理方面有8年以上的經驗。施先生持有曼尼托巴大學金融與會計學士學位。

**Mr. Fang Bin (方彬先生)** is the vice-president of the Group, and is responsible for operations and film and television culture business sector of our Group. He joined the Group in July 2016. Mr. Fang has over 6 years of experience in financial and investment management. Prior to joining the Group, he worked in Huaxia Bank for investment sector. Mr. Fang holds a Master Degree in financial and economic from The University of Warwick and a Bachelor of Financial and Statistic in University College London.

**Mr. Liu Bo (劉波先生)** is the vice-president of the Group, and is responsible for financial management of our Group. He joined the Group in July 2016. Mr. Liu has over 6 years of experience in financial and investment management. Prior to joining the Group, he worked in Wan Xiang Trust for institutional and trust business department. Mr. Liu holds a Master Degree in Actuarial Science from the Boston University and a Bachelor of Mathematics from University of Waterloo.

## COMPANY SECRETARY

**Mr. Chiu Ngam, Chris (趙岩先生)** is the chief financial officer and company secretary of the Company. He joined the Group in February 2017. Mr. Chiu holds a Bachelor of Business Administration from the Hong Kong University of Science and Technology. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of the American Institute of Certified Public Accountants. Mr. Chiu has over 20 years of experience in accounting, financial management, merge and acquisition, capital market financing and listing compliance. He is also a director of certain members of the Group.

Mr. Chiu had served in numerous companies listed on the main board of the Hong Kong Stock Exchange which included the financial controller and company secretary of China Sandi Holdings Limited (stock code: 00910), the financial controller and company secretary of Century Ginwa Retail Holdings Limited (stock code: 00162), the vice president of Genting Hong Kong Limited (stock code: 00678), the chief financial officer of China Oriental Group Company Limited (stock code: 00581) and the group chief financial officer of Carrianna Group Holdings Company Limited (stock code: 00126).

**方彬先生**為本集團副總裁，負責本集團營運及電影電視文化業務。他於2016年7月加入本集團。方先生在財務和投資管理方面有超過6年的經驗。加入本集團之前，曾在華夏銀行投資部任職。方先生持有華威大學金融與經濟碩士學位及倫敦大學學院金融與統計學士學位。

**劉波先生**為本集團副總裁，負責本集團財務管理。他於2016年7月加入本集團。劉先生在財務和投資管理方面有超過6年的經驗。在加入本集團之前，曾在萬向信託機構業務部及信託業務部任職。劉先生持有波士頓大學精算科學碩士學位及滑鐵盧大學數學學士學位。

## 公司秘書

**趙岩先生**為本公司財務總監兼公司秘書。彼於2017年2月加入本集團。趙先生持有香港科技大學頒授之工商管理學士學位。彼為香港會計師公會資深會員及美國註冊會計師協會會員。趙先生於會計、財務管理、收購合併、資本市場融資及上市合規方面擁有逾20年經驗。彼亦為本集團若干成員公司的董事。

趙先生亦曾於多間在香港聯交所主板上市的公司任職，其中包括中國三迪控股有限公司（股份代號：00910）之財務總監兼公司秘書，世紀金花商業控股有限公司（股份代號：00162）之財務總監兼公司秘書，雲頂香港有限公司（股份代號：00678）之副總裁，中國東方集團控股有限公司（股份代號：00581）之財務總監及佳寧娜集團控股有限公司（股份代號：00126）之集團財務總監。

# The Report of Directors

## 董事會報告

The board (“Board”) of directors (the “Directors”) of China New City Commercial Development Limited (the “Company”) are pleased to present their annual report to shareholders of the Company (the “Shareholders”) and the audited financial statements of the Company and its subsidiaries (hereinafter collectively referred to as the “Group”) for the year ended 31 December 2017 (“the year under review”).

### PRINCIPAL ACTIVITIES

The Company is an investment holding company. The Group is principally engaged in commercial property development, leasing and hotel operations. The nature of the principal activities has not changed during the year under review.

### BUSINESS REVIEW, KEY PERFORMANCE INDICATORS AND FUTURE DEVELOPMENT

A discussion on the business review of the Group and an analysis of the performance of the Group based on certain financial key performance indicators for the year under review are set out in the section headed “Management Discussion and Analysis” of this annual report.

### RESULTS AND DIVIDENDS

The Group’s profit for the year under review and the state of affairs of the Company and the Group at 31 December 2017 are set out in the financial statements on pages 102 to 108.

The Board does not recommend the payment of final dividend for the year ended 31 December 2017 (2016: Nil).

### SUMMARY OF CONSOLIDATED FINANCIAL INFORMATION

A summary of the published results and assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the published audited financial statements and the Prospectus, is set out on page 244. This summary does not form part of the audited financial statements.

中國新城市商業發展有限公司(「本公司»)董事(「董事»)會(「董事會»)欣然提呈本公司及其附屬公司(下文稱為「本集團»)截至2017年12月31日止年度(「回顧年度»)的年報及經審核財務報表予本公司股東(「股東»)。

### 主要業務

本公司的主要業務為投資控股。本集團的主要業務為商業地產開發、租賃及酒店運營。於回顧年度內，主要業務的性質並無改變。

### 業務回顧、關鍵表現指標及未來發展

本集團業務回顧之討論及根據回顧年度內若干財務關鍵表現指標進行之本集團表現分析已載於本年報之「管理層討論與分析」一節。

### 業績及股息

本集團於回顧年度的利潤，連同本公司及本集團於2017年12月31日的財務狀況，載於財務報表第102至108頁。

董事會不建議派發截至2017年12月31日止年度末期股息(2016年：無)。

### 綜合財務資料概要

本集團摘錄自己刊發之經審核財務報表及招股章程的最近五個財政年度的業績，以及資產、負債和非控股權益概要載於第244頁。此概要並非經審核財務報表的一部份。

## PROPERTY AND EQUIPMENT, AND INVESTMENT PROPERTIES

Details of movements in the property and equipment, and investment properties of the Group during the year under review are set out in notes 12 and 13 to the financial statements respectively. Further details of the Group's investment properties are set out on pages 188 and 189.

## PRINCIPAL RISKS AND UNCERTAINTIES

The Group's principal risks and uncertainties are set out under the paragraph headed "Principal Risks and Key Controls" in the section headed "Corporate Governance Report" of this annual report.

## KEY RELATIONSHIPS

An account of the Group's key relationships with its employees, customers and suppliers are set out in the paragraph headed "Relationships with Employees, Customers and Suppliers" under the section headed "Management Discussion and Analysis" of this annual report.

## ENVIRONMENTAL POLICIES

A discussion on the Group's environmental policies and performance is set out in the paragraph headed "Environment Policies and Performance" under the section headed "Management Discussion and Analysis" of this annual report.

## SHARE CAPITAL

Details of the movements in share capital of the Company during the year under review are set out in note 28 to the financial statements.

## EQUITY-LINKED AGREEMENTS

Other than the Scheme as disclosed in the section headed "The Report of Directors – Share Option Scheme" of this annual report and note 29 to the financial statements respectively, no equity-linked agreements were entered into by the Company during the year under review or subsisted at the end of the year under review.

## 物業及設備及投資物業

本集團於回顧年度內的物業及設備及投資物業的變動詳情分別載於財務報表附註12及13。本集團投資物業的進一步資料載於第188及189頁。

## 主要風險及不確定因素

本集團之主要風險及不確定因素載於本年報之「企業管治報告」一節內之「主要風險及關鍵控制」一段。

## 主要關係

本集團與其僱員、客戶及供應商之主要關係報告載於本年報之「管理層討論與分析」一節項下之「與僱員、客戶及供應商之關係」。

## 環保政策

有關本集團環保政策及表現之討論載於本年報之「管理層討論與分析」一節項下之「環保政策及表現」一段。

## 股本

本公司於回顧年度內股本的變動詳情載於財務報表附註28。

## 股票掛鈎協議

除了在本年報之「董事會報告—購股權計劃」一節和財務報表附註29分別披露之計劃外，本公司沒有股票掛鈎協議於回顧年度內簽訂或於本回顧年度末仍存在。

## RESERVES

Details of the movements in the reserves of the Group during the year under review are set out in the consolidated statement of changes in equity and note 30 to the financial statements.

## DISTRIBUTABLE RESERVES

As at 31 December 2017, the Company's accumulated losses amounted to approximately RMB51,135,000 and the Company's share premium amounted to RMB583,836,000. By passing an ordinary resolution of the Company, dividends may also be declared and paid out of share premium account or any other fund or account which can be authorized for this purpose in accordance with the Companies Law of the Cayman Islands.

## SHARE OPTION SCHEME

The details of the share option scheme (the "Scheme") approved by the Shareholders on 20 May 2015 (the "Adoption Date") are disclosed below pursuant to the requirements under Chapter 17 of the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"):

### 1. Purposes of the scheme

The purpose of the Scheme is to enable the Group to grant options to selected participants as incentives or rewards for their contribution to the Group. The Directors consider the Scheme, with its broadened basis of participation, will enable the Group to reward the employees, the Directors and other selected participants for their contributions to the Group. Given that the Directors are entitled to determine any performance targets to be achieved as well as the minimum period that an option must be held before an option can be exercised on a case by case basis, and that the exercise price of an option cannot in any event fall below the price stipulated in the Listing Rules or such higher price as may be fixed by the Directors, it is expected that grantees of an option will make an effort to contribute to the development of the Group so as to bring about an increased market price of the Shares in order to capitalise on the benefits of the options granted.

## 儲備

本集團於回顧年度內的儲備變動詳情載於綜合權益變動表及財務報表附註30。

## 可分派儲備

於2017年12月31日，本公司的累計損失約為人民幣51,135,000元，而本公司的股份溢價為人民幣583,836,000元。經本公司普通決議案通過，股息亦可從股份溢價賬或按照開曼群島公司法就此獲授權的任何其他資金或賬戶宣派及支付。

## 購股權計劃

有關股東於2015年5月20日（「採納日期」）批准的購股權計劃（「計劃」）的詳情根據於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17章規定披露如下：

### 1. 計劃之目的

計劃旨在讓本集團向合資格參與者授出購股權，作為彼等對本集團所作貢獻之獎勵或回報。董事認為，計劃憑藉其經擴大參與基礎將使本集團可獎勵僱員、董事及其他合資格參與者對本集團所作之貢獻。鑒於董事有權釐定須達到之任何表現目標以及根據計劃獲授購股權後於可行使前須持有之最短期間，及購股權之行使價不得低於上市規則規定之價格或董事可能釐定的有關較高價格，預期購期權計劃之購股權承授人將致力促進本集團業務發展，提升股份市價，以實現獲授購股權之利益。

## 2. Participants of the Scheme

The Board may, at its absolute discretion, invite any person belonging to any of the following classes of participants, to take up options to subscribe for Shares:

- (a) any employee (whether full-time or part-time including any executive Director but excluding any non-executive Director) of the Company, any of the Company's subsidiaries or any entity ("Invested Entity") in which any member of the Group holds an equity interest;
- (b) any non-executive Directors (including independent non-executive Directors) of the Company, any of the Company's subsidiaries or any Invested Entity;
- (c) any supplier of goods or services to any member of the Group or any Invested Entity;
- (d) any customer of any member of the Group or any Invested Entity;
- (e) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity;
- (f) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity;
- (g) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group;

and, for the purposes of the Scheme, the offer for the grant of option may be made to any company wholly owned by one or more persons belonging to any of the above classes of participants.

For avoidance of doubt, the grant of any options by the Company for the subscription of Shares or other securities of the Group to any person who falls within any of the above classes of participants shall not, by itself, unless the Board otherwise determine, be construed as a grant of option under the Scheme.

## 2. 計劃的參與者

董事會可全權酌情邀請屬於下列參與者類別之任何人士接納可認購股份之購股權：

- (a) 本公司或其任何附屬公司或本集團任何成員公司持有股權之任何實體（「所投資實體」）之任何全職或兼職僱員（包括任何執行董事但不包括任何非執行董事）；
- (b) 本公司、本公司任何附屬公司或任何所投資實體的任何非執行董事（包括獨立非執行董事）；
- (c) 本集團任何成員公司或任何所投資實體之任何貨品或服務供應商；
- (d) 本集團任何成員公司或任何所投資實體之任何客戶；
- (e) 向本集團任何成員公司或任何所投資實體提供研發或其他技術支援之任何人士或實體；
- (f) 本集團任何成員公司或任何所投資實體業務任何方面或業務發展之任何專業或其他諮詢人或顧問；
- (g) 已經或可能透過合營公司、業務聯盟或其他業務安排對本集團發展及增長作出貢獻的任何其他組別或類別的參與者；

而就計劃而言，可向屬於上述任何類別合資格參與者的一名或多名人士全資擁有之任何公司要約授出購股權。

為免存疑，除董事會另行決定外，本公司向屬於上述合資格參與者任何類別之人士授出可認購股份或本集團其他證券之任何購股權本身並不被詮釋為根據計劃授出購股權。



The eligibility of any of the above class of participants to an offer for the grant of any option shall be determined by the Board from time to time on the basis of the Board's opinion as to his contribution to the development and growth of the Group.

### 3. Maximum number of the Shares available for Subscription

- (a) The maximum number of Shares which may be allotted and issued upon the exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option scheme adopted by the Group must not in aggregate exceed 30% of the share capital of the Company in issue from time to time.
- (b) The total number of the Shares which may be allotted and issued upon the exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Scheme and any other share option scheme of the Group) to be granted under the Scheme and any other share option scheme of the Group must not in aggregate exceed 10% of the number of Shares in issue as at the date of approval of the Scheme ("General Scheme Limit").
- (c) Subject to (a) above but without prejudice to (d) below, the Company may seek approval of the Shareholders in general meeting to refresh the General Scheme Limit provided that the total number of Shares which may be allotted and issued upon exercise of all options to be granted under the Scheme and any other share option scheme of the Group must not exceed 10% of the number of Shares in issue as at the date of approval of the refreshed limit and, for the purpose of calculating the refreshed limit, options (including those outstanding, cancelled, lapsed or exercised in accordance with the Scheme and any other share option scheme of the Group) previously granted under the Scheme and any other share option scheme of the Group will not be counted. The circular sent by the Company to the Shareholders shall contain, among other information, the information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules.

上述各類獲授購股權之合資格參與者之資格不時由董事會按照其認為有關人士對本集團發展及增長所作之貢獻而釐定。

### 3. 可供認購的最高股份數目

- (a) 因行使所有根據計劃及本集團任何其他購股權計劃已授出而尚未行使之購股權而配發及發行之最高股份數目，合共不得超過本公司不時已發行股本30%。
- (b) 因行使所有根據計劃及本集團任何其他購股權計劃授出之購股權（就此而言，不包括根據計劃及本集團任何其他購股權計劃之條款失效之購股權）而可能配發及發行之股份總數，不得超過有關採納計劃之決議案通過當日已發行股份數目10%（「一般計劃上限」）。
- (c) 在上文第(a)分段的規限下，在不影響下文第(d)分段之情況下，本公司可在股東大會上徵求股東批准更新一般計劃上限，惟因行使所有根據計劃及本集團任何其他購股權計劃授出之購股權而可能配發及發行之股份總數，不得超過批准上限當日已發行股份數目10%，而於計算上限時，之前已根據計劃及本集團任何其他購股權計劃授出之購股權（包括根據計劃及本集團任何其他購股權計劃尚未行使、已註銷、已失效或已行使之購股權）不予計算。本公司向股東發出之通函應包括（其中包括）上市規則第17.02(2)(d)條規定的資料及上市規則第17.02(4)條規定的免責聲明。

(d) Subject to (a) above and without prejudice to (c) above, the Company may seek separate Shareholders' approval in general meeting to grant options beyond the General Scheme Limit or, if applicable, the refreshed limit referred to in (c) above to participants specifically identified by the Company before such approval is sought. In such event, the Company must send a circular to the Shareholders containing a generic description of the specified participants, the number and terms of options to be granted, the purpose of granting options to the specified participants with an explanation as to how the terms of the options serve such purpose and such other information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules.

(d) 在上文第(a)分段的規限下，在不影響上文第(c)分段之情況下，本公司可另行在股東大會上徵求股東批准根據購股權計劃向本公司於徵求批准前特別指明之合資格參與者授出超逾一般計劃上限或（如適用）上文第(c)分段所述經擴大後的上限的購股權。在此情況下，本公司須向股東發出通函，載有對特定參與者的一般描述、將予授出購股權數目及條款、授予特定參與者購股權的目的連同購股權的條款如何達成有關目的的解釋以及上市規則第17.02(2)(d)條規定的有關其他資料及上市規則第17.02(4)條規定的免責聲明。

#### 4. Maximum entitlement of each participant

The total number of Shares issued and which may fall to be issued upon the exercise of the options granted under the Scheme and any other share option scheme of the Group (including both exercised or outstanding options) to each grantee in any 12-month period shall not exceed 1% of the number of Shares in issue for the time being (the "Individual Limit"). Any further grant of options in excess of the Individual Limit in any 12-month period up to and including the date of such further grant must be separately approved by the Shareholders in general meeting of the Company with such grantee and his close associates (or his associates if the grantee is a connected person of the Company) abstaining from voting. The number and terms (including the exercise price) of options to be granted must be fixed before the approval of the Shareholders and the date of the Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price under note (1) to Rule 17.03(9) of the Listing Rules.

#### 4. 每名參與者所獲購股權上限

每名承授人因行使於任何12個月內根據計劃及本集團任何其他購股權計劃獲授之購股權（包括已行使或尚未行使之購股權）而已獲發行及可能獲發行之股份總數，不得超過當時已發行股份數目1%（「個人上限」）。倘任何進一步授出購股權將導致於截至及包括再獲授購股權當日止12個月期間內股份超逾個人上限，則必須於股東大會上獲得股東批准，而有關承授人及其緊密聯繫人（或倘承授人為本公司關連人士，則為聯繫人）不得參與投票。向該承授人授出之購股權數目及條款（包括行使價）必須於股東批准前釐定，而於根據上市規則第17.03(9)條附註(1)計算行使價時，為批准進一步授出購股權而舉行之董事會會議日期將視為授出日期。

## 5. Grant of options to the Directors, chief executive or substantial shareholders of the Company or their respective associates

- (a) Any grant of options under the Scheme to a Director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by independent non-executive Directors (excluding independent non-executive Director who or whose associates is the proposed grantee of the options).
- (b) Where any grant of options to a substantial shareholder or an independent non-executive Director or any of their respective associates would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:
- (i) representing in aggregate over 0.1% of the Shares in issue; and
  - (ii) having an aggregate value, based on the closing price of the Shares at the date of each offer for the grant, in excess of HK\$5 million;

such further grant of options must be approved by Shareholders in general meeting. The Company must send a circular to the Shareholders. The grantee, his associates and all core connected persons of the Company must abstain from voting in favour at such general meeting, except that any connected person may vote against the relevant resolution at the general meeting provided that his intention to do so has been stated in the circular. Any vote taken at the meeting to approve the grant of such options must be taken on a poll. Any change in the terms of options granted to a substantial shareholder or an independent non-executive Director or any of their respective associates must be approved by the Shareholders in general meeting.

## 5. 向本公司董事、主要行政人員或主要股東或彼等各自之聯繫人授出購股權

- (a) 根據計劃向本公司董事、主要行政人員、主要股東或彼等各自之聯繫人授出購股權必須獲得獨立非執行董事（不包括身為購股權建議承授人之獨立非執行董事或其聯繫人）批准。
- (b) 倘向主要股東、獨立非執行董事或任何彼等各自之聯繫人授出購股權將導致該人士因行使於截至及包括獲授購股權當日止12個月期間內已獲授及將獲授之所有購股權（包括已行使、註銷及尚未行使之購股權）而已獲發行及將獲配發與發行之股份：
- (i) 總數超過已發行股份0.1%；及
  - (ii) 根據每次授出購股權當日股份收市價計算之總值超過5,000,000港元；

則該等進一步授出購股權必須在股東大會上獲得股東批准。本公司須向股東發出通函。承授人、其聯繫人及本公司所有核心關連人士須於有關股東大會上放棄投贊成票，任何關連人士可於有關股東大會上投反對票（惟其已於通函中表明其意圖並按此行事）則除外。於大會上批准授出有關購股權的任何表決須以投票方式進行。授予主要股東或獨立非執行董事或彼等各自聯繫人的購股權之條款之任何變動須由股東於股東大會上批准。

**6. Minimum period for which an option must be held before it can be exercised and the exercise period of the option:**

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by the Board to each grantee, which period may commence from the date of the offer for the grant of options is made, but shall end in any event not later than 10 years from the date of grant of the option subject to the provisions for early termination thereof. Unless otherwise determined by the Board and stated in the offer for the grant of options to a grantee, there is no minimum period required under the Scheme for the holding of an option before it can be exercised.

**7. Amount payable on acceptance of the option and the period within which payment must be made:**

A nominal consideration of HK\$1 is payable on acceptance of the grant of an option and options may be accepted by a participant within 21 days from the date of the offer of grant of the option.

**8. Basis of determining the exercise price:**

The exercise price for the Shares under the Scheme shall be a price determined by the Board, but shall not be less than the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer for the grant, which must be a business day; (ii) the average closing price of Shares as stated in the Stock Exchange's daily quotations for the five business days immediately preceding the date of the offer for the grant; and (iii) the nominal value of a Share.

**9. Remaining life of the Scheme:**

The Scheme became effective on 20 May 2015 and unless otherwise cancelled or amended, will remain in force for a period of 10 years from that date.

**6. 於購股權可獲行使前必須持有購股權的最低期限及購股權的行使期限：**

購股權可於董事會決定並知會各承授人之期間隨時根據購股權計劃之條款行使。上述行使期自建議授出購股權當日起計，惟無論如何不得遲於建議授出購股權當日起計10年，並須受有關提早終止的條文規限。除董事會另有決定並於向承授人提出有關授出購股權之建議內列明外，計劃並無規定承授人於行使購股權前必須持有購股權之最短期間。

**7. 接納購股權時應付款項及必須作出付款的期限：**

接納授出購股權時須支付1港元名義金額及參與者可於授出購股權當日起計21日內接納購股權。

**8. 釐定行使價的基準：**

計劃下股份之行使價由董事會釐定，惟不得低於(i)建議授出購股權當日(須為營業日)聯交所每日報價表所列股份之收市價；(ii)於緊接建議授出購股權前日五個交易日聯交所每日報價表所列之股份平均收市價；及(iii)股份面值(以最高者為準)。

**9. 該計劃的剩餘有效期：**

計劃於2015年5月20日生效，並且除非經另行註銷或修改外，將於該日起十年內一直有效。

## OUTSTANDING OPTIONS

In 2017, no option was granted, exercised or cancelled by the Company or had lapsed under the Scheme. There was no outstanding option under the Scheme as at 31 December 2017 as no option was granted during the relevant period.

## PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the Companies Law of the Cayman Islands, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

## MAJOR CUSTOMERS AND SUPPLIERS

The sales attributable to the five largest customers of the Group accounted for approximately 5% of the Group's consolidated revenue for the year under review.

The purchases attributable to the five largest suppliers of the Group accounted for about 43% of the Group's consolidated purchases for the year under review.

The largest supplier of the Group accounted for about 27% of the Group's consolidated purchases for the year under review.

None of the Directors, their close associates (as defined in the Listing Rules) or any Shareholders (who or which to the knowledge of the Directors owns more than 5% of the Company's issued share capital) has any interest in any of the Group's five largest suppliers.

## DIRECTORS

The Directors during the year under review and up to the date of this report were as follows:

### Executive Directors

Mr. Dong Shuixiao

Ms. Jin Ni

Ms. Tang Yiyang

### Non-executive Director

Mr. Shi Kancheng (alias Shi Zhongan)

### Independent non-executive Directors

Mr. Ng Sze Yuen, Terry

Mr. Xu Chengfa

Mr. Yim Chun Leung

## 尚未行使的購股權

於2017年，概無根據計劃授出、行使、被本公司註銷或已經失效的購股權。於2017年12月31日，計劃項下並無尚未行使的購股權，皆因在該段期間無授出購股權。

## 優先購買權

本公司的章程細則或開曼群島公司法並無優先購買權的條文，使本公司有責任按比例向現有股東提呈發售新股份。

## 主要客戶及供應商

本集團五大客戶應佔的銷售額，佔本集團於回顧年度內綜合收入的約5%。

本集團五大供應商應佔的採購額，佔本集團於回顧年度內採購總額約43%。

本集團最大的供應商佔本集團於回顧年度內採購總額約27%。

董事、其緊密聯繫人（定義見上市規則）或任何股東（就董事所知擁有本公司已發行股本超過5%者）概無於本集團任何五大供應商擁有任何權益。

## 董事

於回顧年度內及直至本報告日期在任的董事如下：

### 執行董事

董水校先生

金妮女士

唐怡燕女士

### 非執行董事

施侃成先生（又名施中安）

### 獨立非執行董事

吳士元先生

須成發先生

嚴振亮先生

In accordance with articles 105(A) and 105(B) of the Articles, Mr. Ng Sze Yuen, Terry, Mr. Xu Chengfa and Mr. Yim Chun Leung will retire by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting (the “AGM”).

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules and the Company considers all of the independent non-executive Directors to be independent.

## DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save for the transactions as disclosed in this report notes 2 and 32 to the consolidated financial statements and in the section headed “Continuing Connected Transactions” of the Prospectus and the supplemental prospectus dated 30 June 2014 (“Supplemental Prospectus”), there was no transactions, arrangements or contracts of significance in relation to the Group’s business to which the Company, any of its subsidiaries or its holding company was a party and in which a Director is or was materially interested, whether directly or indirectly, subsisted during or at the end of the year under review.

## DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and senior management of the Group are set out on pages 63 to 67 of this annual report.

## DIRECTORS' SERVICE CONTRACTS

Each of Ms. Jin Ni, and Ms. Tang Yiyan, all being executive Directors, has entered into a service contract with the Company pursuant to which she agreed to act as the executive Director for a term of three years with effect from 31 May 2014, which is automatically renewable for a successive term of one year from the next day upon the expiry of the appointment.

Mr. Dong Shuixiao, being the executive Director, has entered into a service contract with the Company pursuant to which he agreed to act as the executive Director for a term of three years with effect from 16 June 2015.

Mr. Shi Kancheng, being non-executive Director, has been appointed for an initial term of three years with effect from 31 May 2014, which is automatically renewable for a successive term of one year from the next day upon the expiry of the appointment.

Each of Mr. Ng Sze Yuen, Terry, Mr. Xu Chengfa and Mr. Yim Chun Leung, all being independent non-executive Directors, has been appointed for an initial term of three years with effect from 31 May 2014, which is automatically renewable for a successive term of one year from the next day upon the expiry of the appointment.

根據細則第105(A)條及105(B)條，吳士元先生、須成發先生及嚴振亮先生將於即將召開的股東週年大會（「股東週年大會」）上輪值退任，彼等合資格並願意膺選連任。

本公司已接獲獨立非執行董事各自根據上市規則第3.13條就其獨立性發出的年度確認書，且本公司認為所有獨立非執行董事是為獨立。

## 董事於重大合同的權益

除本報告綜合財務報表附註2及32以及招股章程及於2014年6月30日之補充招股章程（「補充招股章程」）「持續關連交易」一節所披露之交易外，本公司、其任何附屬公司或其控股公司概無訂立於回顧年度內或回顧年度末有效而且董事現時或曾經於其中直接或間接擁有重大權益之有關本集團業務的重大交易、安排或合約。

## 董事及高級管理層的履歷

本公司的董事及高級管理層的履歷詳情載於本年報的第63至第67頁。

## 董事的服務合同

金妮女士及唐怡燕女士（全為執行董事）各自與本公司訂立服務合同，據此，彼等同意擔任執行董事，由2014年5月31日起計，為期三年，並於聘任年期屆滿後翌日自動按年續約一年。

董水校先生（為執行董事）與本公司訂立服務合同，據此，彼等同意擔任執行董事，由2015年6月16日起計，為期三年。

施侃成先生（為非執行董事）的初始任期由2014年5月31日起計，為期三年，並於聘任年期屆滿後翌日自動按年續約一年。

吳士元先生、須成發先生及嚴振亮先生（全為獨立非執行董事）的初始任期由2014年5月31日起計，為期三年，並於聘任年期屆滿後翌日自動按年續約一年。

No Director (including the Directors proposed to be re-elected at the AGM) has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

## DIRECTORS' AND SENIOR MANAGEMENT'S REMUNERATION

The Directors' fees are subject to Shareholders' approval at general meetings. Other emoluments are determined by the Board with reference to directors' duties, responsibilities and performance and the results of the Group. Details of the Directors' remuneration during the year under review is set out in note 8 to the consolidated financial statements.

During the years ended 31 December 2017 and 31 December 2016, no remuneration was paid by the Group to any of the directors and chief executive or the five highest paid individuals as an inducement to join or as compensation for loss of office.

No forfeited contribution is available to reduce the contribution payable in the future years as of 31 December 2017.

The band of the remuneration of senior management personal and related number of members of senior management personnel are as follows:

Remuneration band (RMB)	薪酬組別 (人民幣)	2017	2016
		Number of individuals	Number of Individuals
		人數	人數
Nil to 1,000,000	零至1,000,000元	1	2
1,000,001 to 1,500,000	1,000,001元至1,500,000元	2	1

## PERMITTED INDEMNITY PROVISION

Under the Articles of the Company, the Company had a permitted indemnity provision (as defined in section 469 of the Companies Ordinance) in force for the benefit of the Directors throughout the year under review and as at the date of approval of this report of the Directors, pursuant to which the Company shall indemnify any Director against any liability, loss suffered and expenses incurred by the Director in connection with any legal proceedings in which he is involved by reason of being a Director, except in any case where the matter in respect of which indemnification is sought was caused by the fraud or dishonesty of the Directors. The Company has maintained insurance cover for Directors' and officers' liabilities in respect of legal actions against the Directors arising out of corporate activities. The insurance coverage is reviewed on an annual basis. During the year under review, no claims were made against the Directors.

概無董事(包括擬於股東週年大會上重選連任的董事)已與本公司訂立任何不可由本公司於一年內無償終止(法定賠償以外)的服務合同。

## 董事及高級管理層的薪酬

董事的袍金須於股東大會上獲得股東批准。其他酬金乃由董事會參考董事之職務、職責以及本集團之表現及業績而釐定。董事於回顧年度內的酬金詳情載於綜合財務報表附註8。

於截至2017年12月31日和2016年12月31日止年度內，概無報酬是由本集團支付予任何董事，主要行政人員或五名最高薪人士，以促使加入或作為離職補償。

沒有被沒收的供款可供削減自2017年12月31日起未來幾年之應付供款。

高級管理人員薪酬組別以及相關高級管理人員成員人數如下：

2017	2016
	Number of Individuals
Number of individuals	人數
1	2
2	1

## 獲准許彌償條文

根據本公司細則，本公司於整個回顧年度內及於批准本董事會報告之日期為董事之利益施行獲准許彌償條文(定義見公司條例第469條)，據此，本公司須向任何董事彌償因身為董事產生之與彼所涉及任何法律程序有關之任何負債、蒙受之虧損及引致之開支，惟於任何情況下倘尋求彌償之事宜乃因董事欺詐或失信所致則除外。本公司已為董事及高級職員有關因公司活動產生之針對董事之法律行動投購保險。投購保險乃每年檢討。於回顧年度內，並無針對董事之索償。

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

## 董事及最高行政人員於本公司或任何聯繫法團的股份、相關股份及債權證的權益及淡倉

As at 31 December 2017, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (the "SFO")), as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

於2017年12月31日，本公司董事及最高行政人員於本公司或任何聯繫法團（按香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部的涵義）的股份、相關股份及債權證擁有須記入根據證券及期貨條例第352條規定存置的登記冊內之權益及淡倉，或根據標準守則須另行知會本公司及聯交所之權益及淡倉如下：

Name of Director	Name of Group member/ associated corporation 本集團成員公司/ 聯繫法團名稱	Capacity/nature of interest 身份/權益性質	Number of share(s) held 所持股份數目 (Note 1) (附註 1)	Approximate percentage of shareholding 股權概約百分比
Mr. Shi Kancheng 施侃成先生	The Company 本公司	Interest of controlled corporations (Note 2) 受控制法團的權益 (附註2)	1,301,303,594 shares of HK\$0.10 each (L) 1,301,303,594股每股面值 0.10港元股份(L)	70.49%
	Zhong An 眾安	Interest of controlled corporation (Note 3) 受控制法團的權益 (附註3)	3,262,411,200 shares of HK\$0.10 each (L) 3,262,411,200股每股面值 0.10港元股份(L)	55.90%
		Beneficial owner (Note 4) 實益擁有人 (附註4)	10,367,440 shares of HK\$0.10 each (L) 10,367,440股每股面值 0.10港元股份(L)	0.18%
	Whole Good 全好	Beneficial owner 實益擁有人	1 share of US\$1.00 (L) 1股面值1.00美元股份(L)	100%



## The Report of Directors

### 董事會報告

Name of Director	Name of Group member/ associated corporation 本集團成員公司/ 聯繫法團名稱	Capacity/nature of interest 身份/權益性質	Number of share(s) held <i>(Note 1)</i> <i>(附註 1)</i>	Approximate percentage of shareholding 股權概約百分比
Ms. Jin Ni 金妮女士	Zhong An 眾安	Beneficial owner <i>(Note 5)</i> 實益擁有人 <i>(附註5)</i>	3,722,480 shares of HK\$0.10 each (L) 3,722,480股每股面值 0.10港元股份(L)	0.06%
Mr. Dong Shuixiao 董水校先生	Zhong An 眾安	Beneficial owner <i>(Note 6)</i> 實益擁有人 <i>(附註6)</i>	3,722,480 shares of HK\$0.10 each (L) 3,722,480股每股面值 0.10港元股份(L)	0.06%
Ms. Tang Yiyan 唐怡燕女士	Zhong An 眾安	Beneficial owner <i>(Note 7)</i> 實益擁有人 <i>(附註7)</i>	600,000 shares of HK\$0.10 each (L) 600,000股每股面值 0.10港元股份(L)	0.01%

#### Notes:

- The letter "L" denotes the person's long position in the shares and underlying shares of the Company or the relevant associated corporation.
- Among these 1,301,303,594 ordinary shares of HK\$0.10 each in the Company ("Shares"), 1,270,000,000 Shares are held by Ideal World Investments Limited ("Ideal World"), a wholly owned subsidiary of Zhong An. The entire issued shares of Zhong An are owned as to about 55.90% by Whole Good Management Limited (全好管理有限公司) ("Whole Good"), which is wholly owned by Mr. Shi Kancheng. In addition, 31,303,594 Shares are held by Whole Good. By virtue of the SFO, Mr. Shi Kancheng is taken to be interested in the Shares in which each of Ideal World and Whole Good is interested.
- These shares are held by Whole Good. By virtue of the SFO, Mr. Shi Kancheng is deemed to be interested in the shares of Zhong An in which Whole Good is interested.
- These shares represent the underlying shares in Zhong An comprised in the options granted to and held by Mr. Shi Kancheng pursuant to its share option scheme adopted on 15 May 2009.
- These shares represent the underlying shares in Zhong An comprised in the options granted to and held by Ms. Jin Ni pursuant to its share option scheme adopted on 15 May 2009.

#### 附註:

- 字母「L」代表該人士於本公司或有關聯繫法團股份及相關股份的好倉。
- 於此等本公司1,301,303,594股每股面值0.10港元之普通股(「股份」)中，其中1,270,000,000股股份由眾安的全資附屬公司Ideal World Investments Limited(「Ideal World」)持有。眾安的全部已發行股份由全好管理有限公司(「全好」)(由施侃成先生全資擁有)擁有約55.90%。此外，31,303,594股股份由全好持有。根據證券及期貨條例，施侃成先生被視為於Ideal World及全好各自擁有權益的股份中擁有權益。
- 此等股份由全好持有。根據證券及期貨條例，施侃成先生被視為於全好所持有的眾安股份中擁有權益。
- 此等股份即眾安的相關股份(包括於根據於2009年5月15日採納的購股權計劃向施侃成先生授出並由施侃成先生持有的購股權)。
- 此等股份即眾安的相關股份(包括於根據於2009年5月15日採納的購股權計劃向金妮女士授出並由金妮女士持有的購股權)。

6. These shares represent the underlying shares in Zhong An comprised in the options granted to and held by Mr. Dong Shuixiao pursuant to its share option scheme adopted on 15 May 2009.
7. These shares represent the underlying shares in Zhong An comprised in the options granted to and held by Ms. Tang Yiyan pursuant to its share option scheme adopted on 15 May 2009.

Save as disclosed above, as at 31 December 2017, none of the Directors and chief executives of the Company had or were deemed under the SFO to have any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

## CONTRACTS OF SIGNIFICANCE

Save as disclosed in the Prospectus, the Supplemental Prospectus and the transactions as disclosed in note 32 to the consolidated financial statements, no controlling shareholder or any of its subsidiaries has any contract of significance with the Company or its subsidiaries during the year under review.

## MANAGEMENT CONTRACTS

Save as disclosed in the Prospectus, Supplemental Prospectus and in this annual report, no contracts of significance concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or subsisted during the year under review.

## NON-COMPETE UNDERTAKINGS

The Company has received the written confirmation from Ideal World, Zhong An, Whole Good and Mr. Shi Kancheng (collectively, the "Controlling Shareholders") in respect of the compliance with the provisions of the non-compete undertakings ("Non-compete Undertakings"), entered into between the Controlling Shareholders and the Company as set out in the section headed "Relationship with our Controlling Shareholders – Non-compete Undertakings" of the Prospectus during the year under review.

The independent non-executive Directors had reviewed and confirmed that the Controlling Shareholders have complied with the Non-compete Undertakings and the Non-compete Undertakings has been enforced by the Company in accordance with its terms during the year under review.

6. 此等股份即眾安的相關股份（包括於根據於2009年5月15日採納的購股權計劃向董水校先生授出並由董水校先生持有的購股權）。
7. 此等股份即眾安的相關股份（包括於根據於2009年5月15日採納的購股權計劃向唐怡燕女士授出並由唐怡燕女士持有的購股權）。

除上文所披露者外，於2017年12月31日，本公司董事及主要行政人員概無於本公司或其聯繫法團之股份、相關股份及債權證擁有或根據證券及期貨條例被視為擁有須記入根據證券及期貨條例第352條存置之登記冊之任何權益或淡倉，或依據標準守則須另行知會本公司及聯交所之任何權益或淡倉。

## 重大合同

除招股章程、補充招股章程及綜合財務報表附註32所披露之交易外，於回顧年度內，概無控股股東或其任何附屬公司與本公司或其任何附屬公司訂立任何重大合同。

## 管理合同

除招股章程、補充招股章程及本年報所披露者外，本公司並無於回顧年度內訂立或存有任何有關本公司全部或任何重大部份業務之管理及行政之重要合同。

## 不競爭承諾

本公司已自Ideal World、眾安、全好及施侃成先生（統稱為「控股股東」）取得書面確認，內容有關於回顧年度內遵守招股章程「與控股股東之關係—不競爭承諾」一節所載控股股東與本公司訂立之不競爭承諾（「不競爭承諾」）的規定。

獨立非執行董事已審閱及確認，控股股東已遵守不競爭承諾，且本公司已根據其條例於回顧年度內強制執行不競爭承諾。

## DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the section headed "Directors' and chief executive's interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation", at no time during the period under review were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouses or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2017, so far as is known to the Directors, the following persons (other than a Director or the chief executive of the Company) had an interest or short position in the Shares and underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO:

## 董事收購股份或債權證的權利

除「董事及最高行政人員於本公司或任何聯繫法團的股份、相關股份及債權證的權益及淡倉」一節所披露者外，於回顧期間內任何時間，概無授予任何董事或彼等各自的配偶或未成子女可透過收購本公司股份或債權證的方式獲得利益之權利，而彼等亦無行使任何該等權利；本公司或其任何附屬公司亦無參與達成任何安排而使董事於任何其他法團獲得該等權利。

## 主要股東於股份及相關股份的權益及淡倉

於2017年12月31日，就董事所知，按根據證券及期貨條例第336條規定由本公司存置的登記冊所記錄，下述人士（董事或本公司的最高行政人員除外）於股份及相關股份的權益或淡倉如下：

Name of shareholder	Capacity/nature of interest	Number of Shares held	Percentage of the Company's issued share capital
股東名稱	身份／權益性質	所持股份數目 (Note 1) (附註 1)	佔本公司已發行股本百分比
Ideal World	Beneficial owner 實益擁有人	1,270,000,000 Shares (L) 1,270,000,000 股股份(L)	68.79%
Zhong An 眾安	Interest of controlled corporation (Note 2) 受控制法團的權益 (附註2)	1,270,000,000 Shares (L) 1,270,000,000 股股份(L)	68.79%
Whole Good 全好	Interest of controlled corporation (Note 2) 受控制法團的權益 (附註2)	1,270,000,000 Shares (L) 1,270,000,000 股股份(L)	68.79%
	Beneficial owner 實益擁有人	31,303,594 Shares (L) 31,303,594 股股份(L)	1.7%

Notes:

1. The Letter “L” denotes the person’s long position in the Shares.
2. These Shares are held by Ideal World, the wholly owned subsidiary of Zhong An. The entire issued shares of Zhong An are owned as to about 55.90% by Whole Good, which is wholly owned by Mr. Shi Kancheng. By virtue of the SFO, each of Zhong An, Whole Good and Mr. Shi Kancheng is taken to be interested in the Shares in which Ideal World is interested.

Save as disclosed above, as at 31 December 2017, other than the Directors and the chief executive of the Company whose interests are set out in the paragraph headed “Directors’ and chief executive’s interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation” above, no person had interest or short position in the Shares or underlying Shares which were required to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

## RELATED PARTY AND CONNECTED TRANSACTIONS

Details of significant related party transactions of the Group are set out in note 32 to the financial statements.

Certain related party transactions as disclosed in note 32 to the financial statements also constituted continuing connected transactions. During the year under reviewed, the Group has conducted the following continuing connected transaction which was required to be disclosed pursuant to Chapter 14A and Appendix 16 to the Listing Rules:

As disclosed in the Prospectus under the section headed “Continuing Connected Transactions”, pursuant to the Cooperation Agreement (as defined in the Prospectus) dated 16 March 2014 and entered into between Yuyao Zhong’an Property Co., Ltd.\* (余姚眾安置業有限公司) (“Yuyao Zhong’an Property”), an indirect non-wholly owned subsidiary of Zhong An, and Yuyao Zhongan Times Square Property Co., Ltd.\* (余姚眾安時代廣場置業有限公司) (“Yuyao Times Square Property”), an indirect non-wholly owned subsidiary of the Company, Yuyao Zhong’an Property was appointed as the exclusive project manager for the overall management and supervision of the ongoing construction, development and sales of the Times Square Residential Portion. For other major terms and conditions of the Cooperation Agreement, please refer to the section headed “Continuing Connected Transactions – Cooperation Agreement” in the Prospectus and Supplemental Prospectus for details. Pursuant the Cooperation Agreement, i) unsold apartments under the Times Square Residential Portion as of 30 June 2016 (“Unsold Apartments”); and ii) the net sales proceeds under the Cooperation Agreement should be transferred or paid by the Group to Yuyao Zhong’an Property on 30 June 2016.

附註：

1. 字母「L」代表該人士於股份的好倉。
2. 該等股份由眾安全資附屬公司Ideal World持有。眾安的全部已發行股份由全好（由施侃成先生全資擁有）持有約55.90%。根據證券及期貨條例，眾安、全好及施侃成先生各被視為於Ideal World擁有權益的股份中擁有權益。

除上文所披露者外，於2017年12月31日，除本公司董事及最高行政人員（其權益載於上文「董事及最高行政人員於本公司或任何聯繫法團的股份、相關股份及債權證的權益及淡倉」一段）外，概無人士於股份或相關股份擁有須記錄於根據證券及期貨條例第336條規定由本公司存置的登記冊內之權益或淡倉。

## 關聯方及關連交易

本集團重大關聯方交易詳情載於財務報表附註32。

財務報表附註32所披露之若干關聯方交易亦構成持續關連交易。於回顧年度內，本集團已進行以下須根據上市規則第14A章及附錄十六予以披露之持續關連交易：

如招股章程「持續關連交易」一節所披露，根據眾安間接非全資附屬公司余姚眾安置業有限公司（「余姚眾安置業」）與本公司間接非全資附屬公司余姚眾安時代廣場置業有限公司（「余姚眾安時代廣場置業」）訂立日期為2014年3月16日之合作協議（定義見招股章程），余姚眾安置業已獲委任為獨家項目管理人，負責時代廣場住宅物業的持續建設、發展及銷售之整體管理及監督。有關合作協議的其他主要條款及條件之詳情，請參閱招股章程及補充招股章程「持續關連交易—合作協議」一節。根據合作協議，合作協議下i)於2016年6月30日時代廣場住宅物業未售公寓（「未售公寓」）；及ii)銷售所得款項淨額將由本集團於2016年6月30日轉讓或支付予余姚眾安置業。

Due to the temporary suspension of the property construction works prior to the 2016 G20 Hanzhou Summit and other reasons, there was a delay in completion of the development of the Times Square Residential Portion. Prior to the completion of development of the Times Square Residential Portion, building ownership certificates could not be issued for such residential apartments, hence could not be transferred to Yuyao Zhong'an Property. A waiver dated 1 July 2016 ("First Waiver") from Yuyao Zhong'an Property has been received by the Group, pursuant to which Yuyao Zhong'an Property has agreed to waive its rights under the Cooperation Agreement in light of the breach of Cooperation Agreement by the Group, subject to the completion of transfer of i) Unsold Apartments; and ii) unpaid net proceeds under the Cooperation Agreement as of 30 June 2016 by the Group to Yuyao Zhong'an Property on or before 31 December 2017.

Due to further improvement construction works, the development of the Time Square Residential Portion was still not completed as at 31 December 2017. As such, a further waiver was received by the Group from Yuyao Zhong'an Property (the "Second Waiver") dated 31 December 2018, pursuant to which Yuyao Zhong'an Property has agreed to waive its rights under the Cooperation Agreement and the First Waiver in light of the breach of the Cooperation Agreement by the Group, subject to the completion of transfer of i) Unsold Apartments; and ii) unpaid net proceeds under the Cooperation Agreement as of 30 June 2016 by the Group to Yuyao Zhong'an Property on or before 31 December 2018.

There were no other transactions required to be disclosed as non-exempt connected transactions or non-exempt continuing connected transactions in accordance with the Listing Rules during the year under review. The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

由於2016杭州G20峰會前需要暫停建築工程等原因，導致時代廣場住宅物業延遲完工。在時代廣場住宅工程完工之前，有關住宅公寓的房產證皆無法發出，因此，無法轉讓物業予余姚眾安置業。本集團已收到余姚眾安置業於2016年7月1日的豁免函（「第一份豁免函」），據此，余姚眾安置業同意就本集團違反合作協議放棄其於合作協議項下的權利，惟本集團需於2017年12月31日或之前向余姚眾安置業支付合作協議下於2016年6月30日的i)未售公寓；及ii)未付的所得款項淨額。

由於其他裝修建築工程，時代廣場住宅工程的開發於2017年12月31日仍未完成。因此，本集團已收到余姚眾安置業於2018年12月31日的進一步豁免函（「第二份豁免函」），據此，余姚眾安置業同意就本集團違反合作協議放棄其於合作協議及第一份豁免函項下的權利，惟本集團需於2018年12月31日或之前向余姚眾安置業支付合作協議下於2016年6月30日的i)未售公寓；及ii)未付的所得款項淨額。

於回顧年度內，概無其他交易須按照上市規則須作為不獲豁免關連交易或不獲豁免持續關連交易予以披露。本公司已根據上市規則第14A章遵守披露規定。

## CONTRACTUAL ARRANGEMENTS

### Reasons for entering into contractual arrangements

According to the Regulations on the Administration of Foreign-Invested Telecommunications Enterprises promulgated by the State Council of the People's Republic of China ("PRC") ("PRC State Council") on 11 December 2001, which were subsequently amended on 10 September 2008, foreign investors are not allowed to hold more than 50% equity interests of a foreign-invested company that operates value-added telecommunications business, including internet content provision services. In addition, a foreign investor who invests in the value-added telecommunications business of a foreign enterprise must possess prior experience in operating value-added telecommunications businesses and has proven track record of business operations overseas ("Qualification Requirement"). As the Company is incorporated in the Cayman Islands with limited liability, all the member companies of the Group controlled by the Company through holding a majority of the interests or equity interests are deemed to be foreign-invested enterprises and cannot apply for telecommunications and information service operation licence ("ICP Licence").

With the above restrictions, through Run Zhou (Zhejiang) Hotel Management Company Limited (潤洲(浙江)酒店管理有限公司) ("Run Zhou Zhejiang"), an indirect wholly-owned subsidiary of the Company, entered into a series of agreements with Hangzhou Teng Ce Information Technology Company Limited (杭州騰策資訊科技有限公司) ("Teng Ce"), Hangzhou Ming Sheng Enterprise Management Company Limited (杭州名晟企業管理有限公司) ("Ming Sheng"), Mr. Xu Pengsheng ("Mr. Xu") and Mr. Li Xiaolong ("Mr. Li"), pursuant to which, the Company obtained the actual controlling interests of Teng Ce and all the economic benefits arising from all the existing operating businesses of Teng Ce ("Contractual Arrangements"). The Contractual Arrangements allow the financial results of Teng Ce to be consolidated in the financial statements of the Group, as if it is a wholly-owned subsidiaries of the Company.

### Business overview under Contractual Arrangements and the importance of relevant business to the Group

Teng Ce holds the ICP Licence that is required for operating an e-commerce platform and is permitted to operate information service business in value-added telecommunications business (only to the extent of internet information service). The validity period of the ICP Licence is up to 30 August 2020. Zhong An Homestay Travel Web launched under the Group is running its operation by relying on the ICP Licence held by Teng Ce and will obtain economic benefits therein through the Contractual Arrangements.

## 合約安排

### 訂立合約安排之理由

根據中華人民共和國(「中國」)國務院(「中國國務院」)於2001年12月11日頒佈並隨後於2008年9月10日修改的《外商投資電信企業管理規定》，經營增值電信業務(包括互聯網內容提供服務)的外商投資電信企業的外方投資者在企業中的出資比例，不得超過50%。此外，經營增值電信業務的外商企業的外方投資者應當具有經營海外增值電信業務的運營經驗和良好業績(「資格要求」)。由於本公司為於開曼群島註冊之有限公司，本公司透過持有大部份股權或股本權益控制之所有本集團成員公司均被視為外投資企業，無法申請電訊與資訊服務經營許可證(「ICP許可證」)。

基於以上的限制，本公司透過一家間接全資擁有的公司，潤洲(浙江)酒店管理有限公司(「潤洲浙江」)與杭州騰策資訊科技有限公司(「騰策」)、杭州名晟企業管理有限公司(「名晟」、徐鵬生先生(「徐先生」)及李小龍先生(「李先生」)訂立一系列協議，據此，本公司取得騰策的實際的控制權，並可獲取源自騰策現時所有經營業務的一切經濟利益(「合約安排」)。合約安排容許騰策的財務業績綜合納入本集團的財務報表，猶如其為本公司的全資附屬公司。

### 合約安排下的業務概況及有關業務對本集團的重要性

騰策持有經營電商平台所必要的ICP許可證，獲准經營增值電信業務中的資訊服務業務(僅限互聯網資訊服務)。ICP許可證的有效有效期至2020年8月30日。本集團推出的眾安民宿旅遊網平台依賴騰策持有的ICP許可證而經營，並將透過合約安排獲得經濟利益。

### Information of Teng Ce

Teng Ce is a company established in the PRC with limited liability. As at the date of the report, Ming Sheng is the sole shareholder of Teng Ce, holding 100% equity interests, and Mr. Xu and Mr. Li in turn hold 90% and 10% equity interests respectively in Ming Sheng. Neither Mr. Xu nor Mr. Li is the shareholder, director or other connected person of any members of the Group.

To the best knowledge, information and belief of the Company and as confirmed by Mr. Xu and Mr. Li, other than the operation and provision of services contemplated under the Contractual Arrangements, for the year ended 31 December 2017 and as at the date of the report, Teng Ce has no significant business operation nor purchased any material assets. The online services of the Group have not yet generated any revenue.

### Principal terms of the relevant agreements under Contractual Arrangements

As at the date of the report, the agreements entered into under the Contractual Arrangements include:

1. Entrusted Management and Technical Service Agreement

On 25 June 2015, Run Zhou Zhejiang, Teng Ce, Ming Sheng, Mr. Xu and Mr. Li signed the Entrusted Management and Technical Service Agreement, pursuant to which, Ming Sheng, Mr. Xu and Mr. Li agreed to pass Teng Ce to Run Zhou Zhejiang to manage on an exclusive basis and allow Run Zhou Zhejiang to provide the technology support and technical services to Teng Ce to operate its business.

The validity period of the agreement will be valid indefinitely from the date of signing, unless (1) Run Zhou Zhejiang has discharged the agreement in advance unilaterally, or (2) on the day that Run Zhou Zhejiang has acquired all the equity interests or assets of Teng Ce completely according to the Exclusive Option Agreement, or (3) Teng Ce has declared bankrupt or dissolved according to the PRC law and regulations. Unless otherwise required by the PRC law and regulations, Teng Ce, Ming Sheng, Mr. Xu and Mr. Li have no right to terminate or discharge the agreement unilaterally.

### 騰策之資料

騰策為於中國成立之有限責任公司。於報告日期，名晟為騰策的唯一股東，持100%股權，徐先生及李先生則分別持有名晟90%和10%股權。徐先生及李先生並非本集團任何成員公司的股東、董事或其他關連人士。

據本公司所深知、全悉及確信及獲徐先生及李先生所確認，除本集團根據合約安排擬進行之經營及擬提供之服務外，於截至2017年12月31日止年度及於本報告日期，騰策並無重大業務經營，也未購入重大資產。本集團的線上服務也尚未產生收入。

### 合約安排相關協議之主要條款

於本報告日期，合約安排下訂立的協議包括：

1. 《委託管理及技術服務協定》

2015年6月25日，潤洲浙江、騰策、名晟、徐先生及李先生簽署了《委託管理及技術服務協定》，協定約定名晟、徐先生和李先生同意將騰策交由潤洲浙江獨家管理運營，並允許潤洲浙江向騰策提供技術支援及技術服務以經營其業務。

協定的有限期從協定簽訂日起無限期生效，除非(1)潤洲浙江單方面提前解除本協議，或(2)潤洲浙江依據獨家選擇權協定收購騰策全部股權或資產完成日，或(3)騰策根據中國法律法規宣告破產或依法解散。除非根據中國法律法規另有規定，騰策、名晟、徐先生及李先生無權單方面終止或解除本協議。

During the term of the agreement, the entrusted management fee shall be calculated subject to the financial position of Teng Ce. Under the premise of complying with the then PRC laws and regulations, the relevant service fees shall be calculated according to the PRC accounting standards, which will be the surplus after deducting the prior year losses, necessary operating costs, expenditures and taxation. Teng Ce shall pay the entrusted management fee for the month before the 20th day of next month. The aforesaid monthly entrusted management fee shall be adjusted once after the end of each quarter but before filing the tax return (quarterly adjustment) to allow the profit after tax of Teng Ce for the quarter to become zero. Furthermore, the aforesaid monthly entrusted management fee shall be adjusted after the end of each accounting year but before the filing of tax return for the year (yearly adjustment) to allow the profit after tax of Teng Ce for the year to become zero.

## 2. Shareholder Proxy Agreement

On 25 June 2015, Run Zhou Zhejiang and Ming Sheng signed the Shareholder Proxy Agreement, pursuant to which, Ming Sheng agreed to designate and authorize Run Zhou Zhejiang (and persons delegated by Run Zhou Zhejiang) unconditionally and irrevocably to exercise exclusively all the shareholder rights in Teng Ce in which it is entitled to enjoy according to the PRC laws and regulations. The agreement shall not be terminated before the completion of the acquisition of all the shareholder interests or assets of Teng Ce by Run Zhou Zhejiang.

In the event that Ming Sheng is in dissolution or the occurrence of other conditions that may affect Ming Sheng in exercising the equity interests rights in Teng Ce that are being held or controlled by it, its successor or succeeding entity will be deemed to be a party to the agreement, who will succeed and undertake all the rights and obligations under the agreement.

本協定期間，委託管理費應根據騰策的財務狀況計算。在遵守屆時中國法律及法規的前提下，有關服務費依據中國會計準則計算，經扣除過往年度虧損、必要經營成本、開支及稅項後的盈餘。騰策應在次月20號前支付本月的委託管理費。上述每月委託管理費應在每季度末之後納稅申報表之前調整一次（季度調整），使騰策該季度的稅後利潤為零。另外，上述每月委託管理費應在每個會計年度末後、年度納稅申報表之前進行調整（年度調整），使騰策的年度稅後利潤為零。

## 2. 《股東委託投票代理協定》

2015年6月25日，潤洲浙江和名晟簽署了《股東委託投票代理協定》，協定約定名晟同意無條件並不可撤銷地指定並授權潤洲浙江（及潤洲浙江委派的人員）來獨家代理行使其在騰策根據中國法律法規所享有的一切股東權利。該協定在潤洲浙江完成收購騰策所有股東權益或資產前，不應終止。

在名晟解散或發生其他可能影響其行使其持有或控制的騰策股權權利的情況下，其繼承人或承繼主體將被視為本協定簽署一方，繼承並承擔其在本協定下的所有權利與義務。



3. Exclusive Option Agreement

On 25 June 2015, Run Zhou Zhejiang, Ming Sheng, Teng Ce, Mr. Xu and Mr. Li signed the Exclusive Option Agreement, pursuant to which, Ming Sheng and Mr. Xu and Mr. Li undertake that Run Zhou Zhejiang has the irrevocable sole and exclusive call option, and Run Zhou Zhejiang has the right to purchase all or part of the equity interests of Teng Ce held by Ming Sheng or purchase all or part of the assets of Teng Ce at any time at RMB10,000,000 or the minimum price permitted by PRC laws and regulations when exercising the right.

The agreement will continue indefinitely after the parties to the agreement have signed the same and become valid, unless Run Zhou Zhejiang has notified other parties 30 days in advance to terminate the agreement.

4. Intellectual Properties Licence Agreement

On 25 June 2015, Run Zhou Zhejiang and Teng Ce signed the Intellectual Properties Licence Agreement, pursuant to which, Run Zhou Zhejiang agreed to permit Teng Ce to use the intellectual properties like website names and trademarks.

The licence fee under the agreement shall be at a certain percentage of all the business revenue of the licensee (the specific percentage will be determined subject to the negotiation between the parties thereto according to the development and contribution of the intellectual properties to the licensee's business), such fee shall be calculated on a quarterly basis and shall be paid by the licensee to the licensor within 15 days after the end of each quarter. If the licensor considers it necessary for the purpose of business development of the licensee, the licensor has the right to decide to reduce or waive all or part of licence fees payable by the licensee.

The agreement will continue to be valid indefinitely after becoming effective, unless the licensor has notified the licensee 30 days in advance to terminate the agreement.

3. 《獨家選擇權協議》

2015年6月25日，潤洲浙江、名晟、騰策、徐先生、李先生簽署了《獨家選擇權協定》，協定約定名晟及徐先生、李先生承諾潤洲浙江擁有不可撤銷的獨家及排他性購買選擇權，潤洲浙江有權以人民幣10,000,000元或行權時中國法律法規所允許的最低價格隨時購買由名晟持股的騰策所有或部份股權，或購買騰策所有或部份資產。

協定在協定各方簽署並生效以後無限期持續有效，除非潤洲浙江提前30天通知其他方終止本協議。

4. 《知識財產權許可使用協議》

2015年6月25日，潤洲浙江和騰策簽署了《知識財產權許可使用協定》，協定約定潤洲浙江同意許可騰策使用網站名稱和商標等知識財產權。

協議項下的許可使用費應為被許可方全部業務收入的一定比例（具體比例由雙方根據知識財產權對被許可方業務的發展和貢獻協商確定），該等使用費應當按季度計算並由被許可方在每季度結束後15日內向許可方支付，如許可方認為對於被許可方的業務發展有必要，則許可方有權決定減免全部或任何部份的被許可方應付使用費。

協議在生效後無限期持續有效，除非許可方提前30天通知被許可方終止本協議。

5. Equity Pledge Agreement

On 25 June 2015, Run Zhou Zhejiang, Ming Sheng, Mr. Xu and Mr. Li signed the Equity Pledge Agreement, pursuant to which, Ming Sheng, Mr. Xu and Mr. Li agreed that they will pledge the 100% equity interests of Teng Ce owned by them to Run Zhou Zhejiang as the pledge security for Ming Sheng, Mr. Xu and Mr. Li to fully perform their respective obligations under the Contractual Arrangements.

Unless otherwise have obtained the prior written consent from Run Zhou Zhejiang, this agreement can only be discharged after Ming Sheng, Mr. Xu, Mr. Li and Teng Ce have performed all their obligations and contractual responsibilities under those Contractual Arrangements and Ming Sheng, Mr. Xu, Mr. Li and Teng Ce have paid the outstanding debts in full under those agreements and obtained the written approval from Run Zhou Zhejiang.

6. Online Information Publication Agreement

On 25 June 2015, Run Zhou Zhejiang and Teng Ce signed the Online Information Publication Agreement, pursuant to which, Run Zhou Zhejiang has entrusted Teng Ce to publish all kinds of relevant business information regarding "Another Village" (又一邨) homestay that is being collected, compiled and produced by Run Zhou Zhejiang at the Zhong Jia Le Homestay Travel Website (眾家樂民宿旅遊網) (<http://www.zjlchina.com>) operated by Teng Ce.

Run Zhou Zhejiang shall pay the information publication fees of RMB240,000 in first year. From second year onwards, the information publication fees can be adjusted but the adjustment shall not be more than 5% of the fee in the previous year.

The agreement will continue indefinitely after the parties to the agreement have signed the same and become effective, unless Run Zhou Zhejiang has given notice 30 days in advance to terminate the agreement.

5. 《股權質押協議》

2015年6月25日，潤洲浙江、名晟、徐先生、李先生簽署了《股權質押協定》，協定約定名晟、徐先生及李先生亦同意將其擁有的騰策100%股權質押給潤洲浙江，作為名晟、徐先生、李先生全面履行其各自於合約安排下之義務的質押擔保。

除非潤洲浙江事先另以書面同意，僅於名晟、徐先生、李先生及騰策全部履行該等合約安排下之義務及合約責任，以及名晟、徐先生、李先生及騰策根據該等協定全數支付所有未償債務，並為潤洲浙江以書面認可後，本協議方可解除。

6. 《網上資訊發佈協議》

2015年6月25日，潤洲浙江和騰策簽署了《網上資訊發佈協定》，協定約定潤洲浙江委託騰策在其經營的眾家樂民宿旅遊網 (<http://www.zjlchina.com>) 上發潤洲浙江採集、編輯、製作的「又一邨」民宿相關各類商務資訊。

潤洲浙江支付的資訊發佈費金額第一年度為人民幣24萬元。自第二年度起資訊發佈費可以進行調整，但調整幅度不超過上一年度費用水準的5%。

協定在協定雙方簽署並生效後無限期持續有效，除非潤洲浙江提前30天通知終止本協議。

7. Letter of Consent

On 25 June 2015, the successors of Mr. Xu and Mr. Li signed the Letter of Consent respectively, pursuant to which, it is agreed that Mr. Xu/Mr. Li to sign and perform all the agreements under the Contractual Arrangements, and consented that in the event that Mr. Xu/Mr. Li is declared missing, passed away, or declared passed away, lost of civil capacity, discharge of marriage relationship or the occurrence of other similar circumstances which render them to be entitled to succeed, divide or escrow the rights and interests of Mr. Xu/Mr. Li in Ming Sheng, then he will be subject to the terms of those agreements and shall comply with those terms and procure Ming Sheng and Teng Ce to completely and timely perform all the obligations under those agreements, and agreed that under the circumstances permitted by the PRC laws and regulations, in the event that Run Zhou Zhejiang has requested Ming Sheng to transfer the shareholder interests or assets in Teng Ce held by Ming Sheng to Run Zhou Zhejiang or its designated entity or individual, he will procure Ming Sheng to transfer the shareholder interests or assets in Teng Ce held by Ming Sheng to Run Zhou Zhejiang or its designated entity or individual at RMB10,000,000 or at the minimum, price permitted by the PRC laws and regulations and refund to the Company any consideration received as a result of the transfer of those shareholder interests or assets.

8. Letter of Undertaking

On 26 October 2015, Ming Sheng, Mr. Xu and Mr. Li signed the Letter of Undertaking, pursuant to which, if in the future, as a result of the changes in PRC laws and regulations or policies which rendered the agreements under the Contractual Arrangements becomes invalid, being terminated/discharged or unable to perform, then Mr. Xu, Mr. Li and Ming Sheng undertake that they shall transfer the maximum percentage of the equity interest in Teng Ce to Run Zhou Zhejiang that is permitted under PRC laws and regulations at that time to be held by foreign investment in value-added telecommunications businesses (internet information service business) and the transfer price shall be determined based on the minimum price permitted by PRC laws and regulations at that time. If the occurrence of the above circumstances have resulted that Run Zhou Zhejiang is unable to obtain the 100% of economic interests of Teng Ce, then Mr. Xu, Mr. Li and Ming Sheng undertake that they will compensate Run Zhou Zhejiang for all the economic losses so caused.

7. 《同意函》

2015年6月25日，徐先生和李先生的繼承人分別簽署了《同意函》，同意徐先生／李先生簽署及履行合約安排下的所有協議，並同意如因徐先生／李先生宣告失蹤、死亡或宣告死亡、喪失民事行為能力、婚姻關係解除或其他類似情形發生導致其有權繼承、分割或代管徐先生／李先生于名晟的權利及利益，其將受該等協議條款所規限並須遵從該等條款及促使名晟和騰策完整、及時履行該等協定中約定的全部義務，並同意在中國法律法規允許的情況下，當潤洲浙江要求名晟向其或其指定的實體或個人轉讓其所持有的騰策之股東權益或資產時促使名晟立即以人民幣10,000,000元或中國法律法規容許的最低價格向潤洲浙江或其指定的實體或個人轉讓其所持有的騰策之股東權益或資產，並向本公司退還該等股東權益或資產轉讓所收取的任何代價。

8. 《承諾函》

2015年10月26日，名晟、徐先生和李先生簽署了《承諾函》，如未來因中國法律法規或政策變動導致合約安排下之協議無效、被終止／解除或無法履行，徐先生、李先生和名晟承諾將向潤洲浙江轉讓屆時中國法律法規允許外商投資增值電信業務（互聯網資訊服務業務）最大比例的騰策的股權，轉讓價將按屆時中國法律法規所允許的最低價格確定；如因上述情形發生導致潤洲浙江無法獲取騰策100%的經濟利益，徐先生、李先生和名晟承諾將向潤洲浙江全額補償由此導致的經濟損失。

Any party signing the agreement will be entitled to submit any disputes that arise from the agreements to China International Economic and Trade Arbitration Commission. The location of arbitration is in Shanghai, the PRC. The verdict of the arbitration shall be final and has binding effects on all parties. Each party also agreed that, prior to the formation of the arbitration court or under suitable circumstances, Hong Kong Court, Cayman Islands Court, PRC Court and other courts with competent jurisdiction where the Company and Teng Ce are located shall have the competency to issue interim measures to support the arbitration.

During the reporting period, there is no material change regarding the Contractual Arrangements and/or the circumstances adopted thereunder. As there is no cancellation of the structural contract or the restriction thereunder adopted under the Contractual Arrangements, none of the above structural contracts are being discharged.

#### Risks and countermeasures relevant to Contractual Arrangements

##### 1. Legal risk

There exist significant uncertainties and restrictions in the interpretation and application of the PRC laws and regulations that regulate the operation of value-added telecommunications services. The PRC Government can determine regulations that are not applicable for the Contractual Arrangements adopted by the Group, or those regulations or their interpretation may change in the future, then the Group may be exposed to penalties, including shutting down of its website or being compelled to give up the businesses interests.

All the agreements under Contractual Arrangements have been reviewed by PRC legal adviser and legal opinions are issued, confirming that the Contractual Arrangements have fully complied with suitable PRC laws and regulations, and they are not under the circumstance of “concealing illegal intentions in a lawful form” as stated in Article 52 under the Contract Law (“Contract Law”) of PRC, nor there exists other circumstance that may result the agreements become invalid as stated in Article 52 under Contract Law. As for the Foreign Investment Law of the People’s Republic of China (Draft for Comments) (“Foreign Investment Law Draft For Comments”) promulgated by Ministry of Commerce of the PRC (“MOFCOM”) on 19 January 2015, the PRC legal adviser is of the view that, prior and subsequent to the official promulgation and implementation of Foreign Investment Law Draft For Comments, it will not result any adverse effect to the Contractual Arrangements.

簽訂協定的任何一方均有權將因協議而產生的任何爭議提交給中國國際經濟貿易仲裁委員會。仲裁地點是中國上海。仲裁裁決是最終結果並對各方具有約束力。各方亦同意，在仲裁庭組成以前或在適當的情況下，香港法院、開曼群島法院、中國法院、以及本公司及騰策所在主管司法權區之其他法院具有管轄權，可頒佈臨時措施以支持仲裁的進行。

於報告期間，合約安排及／或根據其獲採納之狀況概無重大變動。由於概無導致採納合約安排下之結構性合約或結構性合約之限制被刪除，故並無上述結構性合約被解除。

#### 與合約安排有關之風險及應對措施

##### 1. 法律風險

規管經營增值電信業務的中國法律及法規的詮釋及應用存在重大不確定因素及限制。中國政府可釐訂本集團所採用的合約安排不符合適用的法規、或該等法規或其詮釋可能在日後有所改變，本集團將可能面對處罰，包括關閉網站或被逼放棄業務權益。

合約安排下的所有協議已由中國法律顧問審閱及出具法律意見書，確認合約安排全面遵守適用中國法律及法規，不屬於中國《合同法》（「合同法」）第52條規定的「以合法形式掩蓋非法目的」的情形，亦不存在合同法第52條規定的其他導致合同無效的情形。對於2015年1月19日中國商務部（「商務部」）公佈《中華人民共和國外國投資法（草案徵求意見稿）》（「外國投資法草案徵求意見稿」）。中國法律顧問認為，在外國投資法草案徵求意見稿正式頒佈及實施前後，將不會對合約安排產生任何不利影響。

The Company will pay close attention regarding the development and changes of the relevant PRC laws and regulations during the subsisting period of the Contractual Arrangements, seek PRC legal adviser opinion regularly and take positive response to the adverse impacts caused by the PRC laws and regulations.

2. Control risk

The operational control under Contractual Arrangements may not as effective as those interests that are directly-owned. If Teng Ce and its shareholders are unable to perform the obligations under the Contractual Arrangements and actions of default have occurred, the Group shall seek for remedies according to the PRC laws and regulations, and these remedies may result significant litigation costs and distract the time and manpower and material resources of the management of the Group in managing its ordinary business. Furthermore, the Group is yet in the position to determine whether the remedies to the contract are effective and sufficient to carry out its interests.

As permitted under PRC laws and regulations, the Company will utilize the rights granted to the Group under Contractual Arrangements to acquire the equity interests of Teng Ce, discharge Contractual Arrangements, hold Teng Ce through direct interests and apply for continuing the operation of the value-added telecommunications services. In the event that PRC laws and regulations may not allow the Company to continue the value-added telecommunications services, the Company may engage other entities that hold ICP licences to continue the operation of the online business, such move may increase the operation costs but will not exert significant financial burden to the Group.

3. Compliance risk

If Teng Ce is unable to obtain and maintain the necessary assets, licences and approvals as required under the regulatory environment for internet content provider business in the PRC, the homestay business of the Group may be significantly and adversely affected.

本公司將會在合約安排的存續期內，密切關注中國相關法律法規的演變，定期諮詢中國法律顧問的意見，積極應對中國法律法規所造成的不利影響。

2. 控制風險

在合約安排下的營運控制未必如直接權益擁有一般有效。倘若騰策及其股東未能履行其於合約安排下的責任而出現違約行為，本集團須根據中國法律法規尋求補救方法，而該等補救方法可能導致重大訴訟成本及分散本集團管理層經營本集團日常業務之時間及人力物力。而且，本集團也無法確定合約補救方法可有效及足夠執行其利益。

在中國法律法規准許的情況下，本公司會運用合約安排下賦予本集團的權利，收購騰策的股權，解除合約安排，以直接權益持有騰策，並申請繼續經營增值電信服務。倘若中國法律法規未能允許本公司繼續經營增值電信服務，本公司可以委聘其他持有ICP許可證的實體繼續運營網上業務，此舉可能會增加運營成本，但不會對本集團造成重大的財務負擔。

3. 合規風險

倘若騰策未能按照監管環境規定為於中國經營互聯網內容供應商業務取得及維持必要資產、許可證及批文，則本集團的民宿業務發展將受到不利影響。

According to the currently applicable PRC laws and regulations, in providing its existing service, Teng Ce must obtain and maintain certain assets relevant to its business and obtain appropriate licences and approvals from the relevant regulatory authorities. Those assets and licences are extremely important for operating the internet content provider business, which in general is subject to annual review ("Annual Review") by the relevant government authorities. If Teng Ce is unable to pass the Annual Review, it will be subject to various penalties, including but not limited to fine, termination and restriction of business operation, in which it will directly affect the business development, financial position and operating results of the Group.

Run Zhou Zhejiang will actively perform the contents of the "Entrusted Management and Technical Service Agreement", provide technology support and technical service in relation to its business operation, strengthen asset custody and maintenance and strive to drive the operation management of Teng Ce to meet the standards required by relevant government agencies.

## Qualification Requirement

It is the intention of the Group to unwind the Contractual Arrangements and obtain all the necessary and relevant licences for its business operation as soon as possible after it is allowed to operate the business under the relevant PRC laws and regulations without Contractual Arrangements. Currently, there is no applicable PRC law, regulation or rule that provides clear guidance regarding Qualification Requirement. Despite the lack of clear guidance and interpretation on Qualification Requirement, through Run Zhou Zhejiang, the Group is directly involved in the operation management of e-commerce business under Teng Ce's name, with experience accumulating gradually for the purposes of being qualified and eligible as and when appropriate. The Group can unwind the Contractual Arrangements and acquire all the equity interests of Teng Ce when PRC laws and regulations permit foreign investors to invest in the value-added telecommunications enterprises in the PRC.

## Opinion of the Independent Non-executive Directors

The independent non-executive directors have reviewed the Contractual Arrangements and confirmed that, for the year ended 31 December 2017, (1) the transactions conducted in that year were entered into according to the relevant provisions of the Contractual Arrangements; (2) no dividends or other distributions have been paid which will not be otherwise assigned or transferred to the Group thereafter.

根據現時適用的中國法律法規，騰策必須取得及維持與其業務相關的若干資產以及相關監管機關取得適用之許可證及批文，以提供其現有服務。該等資產及許可證對營運互聯網內容服務供應商業務十分重要，一般而言需受相關政府機構每年審查（「年審」）。倘若騰策未能通過年審，則會受到各種處罰，包括但不限於罰款及終止或限制經營業務，這將直接影響本集團的業務發展、財政狀況及經營業績。

潤洲浙江將會積極執行《委託管理及技術服務協定》的內容，提供與經營業務相關的技術支援及技術服務，加強資產保管及維修，致力令騰策的管理運營可以達到相關政府機構要求的水準。

## 資格要求

本集團有意解除合約安排及於並無該合約安排情況下可獲中國相關法律法規允許業務營運後儘快持有其業務營運之所有必要及相關許可證。目前，並無適用的中國法律、法規或條例就資格要求提供明確指引。儘管缺乏有關資格要求的明確指引及詮釋，本集團通過潤洲浙江直接參與經營管理騰策名下的電商業務，逐步累積經驗，以於適當時候符合資格要求。當中國法律法規允許外方投資者投資於中國的增值電信企業時，本集團即可解除合約安排及收購騰策的全部股權。

## 獨立非執行董事之意見

獨立非執行董事已審閱合約安排並確認，於截至2017年12月31日止年度，(1)於該年進行之交易乃根據合約安排之有關條文訂立；(2)並無支付任何其後不會以其他方式轉讓或轉撥予本集團之股息或其他分派。

## RETIREMENT SCHEMES

The Group participates in defined contribution retirement benefit schemes organized by the PRC municipal and provincial government authorities for the Group's eligible employees in the PRC, and operates a Mandatory Provident Fund scheme for the employees in Hong Kong. Particulars of these retirement plans are set out in note 2 to the consolidated financial statements.

## TAX RELIEF

The Company is not aware of any tax relief or exemption available to the Shareholders by reason of their holding of the Shares.

## CHARITABLE CONTRIBUTIONS

During the year under review, the Group donated RMB36,000 (2017: Nil).

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

Save as disclosed under section "Management Discussion and Analysis" in the paragraph header "Business Review – Placing of New Shares", neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2017 (2016: repurchase 1,880,000 shares).

## EVENTS AFTER THE YEAR UNDER REVIEW

No significant events affecting the Group took place subsequent to 31 December 2017 and up to date of this report.

## AUDITORS

Ernst & Young retired and a resolution for their reappointment as auditors of the Company will be proposed at the AGM.

On Behalf of the Board of

**China New City Commercial Development Limited**

**Shi Kancheng**

*Chairperson*

The Hong Kong, 21 March 2018

## 退休計劃

本集團為其於中國之合資格僱員參與中國市級及省級政府部門所設立之界定供款退休福利計劃，並為香港僱員經營強制性公積金計劃。該等退休計劃之詳情載於綜合財務報表附註2。

## 稅項寬免

本公司並不知悉股東因彼等持有股份而可享有之任何稅項寬免或豁免。

## 慈善捐款

於回顧年度內捐贈金額人民幣36,000元(2017年：無)。

## 購買、出售或贖回本公司的上市證券

除「管理層討論與分析」一節內的「業務回顧－配售新股份」一段所披露者外，截至2017年12月31日止年度，本公司及任何附屬公司概無購買、出售或贖回本公司任何上市證券(2016年：購回1,880,000股股份)。

## 回顧年度後事項

於2017年12月31日後及直至本報告日並無發生影響本集團的重大事件。

## 核數師

安永會計師事務所退任，本公司重新聘任其為核數師的決議案將在即將舉行的股東週年大會上提呈。

代表董事會

中國新城市商業發展有限公司

主席

施侃成

香港，2018年3月21日

# Independent auditor's report 獨立核數師報告



## To the shareholders of China New City Commercial Development Limited

(Incorporated in the Cayman Islands as an exempted company with limited liability)

### OPINION

We have audited the consolidated financial statements of China New City Commercial Development Limited (the "Company") and its subsidiaries (the "Group") set out on pages 102 to 243, which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the 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 2017, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board (the "IASB"), and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the "Code"), 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.

致中國新城市商業發展有限公司全體股東

(於開曼群島註冊成立的獲豁免有限公司)

### 意見

我們已審核載於第102頁至第243頁的中國新城市商業發展有限公司(「貴公司」)及其附屬公司(「貴集團」)的綜合財務報表。此財務報表包括在2017年12月31日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合全面收益表、綜合權益變動表、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。

我們認為，綜合財務報表已根據國際會計準則委員會頒佈之國際財務報告準則(「國際財務報告準則」)，真實公平地反映 貴集團於2017年12月31日之綜合財務狀況以及 貴集團於截至該日止年度之綜合財務表現及其綜合現金流量，並已根據香港公司條例之披露規定妥為編製。

### 意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》(「《香港審計準則》」)進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部份中作進一步闡述。根據香港會計師公會頒佈的專業會計師道德守則(「守則」)，我們乃獨立於 貴集團且我們已根據守則履行其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。



## 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

### Key audit matter

#### 關鍵審計事項

#### *Classification and valuation of investment properties*

#### 投資物業分類及估值

As at 31 December 2017, the Group's investment properties amounted to RMB5,667 million which represents 43% of the Group's total assets. Management is required to exercise significant judgement in determining the classification and valuation of investment properties as disclosed in note 3 to the consolidated financial statements.

於2017年12月31日，貴集團投資物業為人民幣5,667,000,000元，相當於貴集團總資產的43%。誠如綜合財務報表附註3所披露，管理層於釐定投資物業之分類及估值時，需進行重大判斷。

## 關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。就以下各事項，我們的審計如何處理該事項之描述已於文內提供。

我們已履行本報告「核數師就審計綜合財務報表承擔的責任」一節所述的責任，包括有關該等事項的責任。因此，我們的審計包括執行為應對綜合財務報表重大錯報風險的評估而設的程序。審計程序的結果包括處理以下事項的程序，為我們就隨附的綜合財務報表的審計意見提供基礎。

### How our audit addressed the key audit matter

#### 我們的審計如何解決關鍵審計事項

For the transfer between properties under development and investment properties, we have obtained and reviewed the approval from the Board of Directors and the business plan of these investment properties and compared them with the Group's related accounting policy.

就發展中物業及投資物業之間的轉撥而言，我們已取得及審閱董事會之批准以及該等投資物業的業務計劃，並將彼等與貴集團之相關會計政策作比較。

**Key audit matter**

**關鍵審計事項**

The Group determines whether completed properties held for sale and properties under development should be transferred to investment properties based on various criteria, which include the business plan to hold the properties for rental income and appreciation, the Group's resources to hold and manage the investment properties and the approval from the Board of Directors for the change of use. Properties under development of RMB1,080 million were transferred to investment properties in the current year. The Group engaged an external valuation expert to perform the valuation of investment properties. The valuation methods applied included the direct comparison approach and income approach which involved various assumptions, such as estimated rental revenues, discount rates, occupancy rates, historical transactions and market knowledge. 貴集團釐定持作銷售之已落成物業及開發中物業是否轉撥至投資物業基於多項標準，包括持有該等物業以賺取租金收入及增值的業務計劃，貴集團有持有及管理投資物業的資源及變更用途獲董事會批准。人民幣1,080,000,000元之發展中物業已於本年度內轉撥至投資物業。貴集團已聘請外部估值專家以進行投資物業估值。採用之估值方法包括直接對比法及涉及多項假設之收入法，包括估計租金收入、折讓率、出租率、過往交易及市場知識。

The related disclosures are included in notes 2.4, 3 and 13 to the consolidated financial statements.

相關披露載於綜合財務報表附註2.4、3及13。

**How our audit addressed the key audit matter**

**我們的審計如何解決關鍵審計事項**

For the valuation of investment properties, our audit procedures included verifying those signed rental contracts, comparing unit price of adjacent similar properties that was benchmarked in the valuation process, assessing assumptions related to future market rents, the discount rates and future maintenance costs applied based on historical experiences with the involvement of our internal valuation specialists, who focused on term yield, reversionary yield and market unit rent. We also assessed the adequacy of the disclosures in the consolidated financial statements.

就投資物業估值而言，我們的審計程序包括核證該等已簽署之出租協議，根據估值程序對比毗鄰類似物業之單價，我們的內部估值專業人員根據歷史經驗評估與未來市場租金、折讓率及未來維護成本相關的假設，主要針對年期回報率、復歸收益率及市場單位租賃。我們亦評估於綜合財務報表的披露的充足性。

**Key audit matter**

**關鍵審計事項**

**How our audit addressed the key audit matter**

**我們的審計如何解決關鍵審計事項**

*Net realisable value of completed properties held for sale and properties under development*

持作銷售之已落成物業及發展中物業之可變現淨值

As at 31 December 2017, the Group's properties under development and completed properties held for sale amounted to RMB4,134 million which represents 31% of the Group's total assets. These properties were stated at the lower of cost and net realisable value. The net realisable value was estimated by management based on expected selling prices, the cost of completion of properties under development, and the costs to be incurred in selling the properties based on prevailing market condition. The estimation of the net realisable value involved significant judgment.

於2017年12月31日，貴集團發展中物業及持作銷售之已落成物業為人民幣4,134,000,000元，相當於貴集團總資產之31%。該等物業以較低成本及可變現淨值列賬。管理層根據預期售價、完成發展中物業成本估計可變現淨值，而銷售物業將予產生之成本乃基於現行市況。可變現淨值估計涉及重大判斷。

The related disclosures are included in notes 3, 14 and 20 to the consolidated financial statements.

相關披露載於綜合財務報表附註3、14及20。

We reviewed the Group's net realisable value estimation, checked the expected selling prices to the Group's similar properties presold recently or the prices of adjacent properties sold. For cost of completion of properties under development and the cost to be incurred in selling the properties, we evaluated management's estimation methodology, which has been updated to reflect the latest historical information and the refined construction and selling costs budget process.

我們已審閱貴集團可變現淨值估計，核查貴集團近期預售類似物業之預期售價或已售毗鄰物業的價格。就完成發展中物業成本及銷售物業將予產生之成本而言，我們已評估管理層的估值方法，其已更新以反映最新歷史資料及完善建設以及銷售成本預算流程。

**OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT**

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

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

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

**年報所載的其他資料**

貴公司董事須對其他資料負責。其他資料包括年報所載除綜合財務報表及我們就此發出的核數師報告以外的資料。

我們對綜合財務報表的意見並不涵蓋其他資料，我們亦不會就其發表任何形式的鑒證結論。

就審計綜合財務報表而言，我們的責任是閱讀上述證明之其他資料，及在此過程中，考慮其他資料是否與綜合財務報表或我們在審計過程中所瞭解的情況有重大不符，或者似乎有重大錯誤陳述。基於我們已執行的工作，如果我們認為其他資料有重大錯誤陳述，我們需要報告有關事實。就此而言，我們無需報告任何事項。

## RESPONSIBILITIES OF THE DIRECTORS 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 issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Company 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 of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

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

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

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

## 董事就綜合財務報表須承擔的責任

貴公司董事須負責根據國際會計準則理事會頒佈的國際財務報告準則和香港公司條例的披露規定編製真實和公允的綜合財務報表及負責董事釐定為必要的內部控制，以編製不存在由於欺詐或錯誤而導致重大錯誤陳述的綜合財務報表。

在擬備綜合財務報表時，貴公司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，除非貴公司董事有意將貴公司清盤或停止經營，或別無其他實際的替代方案。

審計委員會協助貴公司董事履行監督貴集團的財務報告過程的責任。

## 核數師就審計綜合財務報表承擔的責任

我們的目標，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重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向整體股東報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

合理保證是高水準的保證，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起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

## Independent auditor's report

### 獨立核數師報告

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
  - 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.
  - 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.
- 在根據香港審計準則進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：
- 識別和評估由於欺詐或錯誤而導致綜合務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
  - 了解與審計相關的內部控制，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作出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。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
  - 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相關交易和事項。

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

The engagement partner on the audit resulting in this independent auditor's report is Philip Leung, Wai Lap.

**Ernst & Young**  
Certified Public Accountants

Hong Kong  
21 March 2018

- 就 貴集團內實體或業務活動的財務資料獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

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

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

出具本獨立核數師報告的審計項目合夥人是梁偉立。

**安永會計師事務所**  
執業會計師

香港  
2018年3月21日

# Consolidated Statement of Profit or Loss

## 綜合損益表

Year ended 31 December 2017 截至2017年12月31日止年度

		Notes	2017	2016
		附註	2017年	2016年
			RMB'000	RMB'000
			人民幣千元	人民幣千元
<b>Revenue</b>	收入	5	<b>295,986</b>	<b>858,371</b>
Cost of sales	銷售成本		<b>(160,617)</b>	<b>(533,380)</b>
<b>Gross profit</b>	毛利		<b>135,369</b>	<b>324,991</b>
Other income and gains	其他收入及收益	5	<b>77,844</b>	<b>16,832</b>
Selling and distribution expenses	銷售及分銷開支		<b>(152,252)</b>	<b>(80,142)</b>
Administrative expenses	行政開支		<b>(114,451)</b>	<b>(107,503)</b>
Other expenses	其他開支		<b>(6,939)</b>	<b>(11,232)</b>
Fair value gain upon transfer to investment properties	轉撥至投資物業之公允價值收益	13	<b>523</b>	<b>-</b>
Finance costs	財務費用	7	<b>(13,161)</b>	<b>(2,218)</b>
Changes in fair value of investment properties	投資物業的公允價值變動	13	<b>825,157</b>	<b>124,994</b>
Share of profit and loss of: Joint venture	分佔溢利及虧損：合營公司	17	<b>-</b>	<b>(15)</b>
<b>Profit before tax</b>	除稅前利潤	6	<b>752,090</b>	<b>265,707</b>
Income tax expense	所得稅開支	10	<b>(285,732)</b>	<b>(128,642)</b>
<b>Profit for the year</b>	年內利潤		<b>466,358</b>	<b>137,065</b>
<b>Attributable to:</b>	以下應佔：			
Owners of the parent	母公司擁有人		<b>488,505</b>	<b>147,042</b>
Non-controlling interests	非控股權益		<b>(22,147)</b>	<b>(9,977)</b>
			<b>466,358</b>	<b>137,065</b>
<b>Earnings per share attributable to ordinary equity holders of the parent</b>	母公司普通股權益持有人應佔每股盈利	11		
Basic	基本		<b>RMB27 cents</b> 人民幣27分	<b>RMB8 cents</b> 人民幣8分
Diluted	攤薄		<b>RMB27 cents</b> 人民幣27分	<b>RMB8 cents</b> 人民幣8分

# Consolidated Statement of Comprehensive Income

## 綜合全面收益表

Year ended 31 December 2017 截至2017年12月31日止年度

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
<b>Profit for the year</b>	年內利潤	<b>466,358</b>	<b>137,065</b>
<b>Other comprehensive income</b>	其他全面收益		
Other comprehensive income to be reclassified to profit or loss in subsequent periods:	於其後期間重新分類至損益的其他全面收益：		
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	<b>9,678</b>	<b>(8,185)</b>
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	於其後期間重新分類至損益的其他全面收益淨額	<b>9,678</b>	<b>(8,185)</b>
<b>Total comprehensive income for the year</b>	年內全面收益總額	<b>476,036</b>	<b>128,880</b>
<b>Attributable to:</b>	以下應佔：		
Owners of the parent	母公司擁有人	<b>498,183</b>	<b>138,857</b>
Non-controlling interests	非控股權益	<b>(22,147)</b>	<b>(9,977)</b>
		<b>476,036</b>	<b>128,880</b>



# Consolidated Statement of Financial Position

## 綜合財務狀況表

31 December 2017 2017年12月31日

		Notes 附註	31 December 2017 2017年 12月31日 RMB'000 人民幣千元	31 December 2016 2016年 12月31日 RMB'000 人民幣千元
<b>Non-current assets</b>	<b>非流動資產</b>			
Property and equipment	物業及設備	12	1,996,168	1,340,238
Investment properties	投資物業	13	5,472,345	5,129,937
Properties under development	開發中物業	14	640,170	1,332,915
Available-for-sale investments	可供出售投資	15	359,300	28,300
Long term prepayments	長期預付款	16	188,707	311,265
Investment in a joint venture	於一間合營公司的投資	17	-	759
Deferred tax assets	遞延稅項資產	18	11,057	11,089
Restricted cash	受限制現金	23	139,927	118,231
Total non-current assets	總非流動資產		<b>8,807,674</b>	8,272,734
<b>Current assets</b>	<b>流動資產</b>			
Completed properties held for sale	持作銷售已竣工物業	20	1,282,967	1,232,200
Properties under development	開發中物業	14	2,211,244	990,130
Inventories	存貨		11,425	9,439
Trade and bills receivables	應收貿易賬款及票據	21	19,275	19,642
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	22	143,306	102,354
Amounts due from related companies	應收關聯公司款項	32	39,288	80,067
Equity investment at fair value through profit or loss	按公允價值計入損益之股本投資		71,504	-
Restricted cash	受限制現金	23	149,224	46,258
Cash and cash equivalents	現金及現金等價物	23	323,312	298,308
Investment properties classified as held for sale	分類為持作銷售之投資物業	13	194,955	237,813
Total current assets	總流動資產		<b>4,446,500</b>	3,016,211
<b>Current liabilities</b>	<b>流動負債</b>			
Trade payables	應付貿易賬款	24	750,374	726,999
Other payables and accruals	其他應付款項及應計費用	25	179,123	115,816
Advances from customers	客戶預付款	26	1,088,863	308,120
Amounts due to related companies	應付關聯公司款項	32	696,221	268,200
Interest-bearing bank and other borrowings	計息銀行貸款及其他借款	27	1,180,739	1,104,000
Tax payable	應付稅項	10	336,177	242,548
Total current liabilities	總流動負債		<b>4,231,497</b>	2,765,683
<b>Net current assets</b>	<b>流動資產淨額</b>		<b>215,003</b>	250,528

## Consolidated Statement of Financial Position

## 綜合財務狀況表

31 December 2017 2017年12月31日

			<b>31 December 2017 2017年 12月31日 RMB'000 人民幣千元</b>	31 December 2016 2016年 12月31日 RMB'000 人民幣千元
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>9,022,677</b>	8,523,262
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Interest-bearing bank and other borrowings	計息銀行貸款及其他借款	27	<b>1,927,000</b>	2,196,609
Deferred tax liabilities	遞延稅項負債	18	<b>1,087,321</b>	984,594
Total non-current liabilities	總非流動負債		<b>3,014,321</b>	3,181,203
<b>Net assets</b>	<b>淨資產</b>		<b>6,008,356</b>	5,342,059
<b>Equity</b>	<b>權益</b>			
Equity attributable to owners of the parent	母公司擁有人應佔權益			
Share capital	股本	28	<b>147,503</b>	138,034
Reserves	儲備	30	<b>5,689,619</b>	5,033,619
			<b>5,837,122</b>	5,171,653
<b>Non-controlling interests</b>	<b>非控股權益</b>		<b>171,234</b>	170,406
<b>Total equity</b>	<b>總權益</b>		<b>6,008,356</b>	5,342,059

**Dong Shuixiao**

董水校

Director

董事

**Jin Ni**

金妮

Director

董事

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

Year ended 31 December 2017 截至2017年12月31日止年度

Attributable to owners of the parent  
母公司擁有人應佔

		Share capital	Share premium account	Capital reserve	Other reserve	Statutory surplus reserve	Exchange fluctuation reserve	Retained profits	Total	Non-controlling interests	Total equity
		股本	溢價賬	股本儲備	其他儲備	法定盈餘儲備	波動儲備	保留溢利	總計	非控股權益	總權益
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		Note 28	Notes 28 & 30(a)	Note 30(b)	Note 29	Note 30(c)					
		附註 28	附註 28及30(a)	附註 30(b)	附註 29	附註 30(c)					
At 1 January 2016	於2016年1月1日	138,183	432,533	1,281,751	5,974	81,716	236,509	2,862,793	5,039,459	180,383	5,219,842
Profit for the year	年內溢利	-	-	-	-	-	-	147,042	147,042	(9,977)	137,065
Other comprehensive income for the year:	年內其他全面收益:										
Exchange differences related to foreign operations	換算海外業務之匯兌差額	-	-	-	-	-	(8,185)	-	(8,185)	-	(8,185)
Total comprehensive income for the year	年內全面收益總額	-	-	-	-	-	(8,185)	147,042	138,857	(9,977)	128,880
Repurchase of shares	購回股份	(149)	(6,514)	-	-	-	-	-	(6,663)	-	(6,663)
At 31 December 2016	於2016年12月31日	138,034	426,019	1,281,751	5,974	81,716	228,324	3,009,835	5,171,653	170,406	5,342,059
Profit for the year	年內溢利	-	-	-	-	-	-	488,505	488,505	(22,147)	466,358
Other comprehensive income for the year:	年內其他全面收益:										
Exchange differences related to foreign operations	海外業務之匯兌差額	-	-	-	-	-	9,678	-	9,678	-	9,678
Total comprehensive income for the year	年內全面收益總額	-	-	-	-	-	9,678	488,505	498,183	(22,147)	476,036
Issue of shares	發行股份	9,469	157,817	-	-	-	-	-	167,286	-	167,286
Addition of non-controlling interests:	添置非控股權益:	-	-	-	-	-	-	-	-	22,975	22,975
At 31 December 2017	於2017年12月31日	147,503	583,836*	1,281,751*	5,974*	81,716*	238,002*	3,498,340*	5,837,122	171,234	6,008,356

\* These reserve accounts comprise the consolidated reserves of RMB5,689,619,000 (2016: RMB5,033,619,000) in the consolidated statement of financial position.

\* 此等儲備包括綜合財務狀況表內綜合儲備人民幣5,689,619,000元(2016年: 人民幣5,033,619,000元)。

# Consolidated Statement of Cash Flows

## 綜合現金流量表

Year ended 31 December 2017 截至2017年12月31日止年度

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
	Notes 附註		
<b>Cash flows from operating activities</b>	<b>經營業務的現金流量</b>		
Profit before tax	除稅前利潤	752,090	265,707
Adjustments for:	調整：		
Depreciation	折舊	17,191	13,090
Fair value gain upon transfer to investment properties	轉撥至投資物業的公允價值收益	(523)	-
Changes in fair value of investment properties	投資物業的公允價值變動	(825,157)	(124,994)
(Gain)/Loss on disposal of items of investment properties	出售投資物業項目之(收益)/虧損	(63,221)	7,221
Equity investment at fair value through profit or loss	按公允價值計入損益之股本投資	(1,522)	-
Share of profit and loss of a joint venture	分佔一間合營公司溢利及虧損	-	15
Finance costs	財務費用	13,161	2,218
		<b>(107,981)</b>	<b>163,257</b>
Decrease in properties under development	開發中物業減少	373,560	76,155
Increase in investment properties and investment properties under construction	投資物業及在建投資物業增加	(858,814)	-
(Increase)/decrease in completed properties held for sale	持作銷售已竣工物業(增加)/減少	(50,767)	129,290
Decrease/(increase) in trade and bills receivables	應收貿易賬款及票據減少/(增加)	367	(4,321)
Increase in prepayments, deposits and other receivables	預付款、按金及其他應收款項增加	(40,952)	(12,011)
Decrease/(increase) in long term prepayments	長期預付款減少/(增加)	122,558	(295,905)
Increase in inventories	存貨增加	(1,986)	(5,081)
Increase in restricted cash for pre-sales proceeds	預售所得款項受限制現金增加	(60,790)	(28,352)
Increase/(decrease) in trade payables	應付貿易賬款增加/(減少)	23,375	(96,193)
Increase/(decrease) in other payables and accruals	其他應付款項及應計費用增加/(減少)	81,738	(43,815)
Increase in advances from customers	客戶預付款增加	780,743	5,968
<b>Cash generated from/(used in) operations</b>	<b>經營業務產生/(耗用)的現金</b>	<b>261,051</b>	<b>(111,008)</b>
Interest paid	已付利息	(215,883)	(268,212)
Income tax and land appreciation tax paid	已付所得稅及土地增值稅	(89,344)	(63,406)
<b>Net cash flows used in operating activities</b>	<b>經營業務耗用的現金流量淨額</b>	<b>(44,176)</b>	<b>(442,626)</b>

## Consolidated Statement of Cash Flows

### 綜合現金流量表

Year ended 31 December 2017 截至2017年12月31日止年度

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
	<i>Notes</i> <i>附註</i>		
<b>Cash flows from investing activities</b>	<b>投資業務產生的現金流量</b>		
Investment on available for sale	可供出售投資	(400,982)	(25,000)
Proceeds from disposal of a joint venture	出售一間合營公司之所得款項	759	-
Purchases of items of property and equipment	購買物業及設備項目	(252,834)	(117,328)
Proceeds from disposal of items of property and equipment	出售物業及設備項目所得款項	29	94
Increase in investment properties and investment properties under construction	投資物業及在建投資物業增加	(169,506)	(60,794)
Received from related companies	關聯公司收款	48,484	253,467
Proceeds from disposal of investment properties	出售投資物業所得款項	920,671	196,217
(Increase)/decrease in restricted cash	受限制現金(增加)/減少	(63,870)	4,757
<b>Net cash flows generated from investing activities</b>	<b>投資業務產生的現金流量淨額</b>	<b>82,751</b>	<b>251,413</b>
<b>Cash flows from financing activities</b>	<b>融資活動產生的現金流量</b>		
Proceeds from issue of shares	發行股份所得款項	167,286	-
Capital contributions by minority shareholders	少數股東之資本注資	22,975	-
New interest-bearing bank and other borrowings	新計息銀行貸款及其他借款	1,057,740	1,152,191
Repayment of interest-bearing bank and other borrowings	償還計息銀行貸款及其他借款	(1,250,610)	(1,610,716)
Repurchase of shares	購回股份	-	(6,663)
<b>Net cash flows used in financing activities</b>	<b>融資活動耗用的現金流量淨額</b>	<b>(2,609)</b>	<b>(465,188)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>現金及現金等價物增加/(減少)淨額</b>	<b>35,966</b>	<b>(656,401)</b>
Cash and cash equivalents at beginning of year	年初現金及現金等價物	298,308	947,638
Effect of foreign exchange rate changes, net	匯率變動的影響·淨額	(10,962)	7,071
<b>Cash and cash equivalents at end of year</b>	<b>年末現金及現金等價物</b>	<b>323,312</b>	<b>298,308</b>
<b>Analysis of balances of cash and cash equivalents</b>	<b>現金及現金等價物結餘分析</b>		
Cash and bank balances	現金及銀行結餘	323,312	298,308

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# Notes to Financial Statements

## 財務報表附註

Year ended 31 December 2017 截至2017年12月31日止年度

### 1. CORPORATE AND GROUP INFORMATION

China New City Commercial Development Limited (the “Company”) is a limited liability company incorporated as an exempted company in the Cayman Islands on 2 July 2013 under the Companies Law (revised) of the Cayman Islands. The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (together, the “Group”) were members of Zhong An Real Estate Limited (“Zhong An”) and its subsidiaries (“Zhong An Group”). Zhong An, the shares of which have been listed on the Main Board of the Stock Exchange of Hong Kong Limited (“Stock Exchange”) since November 2007, is the holding company of Zhong An Group.

The Group is principally engaged in commercial property development, leasing and hotel operations.

In the opinion of the Company’s directors (the “Directors”), the ultimate holding company of the Company is Whole Good Management Limited, a company incorporated in the British Virgin Islands on 3 May 2007.

The Company has been separately listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “SEHK”) with stock code “1321” on 10 July 2014 and raised capital amounting to HK\$608 million from the market.

### 1. 公司及集團資料

中國新城市商業發展有限公司(「本公司」)於2013年7月2日在開曼群島根據開曼群島公司法(修訂版)註冊成立為獲豁免有限公司。本公司的註冊辦事處位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。

本公司為一間投資控股公司。本公司及其附屬公司(統稱「本集團」)為眾安房產有限公司(「眾安」)及其附屬公司(「眾安集團」)的成員公司。眾安(其股份已自2007年11月起在香港聯合交易所有限公司(「聯交所」)主板上市)為眾安集團的控股公司。

本集團主要從事商用物業開發、租賃及酒店營運。

本公司董事(「董事」)認為,本公司的最終控股公司為全好管理有限公司(一家於2007年5月3日在英屬處女群島註冊成立的公司)。

本公司於2014年7月10日於香港聯合交易所有限公司(「香港聯交所」)主板獨立上市(股份代號「1321」)並自市場籌資608,000,000港元。

## 1. CORPORATE AND GROUP INFORMATION (CONTINUED)

### Information about subsidiaries

Particulars of the Company's subsidiaries are as follows

Name of company 公司名稱	Place and date of incorporation/ registration and business 註冊成立/註冊及 營業地點及日期	Issued ordinary/ registered share capital 已發行普通/註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要活動
			2017	2016	
			2017年	2016年	
Zhejiang Zhong An Property Development Xiaoshan Co., Ltd. <sup>(4)</sup> 浙江眾安房地產蕭山開發有限公司 <sup>(4)</sup>	PRC/Mainland China 3 April 1997 中國/中國內地 1997年4月3日	RMB2,000,000 人民幣2,000,000元	81%	81%	Property leasing 物業租賃
Hangzhou White Horse Property Development Co., Ltd. <sup>(4)</sup> 杭州白馬房地產開發有限公司 <sup>(4)</sup>	PRC/Mainland China 27 June 2002 中國/中國內地 2002年6月27日	RMB50,000,000 人民幣50,000,000元	90%	90%	Property development 物業發展
Chunan Minfu Property Co., Ltd. <sup>(3)</sup> 淳安民福旅遊置業有限公司 <sup>(3)</sup>	PRC/Mainland China 24 October 2003 中國/中國內地 2003年10月24日	RMB6,000,000 人民幣6,000,000元	100%	100%	Property development 物業發展
Shanghai Zhong An Property Development Co., Ltd. <sup>(4)</sup> 上海眾安房地產開發有限公司 <sup>(4)</sup>	PRC/Mainland China 19 January 2004 中國/中國內地 2004年1月19日	RMB10,000,000 人民幣10,000,000元	90%	90%	Property leasing 物業租賃
Zhejiang Huijun Real Estate Co., Ltd. <sup>(2)</sup> 浙江匯駿置業有限公司 <sup>(2)</sup>	PRC/Mainland China 1 April 2005 中國/中國內地 2005年4月1日	US\$77,600,000 77,600,000美元	99.7%	99.7%	Property development 物業發展
Hangzhou Zhong An Highlong Commercial Buildings Co., Ltd. <sup>(4)</sup> 杭州眾安恒隆商廈有限公司 <sup>(4)</sup>	PRC/Mainland China 20 September 2005 中國/中國內地 2005年9月20日	RMB2,000,000 人民幣2,000,000元	90%	90%	Property management 物業管理
Hangzhou Zheng Jiang Real Estate Development Co., Ltd. <sup>(4)</sup> 杭州正江房地產開發有限公司 <sup>(4)</sup>	PRC/Mainland China 16 March 2006 中國/中國內地 2006年3月16日	RMB50,000,000 人民幣50,000,000元	92.5%	92.5%	Property development 物業發展

## 1. 公司及集團資料 (續)

### 附屬公司資料

本公司附屬公司詳情如下：

## 1. CORPORATE AND GROUP INFORMATION (CONTINUED)

### Information about subsidiaries (continued)

## 1. 公司及集團資料(續)

### 附屬公司資料(續)

Name of company 公司名稱	Place and date of incorporation/ registration and business 註冊成立/註冊及 營業地點及日期	Issued ordinary/ registered share capital 已發行普通/註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要活動
			2017	2016	
			2017年	2016年	
Henly Enterprise Management (Hangzhou) Co., Ltd. <sup>(2)</sup> 恒利企業管理(杭州)有限公司 <sup>(2)</sup>	PRC/Mainland China 4 December 2006 中國/中國內地 2006年12月4日	US\$149,061,280 149,061,280美元	100%	100%	Property development 物業發展
Hangzhou Xiaoshan Zhong An Holiday Inn Co., Ltd. <sup>(4)</sup> 杭州蕭山眾安假日酒店有限公司 <sup>(4)</sup>	PRC/Mainland China 28 May 2007 中國/中國內地 2007年5月28日	RMB10,000,000 人民幣10,000,000元	90%	90%	Hotel management 酒店管理
Hangzhou Dehong New Constructions Materials Management Co., Ltd. <sup>(1)</sup> 杭州德宏新型建材有限公司 <sup>(1)</sup>	PRC/Mainland China 1 February 2008 中國/中國內地 2008年2月1日	US\$29,900,000 29,900,000美元	100%	100%	Manufacture of construction materials 建築物料生產
Hangzhou Huihong Investment Management Co., Ltd. <sup>(1)</sup> 杭州匯宏投資管理有限公司 <sup>(1)</sup>	PRC/Mainland China 19 February 2008 中國/中國內地 2008年2月19日	US\$49,990,000 49,990,000美元	100%	100%	Investment management 投資管理
Hefei Zhong An Holiday Inn Co., Ltd. <sup>(2)</sup> 合肥眾安假日酒店有限公司 <sup>(2)</sup>	PRC/Mainland China 18 March 2008 中國/中國內地 2008年3月18日	RMB350,000,000 人民幣350,000,000元	100%	100%	Hotel management 酒店管理
Huijun Construction Materials Trading (Hangzhou) Co., Ltd. <sup>(1)</sup> 匯駿建材物資貿易(杭州)有限公司 <sup>(1)</sup>	PRC/Mainland China 16 July 2008 中國/中國內地 2008年7月16日	US\$12,000,000 12,000,000美元	100%	100%	Material trading 物料貿易
Hangzhou Fukai Management Co., Ltd. <sup>(4)</sup> 杭州富凱企業管理有限公司 <sup>(4)</sup>	PRC/Mainland China 2 March 2011 中國/中國內地 2011年3月2日	RMB500,000 人民幣500,000元	90%	90%	Property management 物業管理



## 1. CORPORATE AND GROUP INFORMATION (CONTINUED)

### Information about subsidiaries (continued)

Name of company 公司名稱	Place and date of incorporation/ registration and business 註冊成立/註冊及 營業地點及日期	Issued ordinary/ registered share capital 已發行普通/註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要活動
			2017	2016	
			2017年	2016年	
Zhejiang Zhong An Commercial Investment Management Co., Ltd. <sup>(4)</sup> 浙江眾安商業投資管理有限公司 <sup>(4)</sup>	PRC/Mainland China 1 August 2011 中國/中國內地 2011年8月1日	RMB10,000,000 人民幣10,000,000元	90%	90%	Investment holding 投資控股
Hangzhou Zhong An Changhong Investment Management Co., Ltd. <sup>(3)</sup> 杭州眾安長宏投資管理有限公司 <sup>(3)</sup>	PRC/Mainland China 26 August 2011 中國/中國內地 2011年8月26日	RMB1,000,000 人民幣1,000,000元	91.2%	91.2%	Investment holding 投資控股
Yuyao Zhong An Time Square Commercial Management Co., Ltd. <sup>(4)</sup> 余姚眾安時代廣場商業管理有限公司 <sup>(4)</sup>	PRC/Mainland China 6 December 2011 中國/中國內地 2011年12月6日	RMB2,000,000 人民幣2,000,000元	90%	90%	Property management 物業管理
Yuyao Zhong An Time Square Development Co., Ltd. <sup>(4)</sup> 余姚眾安時代廣場開發有限公司 <sup>(4)</sup>	PRC/Mainland China 5 August 2013 中國/中國內地 2013年8月5日	RMB100,000,000 人民幣100,000,000元	90%	90%	Property management 物業管理
Yuyao Zhong An Time Square Property Co., Ltd. <sup>(2)</sup> 余姚眾安時代廣場置業有限公司 <sup>(2)</sup>	PRC/Mainland China 13 August 2013 中國/中國內地 2013年8月13日	US\$16,000,000 16,000,000美元	93%	93%	Property management 物業管理
Zhejiang Zhong An Sheng Long Commercial Co., Ltd. <sup>(4)</sup> 浙江眾安盛隆商業有限公司 <sup>(4)</sup>	PRC/Mainland China 9 September 2013 中國/中國內地 2013年9月9日	RMB50,000,000 人民幣50,000,000元	90%	90%	Property management 物業管理
Qirui Commercial (Hangzhou) Management Co., Ltd. <sup>(1)</sup> 祺瑞商業管理(杭州)有限公司 <sup>(1)</sup>	PRC/Mainland China 18 October 2013 中國/中國內地 2013年10月18日	US\$14,900,000 14,900,000美元	100%	100%	Investment holding 投資控股

## 1. 公司及集團資料(續)

### 附屬公司資料(續)

## 1. CORPORATE AND GROUP INFORMATION (CONTINUED)

### Information about subsidiaries (continued)

Name of company 公司名稱	Place and date of incorporation/ registration and business 註冊成立/註冊及 營業地點及日期	Issued ordinary/ registered share capital 已發行普通/註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要活動
			2017	2016	
			2017年	2016年	
Cixi Zhong An Property Co., Ltd. <sup>(4)</sup> 慈溪眾安置業有限公司 <sup>(4)</sup>	PRC/Mainland China 6 December 2013 中國/中國內地 2013年12月6日	RMB50,000,000 人民幣50,000,000元	90%	90%	Property management 物業管理
Zhejiang Zhong An City Construction Investment Co., Ltd. <sup>(4)</sup> 浙江省眾安城市建設投資有限公司 <sup>(4)</sup>	PRC/Mainland China 17 December 2013 中國/中國內地 2013年12月17日	RMB100,000,000 人民幣100,000,000元	90%	90%	Investment holding 投資控股
Tonglu Xiaoyuanshan Wellness Investment Development Co., Ltd. <sup>(4)</sup> 桐廬小源山養生投資開發有限公司 <sup>(4)</sup>	PRC/Mainland China 31 March 2014 中國/中國內地 2014年3月31日	RMB100,000,000 人民幣100,000,000元	76.5%	76.5%	Property management 物業管理
Hangzhou Zhong An Sheng Long Liyumen Property Co., Ltd. <sup>(4)</sup> 杭州眾安盛隆鯉魚門置業有限公司 <sup>(4)</sup>	PRC/Mainland China 21 April 2014 中國/中國內地 2014年4月21日	RMB20,000,000 人民幣20,000,000元	90%	90%	Property management 物業管理
Taoranshan Wellness Co., Ltd. <sup>(4)</sup> 陶然山居養生有限公司 <sup>(4)</sup>	PRC/Mainland China 19 August 2014 中國/中國內地 2014年8月19日	RMB50,000,000 人民幣50,000,000元	90%	90%	Property management 物業管理
Runzhou (Zhejiang) Hotel Management Limited <sup>(1)</sup> 潤洲(浙江)酒店管理有限公司 <sup>(1)</sup>	PRC/Mainland China 27 November 2014 中國/中國內地 2014年11月27日	USD2,000,000 2,000,000美元	100%	100%	Hotel management 酒店管理
Yuyao Lubu Zhong An Small Towns Developments Co., Ltd. <sup>(4)</sup> 余姚市陸埠眾安小城鎮建設發展 有限公司 <sup>(4)</sup>	PRC/Mainland China 11 December 2014 中國/中國內地 2014年12月11日	RMB100,000,000 人民幣100,000,000元	72%	72%	Property management 物業管理

## 1. 公司及集團資料(續)

### 附屬公司資料(續)

## 1. CORPORATE AND GROUP INFORMATION (CONTINUED)

### Information about subsidiaries (continued)

Name of company 公司名稱	Place and date of incorporation/ registration and business 註冊成立/註冊及 營業地點及日期	Issued ordinary/ registered share capital 已發行普通/註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要活動
			2017 2017年	2016 2016年	
Hangzhou Lin'an You Yi Cun Homestay Investment Management Co., Ltd. <sup>(4)</sup> 杭州臨安又一郵民宿投資管理有限公司 <sup>(4)</sup>	PRC/Mainland China 26 December 2014 中國/中國內地 2014年12月26日	RMB10,000,000 人民幣10,000,000元	100%	100%	Hotel management 酒店管理
Zhong An Tiandi Co., Ltd. <sup>(3) (4)</sup> 眾安天地有限公司 <sup>(3) (4)</sup>	PRC/Mainland China 23 March 2015 中國/中國內地 2015年3月23日	RMB100,000,000 人民幣100,000,000元	90%	90%	Investment management 投資管理
Zhong An Homestay Development Co., Ltd. <sup>(3) (4)</sup> 眾安民宿產業發展有限公司 <sup>(3) (4)</sup>	PRC/Mainland China 26 October 2015 中國/中國內地 2015年10月26日	RMB100,000,000 人民幣100,000,000元	90%	90%	Hotel management 酒店管理
Hangzhou Xixi Huijin Property Co., Ltd. <sup>(1)</sup> 杭州西溪匯金置業有限公司 <sup>(1)</sup>	PRC/Mainland China 18 November 2015 中國/中國內地 2015年11月18日	US\$50,000,000 50,000,000美元	100%	100%	Property development 物業發展
Zhongan Movie and TV Culture Development Co., Ltd. <sup>(4)</sup> 眾安影視文化發展有限公司 <sup>(4)</sup>	PRC/Mainland China 15 December 2015 中國/中國內地 2015年12月15日	RMB100,000,000 人民幣100,000,000元	90%	90%	Movie and TV development 影視發展
Hangzhou Qiandao Lake Zhongchuang Health Co., Ltd. <sup>(3) (1)</sup> 杭州千島湖眾創健康有限公司 <sup>(3) (1)</sup>	PRC/Mainland China 29 December 2015 中國/中國內地 2015年12月29日	US\$30,000,000 30,000,000美元	100%	100%	Health development 健康發展
Huijun (International) Holdings Limited <sup>(4)</sup> 匯駿(國際)控股有限公司 <sup>(4)</sup>	Hong Kong 4 March 2005 香港 2005年3月4日	HK\$100,000 100,000港元	100%	100%	Investment holding 投資控股

## 1. 公司及集團資料(續)

### 附屬公司資料(續)

## 1. CORPORATE AND GROUP INFORMATION (CONTINUED)

### Information about subsidiaries (continued)

## 1. 公司及集團資料(續)

### 附屬公司資料(續)

Name of company 公司名稱	Place and date of incorporation/ registration and business 註冊成立/註冊及 營業地點及日期	Issued ordinary/ registered share capital 已發行普通/註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要活動
			2017	2016	
			2017年	2016年	
Zhong An International Shipping (Hong Kong) Limited <sup>(4)</sup> 眾安國際航運(香港)有限公司 <sup>(4)</sup>	Hong Kong 11 November 2011 香港 2011年11月11日	HK\$780,000 780,000港元	99.7%	99.7%	Shipping 航運
Pannix Industrial (HongKong) Limited <sup>(4)</sup> 佳潤實業(香港)有限公司 <sup>(4)</sup>	Hong Kong 15 September 2014 香港 2014年9月15日	HK\$10,000 10,000港元	100%	100%	Investment holding 投資控股
Hong Kong Time Honour Property Limited <sup>(4)</sup> 香港時譽地產有限公司 <sup>(4)</sup>	Hong Kong 15 September 2014 香港 2014年9月15日	HK\$10,000 10,000港元	100%	100%	Investment holding 投資控股
Grand Sail International Trading Limited <sup>(4)</sup> 宏帆國際貿易(香港)有限公司 <sup>(4)</sup>	Hong Kong 15 September 2014 香港 2014年9月15日	HK\$100,000 100,000港元	100%	100%	Investment holding 投資控股
Chaoyang International Trading Limited <sup>(4)</sup> 朝陽國際貿易(香港)有限公司 <sup>(4)</sup>	Hong Kong 15 September 2014 香港 2014年9月15日	HK\$100,000 100,000港元	100%	100%	Investment holding 投資控股
Bright (Hong Kong) Hotels Management Limited <sup>(4)</sup> 伯瑞特(香港)酒店管理有限公司 <sup>(4)</sup>	Hong Kong 15 September 2014 香港 2014年9月15日	HK\$10,000 10,000港元	100%	100%	Investment holding 投資控股
Bright Hotels & Resorts Management Limited <sup>(4)</sup> 伯瑞特酒店和度假村管理有限公司 <sup>(4)</sup>	British Virgin Islands 8 July 2014 英屬維爾京群島 2014年7月8日	US\$1 1美元	100%	100%	Investment holding 投資控股

## 1. CORPORATE AND GROUP INFORMATION (CONTINUED)

### Information about subsidiaries (continued)

Name of company 公司名稱	Place and date of incorporation/ registration and business 註冊成立/註冊及 營業地點及日期	Issued ordinary/ registered share capital 已發行普通/註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要活動
			2017 2017年	2016 2016年	
Hui Sheng Global Limited <sup>(c)(4)</sup> 惠昇環球有限公司 <sup>(c)(4)</sup>	British Virgin Islands 11 July 2014 英屬維爾京群島 2014年7月11日	US\$1 1美元	100%	100%	Investment holding 投資控股
Shengda Developments Limited <sup>(c)(4)</sup> 盛達發展有限公司 <sup>(c)(4)</sup>	British Virgin Islands 31 July 2014 英屬維爾京群島 2014年7月31日	US\$1 1美元	100%	100%	Investment holding 投資控股
Time Honour Global Limited <sup>(c)(4)</sup> 時譽環球有限公司 <sup>(c)(4)</sup>	British Virgin Islands 11 July 2014 英屬維爾京群島 2014年7月11日	US\$1 1美元	100%	100%	Investment holding 投資控股
First Achiever Holdings Limited <sup>(c)(4)</sup> 冠達控股有限公司 <sup>(c)(4)</sup>	British Virgin Islands 13 August 2014 英屬維爾京群島 2014年8月13日	US\$1 1美元	100%	100%	Investment holding 投資控股
Zhongjiale Tourism Co., Ltd <sup>(c)(1)</sup> 眾家樂觀光合同會社 <sup>(c)(1)</sup>	Japan 21 December 2015 日本 2015年12月21日	JPY5,010,000 5,010,000日元	100%	100%	Tourism management 旅遊管理
Capital Yield Global Limited <sup>(c)(4)</sup> 利得環球有限公司 <sup>(c)(4)</sup>	British Virgin Islands 1 April 2016 英屬維爾京群島 2016年4月1日	US\$1 1美元	100%	100%	Investment holding 投資控股
Easy Success Investments Limited <sup>(c)(4)</sup> 易勝投資有限公司 <sup>(c)(4)</sup>	British Virgin Islands 11 April 2016 英屬維爾京群島 2016年4月11日	US\$1 1美元	100%	100%	Investment holding 投資控股

## 1. 公司及集團資料 (續)

### 附屬公司資料 (續)

## 1. CORPORATE AND GROUP INFORMATION (CONTINUED)

### Information about subsidiaries (continued)

## 1. 公司及集團資料(續)

### 附屬公司資料(續)

Name of company 公司名稱	Place and date of incorporation/ registration and business 註冊成立/註冊及 營業地點及日期	Issued ordinary/ registered share capital 已發行普通/註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要活動
			2017	2016	
			2017年	2016年	
Zhejiang Bairuite Hotel Management Co. Ltd. <sup>(c)(1)</sup> 浙江佰瑞特酒店管理有限公司 <sup>(c)(1)</sup>	PRC/Mainland China 19 May 2016 中國/中國內地 2016年5月19日	RMB10,000,000 人民幣10,000,000元	90%	90%	Hotel management 酒店管理
Easy Rich Corporation Limited <sup>(c)(4)</sup> 順富興業有限公司 <sup>(c)(4)</sup>	Hong Kong 1 April 2016 香港 2016年4月1日	HK\$1 1港元	100%	100%	Investment holding 投資控股
KCJ International Co., Ltd. <sup>(1)</sup> KCJ國際株式會社 <sup>(1)</sup>	Japan 9 May 2016 日本 2016年5月9日	JPY10,000,000 10,000,000日元	90%	90%	Property development 物業發展
Zhong An Health Development Co., Ltd. <sup>(c)(4)</sup> 眾安健康產業發展有限公司 <sup>(c)(4)</sup>	PRC/Mainland China 3 May 2016 中國/中國內地 2016年5月3日	RMB100,000,000 人民幣100,000,000元	90%	90%	Health development 健康發展
Ultra Nice International Limited <sup>(c)(4)</sup> 宏優國際有限公司 <sup>(c)(4)</sup>	Hong Kong 7 October 2016 香港 2016年10月7日	HK\$1 1港元	100%	100%	Investment holding 投資控股
Zhangzhou Zhongjia Business Management Co., Ltd. <sup>(c)(4)</sup> 杭州眾嘉商業管理有限公司 <sup>(c)(4)</sup>	PRC/Mainland China 18 November 2016 中國/中國內地 2016年11月18日	RMB50,000,000 人民幣50,000,000元	100%	100%	Investment holding 投資控股
Zhejiang new screen Theater Management Co., Ltd. <sup>(c)(4)</sup> 浙江新幕影院經營管理有限公司 <sup>(c)(4)</sup>	PRC/Mainland China 29 November 2016 中國/中國內地 2016年11月29日	RMB10,000,000 人民幣10,000,000元	100%	100%	Theater management 影院管理
Hangzhou Qiu Eye Hospital Co., Ltd. <sup>(4)</sup> 杭州求是眼科医院有限公司 <sup>(4)</sup>	PRC/Mainland China 12 August 2016 中國/中國內地 2016年8月12日	RMB50,000,000 人民幣50,000,000元	72%	72%	Hospital management 醫院管理

## 1. CORPORATE AND GROUP INFORMATION (CONTINUED)

### Information about subsidiaries (continued)

Name of company 公司名稱	Place and date of incorporation/ registration and business 註冊成立/註冊及 營業地點及日期	Issued ordinary/ registered share capital 已發行普通/註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要活動
			2017 2017年	2016 2016年	
Zhejiang Hengfa Real Estate Co., Ltd. <sup>(a)(4)</sup> 浙江恒發置業有限公司 <sup>(a)(4)</sup>	PRC/Mainland China 6 June 2014 中國/中國內地 2014年6月6日	RMB50,000,000 人民幣50,000,000元	46%	46%	Property development 物業發展
Huaibei Brilliant Hotel Co., Ltd. <sup>(a)(4)</sup> 淮北伯瑞特酒店有限公司 <sup>(a)(4)</sup>	PRC/Mainland China 16 October 2013 中國/中國內地 2013年10月16日	RMB6,900,000 人民幣6,900,000元	72%	72%	Hotel management 酒店管理
Laizhou New Screen Theater Management Co., Ltd. <sup>(a)(4)</sup> 萊州新幕影院經營管理有限公司 <sup>(a)(4)</sup>	PRC/Mainland China 2 May 2017 中國/中國內地 2017年5月2日	RMB1,000,000 人民幣1,000,000元	100%	N/A	Theater management 影院管理
Zhejiang Zhong An Longcheng Investment Co., Ltd. <sup>(a)(4)</sup> 浙江眾安隆成投資有限公司 <sup>(a)(4)</sup>	PRC/Mainland China 23 June 2017 中國/中國內地 2017年6月23日	RMB50,000,000 人民幣50,000,000元	90%	N/A	Investment holding 投資控股
Qingdao Zhong An Xifu Investment and Development Co., Ltd. <sup>(a)(4)</sup> 青島眾安禧福投資發展有限公司 <sup>(a)(4)</sup>	PRC/Mainland China 4 July 2017 中國/中國內地 2017年7月4日	RMB100,000,000 人民幣100,000,000元	46%	N/A	Property development 物業發展
Hangzhou Zhong An Medical Investment Management Co., Ltd. <sup>(a)(4)</sup> 杭州眾安醫養投資管理有限公司 <sup>(a)(4)</sup>	PRC/Mainland China 21 June 2017 中國/中國內地 2017年6月21日	RMB1,000,000 人民幣1,000,000元	90%	N/A	Investment holding 投資控股
Jiangsu Anyuan Investment And development Co., Ltd. <sup>(a)(4)</sup> 江蘇安源投資發展有限公司 <sup>(a)(4)</sup>	PRC/Mainland China 27 July 2017 中國/中國內地 2017年7月27日	RMB100,000,000 人民幣100,000,000元	90%	N/A	Investment holding 投資控股

## 1. 公司及集團資料 (續)

### 附屬公司資料 (續)

## 1. CORPORATE AND GROUP INFORMATION (CONTINUED)

### Information about subsidiaries (continued)

## 1. 公司及集團資料(續)

### 附屬公司資料(續)

Name of company 公司名稱	Place and date of incorporation/ registration and business 註冊成立/註冊及 營業地點及日期	Issued ordinary/ registered share capital 已發行普通/註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要活動
			2017	2016	
			2017年	2016年	
Hangzhou Zhong An Yunyi Tourism Development Co., Ltd. <sup>(a)(c)(4)</sup> 杭州眾安雲憶旅遊發展有限公司 <sup>(a)(c)(4)</sup>	PRC/Mainland China 1 August 2017 中國/中國內地 2017年8月1日	RMB10,000,000 人民幣10,000,000元	72%	N/A 不適用	Property development 物業發展
Kunming New Screen Theater Management Co., Ltd. <sup>(a)(c)(4)</sup> 昆明新幕影院經營管理有限公司 <sup>(a)(c)(4)</sup>	PRC/Mainland China 27 April 2017 中國/中國內地 2017年4月27日	RMB1,000,000 人民幣1,000,000元	90%	N/A 不適用	Theater management 影院管理
Yuyao New Screen Theater Management Co., Ltd. <sup>(a)(c)(4)</sup> 余姚新幕影院經營管理有限公司 <sup>(a)(c)(4)</sup>	PRC/Mainland China 26 September 2017 中國/中國內地 2017年9月26日	RMB1,000,000 人民幣1,000,000元	90%	N/A 不適用	Theater management 影院管理
Zhong An Finance Holding Limited <sup>(a)(4)</sup> 眾安金融控股有限公司 <sup>(a)(4)</sup>	Hong Kong 9 March 2017 香港 2017年3月9日	HK\$1 1港元	100%	N/A 不適用	Investment holding 投資控股
Zhong An Asset Management Limited <sup>(a)(4)</sup> 眾安資產管理有限公司 <sup>(a)(4)</sup>	Hong Kong 9 March 2017 香港 2017年3月9日	HK\$2,000,000 2,000,000港元	100%	N/A 不適用	Asset Management 資產管理
Zhong An Corporate Finance Limited <sup>(a)(4)</sup> 眾安融資有限公司 <sup>(a)(4)</sup>	Hong Kong 9 March 2017 香港 2017年3月9日	HK\$2,000,000 2,000,000港元	100%	N/A 不適用	Corporate Finance 企業融資
Zhong An Finance Limited <sup>(a)(4)</sup> 眾安財務有限公司 <sup>(a)(4)</sup>	Hong Kong 9 March 2017 香港 2017年3月9日	HK\$2,000,000 2,000,000港元	100%	N/A 不適用	Finance management 財務管理



## 1. CORPORATE AND GROUP INFORMATION (CONTINUED)

### Information about subsidiaries (continued)

Name of company 公司名稱	Place and date of incorporation/ registration and business 註冊成立/註冊及 營業地點及日期	Issued ordinary/ registered share capital 已發行普通/註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要活動
			2017 2017年	2016 2016年	
Zhong An Securities Limited <sup>(a)(4)</sup> 眾安證券有限公司 <sup>(a)(4)</sup>	Hong Kong 10 March 2017 香港 2017年3月10日	HK\$2,000,000 2,000,000港元	100%	N/A 不適用	Securities Management 證券管理
Qingdao Zhong An Longsheng Commercial Development Co., Ltd. <sup>(a)(4)</sup> 青島眾安隆盛商業發展有限公司 <sup>(a)(4)</sup>	PRC/Mainland China 6 December 2017 中國/中國內地 2017年12月6日	USD10,000,000 10,000,000美元	90%	N/A 不適用	Hotel management 酒店管理
Zhejiang Zhongyao Real Estate Co., Ltd. <sup>(a)(4)</sup> 浙江眾耀置業有限公司 <sup>(a)(4)</sup>	PRC/Mainland China 16 May 2017 中國/中國內地 2017年5月16日	RMB50,000,000 人民幣50,000,000元	90%	N/A 不適用	Property Development 物業發展
Complete Victory Enterprise Limited <sup>(a)(c)(1)</sup> 全勝企業有限公司 <sup>(a)(c)(1)</sup>	British Virgin Islands 29 September 2017 英屬處女群島 2017年9月29日	US\$1 1美元	100%	NA 不適用	Investment management 投資管理
Maggie & Rose (Great China) Group Limited <sup>(a)(c)(4)</sup> Maggie & Rose (Great China) Group Limited <sup>(a)(c)(4)</sup>	Hong Kong 23 October 2017 香港 2017年10月23日	HK\$1 1港元	50.1%	NA 不適用	Education Development 教育發展

## Notes:

N/A Not yet incorporated/established/acquired or liquidated by the Group

(a) These subsidiaries were established by the Group in 2017.

(b) Types of legal entities:

- (1) Wholly-foreign-owned enterprise
- (2) Sino-foreign equity joint venture
- (3) Limited liability company invested by foreign invested enterprise
- (4) Limited liability company

(c) The capital of these subsidiaries has not been injected in 2017.

## 1. 公司及集團資料 (續)

### 附屬公司資料 (續)

Name of company 公司名稱	Place and date of incorporation/ registration and business 註冊成立/註冊及 營業地點及日期	Issued ordinary/ registered share capital 已發行普通/註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要活動
			2017 2017年	2016 2016年	
Zhong An Securities Limited <sup>(a)(4)</sup> 眾安證券有限公司 <sup>(a)(4)</sup>	Hong Kong 10 March 2017 香港 2017年3月10日	HK\$2,000,000 2,000,000港元	100%	N/A 不適用	Securities Management 證券管理
Qingdao Zhong An Longsheng Commercial Development Co., Ltd. <sup>(a)(4)</sup> 青島眾安隆盛商業發展有限公司 <sup>(a)(4)</sup>	PRC/Mainland China 6 December 2017 中國/中國內地 2017年12月6日	USD10,000,000 10,000,000美元	90%	N/A 不適用	Hotel management 酒店管理
Zhejiang Zhongyao Real Estate Co., Ltd. <sup>(a)(4)</sup> 浙江眾耀置業有限公司 <sup>(a)(4)</sup>	PRC/Mainland China 16 May 2017 中國/中國內地 2017年5月16日	RMB50,000,000 人民幣50,000,000元	90%	N/A 不適用	Property Development 物業發展
Complete Victory Enterprise Limited <sup>(a)(c)(1)</sup> 全勝企業有限公司 <sup>(a)(c)(1)</sup>	British Virgin Islands 29 September 2017 英屬處女群島 2017年9月29日	US\$1 1美元	100%	NA 不適用	Investment management 投資管理
Maggie & Rose (Great China) Group Limited <sup>(a)(c)(4)</sup> Maggie & Rose (Great China) Group Limited <sup>(a)(c)(4)</sup>	Hong Kong 23 October 2017 香港 2017年10月23日	HK\$1 1港元	50.1%	NA 不適用	Education Development 教育發展

## 附註:

不適用本集團仍未註冊成立/成立/收購或清盤

(a) 該等附屬公司於2017年由本集團成立。

(b) 法定實體類別:

- (1) 外商獨資企業
- (2) 中外合資企業
- (3) 外商投資有限責任公司
- (4) 有限責任公司

(c) 該等附屬公司之資本於2017年尚未注入。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

### 2.1 Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRSs”), which comprise standards and interpretations approved by the International Accounting Standards Board (the “IASB”), and International Accounting Standards and Standing Interpretations Committee interpretations approved by the International Accounting Standards Committee that remain in effect, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties which have been measured at fair value as explained in the accounting policies set out below. These financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

#### Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2017. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

## 2. 編製基準及會計政策

### 2.1 編製基準

本財務報表按照國際財務報告準則（「國際財務報告準則」）編製，而國際財務報告準則包括由國際會計準則理事會（「國際會計準則理事會」）及國際會計準則及詮釋常務委員會批准的準則及詮釋、國際會計準則理事會批准當時生效的詮釋、香港公認會計原則以及香港公司條例之披露規定。除投資物業如以下所述的會計政策按公允價值計量外，財務報表乃按照歷史成本原則編製。除有特別註明外，本綜合財務報表以人民幣（「人民幣」）列報，且所有數值均調整至最近的千元單位。

#### 綜合基準

綜合財務報表包括本公司及其附屬公司截至2017年12月31日止年度的財務報表。一間附屬公司乃為由本公司直接或間接控制的實體（包括結構化實體）。若本集團具有承擔或享有參與投資對象獲得或有權獲得可變回報，並能透過其對投資對象行使的權力影響該等回報，即取得控制權（即：賦予本集團當前能力以指示投資對象相關活動的現有權利）。

倘本公司直接或間接擁有少於投資對象大多數投票權或類似權利，則本集團於評估其是否擁有對投資對象的權力時會考慮一切相關事實及情況，包括：

- (a) 與其他投資對象之投票持有人的合約安排；
- (b) 其他合約安排產生之權利；及
- (c) 本集團之投票權及潛在投票權。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.1 Basis of preparation (continued)

#### Basis of consolidation (continued)

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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 described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

## 2. 編製基準及會計政策 (續)

### 2.1 編製基準 (續)

#### 綜合基準 (續)

附屬公司之財務報表之編製報告期間與本公司相同，使用一致之會計政策。附屬公司的業績自本集團取得控制權之日起全面合併入賬，直至失去控制權之日為止。

溢利或虧損及其他全面收益項目的各成份歸屬本集團母公司擁有者及非控股權益，即使導致非控股權益結餘出現虧絀。有關本集團成員公司之間交易的所有集團間資產及負債、權益、收入、開支及現金流量於合併時全數對銷。

倘事實和情況顯示以上所述的三項控制因素之一項或多項出現變動，本集團會重新評估其是否控制投資對象。附屬公司所有權權益的變動在無喪失控制權下按權益交易處理。

如本集團喪失對附屬公司的控制權，則解除確認(i)附屬公司的資產(包括商譽)及負債，(ii)任何非控股權益的賬面值及(iii)於權益內錄得的累計匯兌差額，及確認(i)已收代價的公允價值，(ii)任何保留投資的公允價值及(iii)任何所產生的盈餘或損益虧絀。本集團應佔以往於其他全面收益內確認的部份按假設本集團直接出售相關資產或負債所規定的相同基準重新分類為損益或保留溢利(如適用)。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.2 Changes in accounting policies and disclosures

The Group has adopted the following revised IFRSs for the first time for the current year's financial statements.

Amendments to IAS 7	<i>Disclosure Initiative</i>
Amendments to IAS 12	<i>Recognition of Deferred Tax Assets for Unrealised Losses</i>
Amendments to IFRS 12 included in Annual Improvements 2014-2016 Cycle	<i>Disclosure of interests in Other Entities</i>

None of the above amendments to IFRSs has had a significant financial effect on these financial statements. Disclosure has been made in note 31 to the financial statements upon the adoption of amendments to IAS 7, which require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

## 2. 編製基準及會計政策 (續)

### 2.2 會計政策變動及披露

本集團已於本年度財務報表首次採納以下經修訂國際財務報告準則。

國際會計準則第7號修訂本	<i>披露計劃</i>
國際會計準則第12號修訂本	<i>就未變現虧損確認遞延稅項資產</i>
國際財務報告準則第12號修訂本(包括在2014年至2016年週期的年度改進內)	<i>披露於其他實體之權益</i>

上述國際財務報告準則的修訂本對該等財務報表並無重大財務影響。於採納國際會計準則第7號修訂本時，財務報表附註31已作出披露，國際會計準則第7號修訂本規定實體作出披露，以使財務報表使用者可評估融資活動所產生的負債變動，包括因現金流量及非現金變動而產生的變動。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.3 Issued but not yet effective International Financial Reporting Standards

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

Amendments to IFRS 2	<i>Classification and Measurement of Share-based Payment Transactions<sup>1</sup></i>
Amendments to IFRS 4	<i>Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts<sup>1</sup></i>
IFRS 9	<i>Financial Instruments<sup>1</sup></i>
Amendments to IFRS 9	<i>Prepayment Features with Negative Compensation<sup>2</sup></i>
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture<sup>3</sup></i>
IFRS 15	<i>Revenue from Contracts with Customers<sup>1</sup></i>
Amendments to IFRS 15	<i>Clarifications to IFRS 15 Revenue from Contracts with Customers<sup>1</sup></i>
IFRS 16	<i>Leases<sup>2</sup></i>
Amendments to IAS 40	<i>Transfers of Investment Property<sup>1</sup></i>
IFRIC 22	<i>Foreign Currency Transactions and Advance Consideration<sup>1</sup></i>
IFRIC 23	<i>Uncertainty over Income tax Treatment<sup>2</sup></i>
Amendments to IFRS 1 included in Annual Improvements 2014-2016 Cycle	<i>First-time Adoption of International Financial Reporting Standards<sup>1</sup></i>
Amendments to IAS 28 included in Annual Improvements 2014-2016 Cycle	<i>Investments in Associates and Joint Ventures<sup>1</sup></i>

## 2. 編製基準及會計政策 (續)

### 2.3 已頒佈但尚未生效的國際財務報告準則

本集團並未於該等財務報表中應用下列已頒佈但尚未生效的新訂及經修訂國際財務報告準則。

國際財務報告準則第2號修訂本	以股份支付交易之分類及計量 <sup>1</sup>
國際財務報告準則第4號修訂本	採用國際財務報告準則第4號—保險合同時—併應用國際財務報告準則第9號—金融工具 <sup>1</sup>
國際財務報告準則第9號	金融工具 <sup>1</sup>
國際財務報告準則第9號修訂本	具有負補償之提前還款特性 <sup>2</sup>
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出售或注入資產 <sup>3</sup>
國際財務報告準則第15號	客戶合約收入 <sup>1</sup>
國際財務報告準則第15號修訂本	國際財務報告準則第15號的澄清客戶合約收入 <sup>1</sup>
國際財務報告準則第16號	租賃 <sup>2</sup>
國際財務報告準則第40號	轉讓投資物業 <sup>1</sup>
國際財務報告詮釋委員會第22號	外幣交易及預先考慮 <sup>1</sup>
國際財務報告詮釋委員會第23號	所得稅處理之不確定性 <sup>2</sup>
國際財務報告準則第1號修訂本(包括在2014年至2016年週期的年度改進內)	首次採納國際財務報告準則 <sup>1</sup>
國際會計準則第28號修訂(包括在2014年至2016年週期的年度改進內)	於聯營公司及合營公司的投資 <sup>1</sup>

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.3 Issued but not yet effective International Financial Reporting Standards (continued)

- 1 Effective for annual periods beginning on or after 1 January 2018
- 2 Effective for annual periods beginning on or after 1 January 2019
- 3 No mandatory effective date yet determined but available for adoption

Further information about those IFRSs that are expected to be applicable to the Group is as follows:

The IASB issued amendments to IFRS 2 in June 2016 that address three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding a certain amount in order to meet the employee's tax obligation associated with the share-based payment; and accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash-settled to equity-settled. The amendments clarify that the approach used to account for vesting conditions when measuring equity-settled share-based payments also applies to cash-settled share-based payments. The amendments introduce an exception so that a share-based payment transaction with net share settlement features for withholding a certain amount in order to meet the employee's tax obligation is classified in its entirety as an equity-settled share-based payment transaction when certain conditions are met. Furthermore, the amendments clarify that if the terms and conditions of a cash-settled share-based payment transaction are modified, with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as an equity-settled transaction from the date of the modification. The Group expects to adopt the amendments from 1 January 2018. The amendments are not expected to have any significant impact on the Group's financial statements.

## 2. 編製基準及會計政策 (續)

### 2.3 已頒佈但尚未生效的國際財務報告準則 (續)

- 1 於2018年1月1日或之後開始的年度期間生效
- 2 於2019年1月1日或之後開始的年度期間生效
- 3 並無釐定強制生效日期惟可供採納。

預期適用於本集團的該等國際財務報告準則的其他資料如下：

國際會計準則委員會於2016年6月頒佈國際財務報告準則第2號之修訂本，主要解決三個方面的問題：歸屬條件對計量現金結算以股份支付交易的影響；預扣若干金額以履行僱員與以股份支付有關的納稅義務，具有股份淨額結算特徵的以股份支付交易的分類；以及對於以股份支付交易的條款及條件所作修改導致其分類由以現金結算變更為以權益結算時的會計處理。該等修訂本闡明，在計量權益結算以股份支付時就歸屬條件所用的入賬方法亦適用於現金結算以股份支付。該等修訂本引入一項例外情況，對於預扣若干金額以履行僱員的納稅義務的具有股份淨額結算特徵的以股份支付交易，在符合若干條件時，可整體獲分類為以權益結算的股份支付交易。另外，該等修訂本闡明，倘因修改現金結算以股份支付交易的條件及條款導致其成為權益結算以股份支付交易，則交易自修改日期起作為一項權益結算交易入賬。本集團預期自2018年1月1日起採納該等修訂本。該等修訂本預期不會對本集團之財務報表產生任何重大影響。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.3 Issued but not yet effective International Financial Reporting Standards (continued)

In July 2014, the IASB issued the final version of IFRS 9, bringing together all phases of the financial instruments project to replace IAS 39 and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. The Group expects to adopt IFRS 9 from 1 January 2018. During 2017, the Group performed a high-level assessment of the impact of the adoption of IFRS 9. This preliminary assessment is based on currently available information and may be subject to changes arising from further detailed analyses or additional reasonable and supportable information being made available to the Group in the future. The expected impacts arising from the adoption of IFRS 9 are summarised as follows:

#### (a) Classification and measurement

Except for the available-for sales investments, financial assets held by the Group are measured at amortised cost. The Group does not expect the new guidance to significantly affect the classification and measurement of these financial assets.

The Group expects equity investments currently held as available for sale will be measured at fair value through other comprehensive income as the investments are intended to be held for the foreseeable future and the Group expects to apply the option to present fair value changes in other comprehensive income. Gains and losses recorded in other comprehensive income for the equity investments cannot be recycled to profit or loss when the investments are derecognised.

There will be no impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Group does not have any such liabilities.

## 2. 編製基準及會計政策 (續)

### 2.3 已頒佈但尚未生效的國際財務報告準則 (續)

於2014年7月，國際會計準則理事會頒佈國際財務報告準則第9號終訂本，收納各期金融工具項目，取代國際會計準則第39號及國際財務報告準則第9號所有先前版本。該準則引入有關分類及計量、減值及對沖會計的新規定。本集團預期於2008年1月1日起採納國際財務報告準則第9號。於2017年，本集團已就採納國際財務報告準則第9號進行高度評估。本初步評估乃根據現有可得資料作出，並視乎本集團日後可得之進一步詳細分析或額外合理及輔助資料而可能有所變動。採納國際財務報告準則第9號之預期影響概述如下：

#### (a) 分類及計量

除可供銷售投資及本集團所持財務資產乃按攤銷成本計量外，本集團並不預期新指引將對該等財務資產之分類及計量造成重大影響。

本集團預期現時持有可供銷售之股本投資將按公允價值計入其他全面收入，原因為該等投資擬於可見未來持有，而本集團預期於其他全面收入採納以呈列公允價值變動。倘投資獲終止確認，為股本投資於其全面收入記錄之收益及虧損不得重新計入損益。

由於新規定僅影響指定為按公允價值計入損益的金融負債之入賬，惟本集團並無任何該等負債，故其將不會對本集團金融負債的入賬產生影響。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.3 Issued but not yet effective International Financial Reporting Standards (continued)

#### (b) Impairment

IFRS 9 requires an impairment on debt instruments recorded at amortised cost or at fair value through other comprehensive income, lease receivables, loan commitments and financial guarantee contracts that are not accounted for at fair value through profit or loss under IFRS 9, to be recorded based on an expected credit loss model either on a twelve-month basis or a lifetime basis. The Group expects to apply the simplified approach and record lifetime expected losses that are estimated based on the present value of all cash shortfalls over the remaining life of all of its trade and other receivables. The Group will perform a more detailed analysis which considers all reasonable and supportable information, including forward-looking elements, for estimation of expected credit losses on its trade and other receivables upon the adoption of IFRS 9.

## 2. 編製基準及會計政策 (續)

### 2.3 已頒佈但尚未生效的國際財務報告準則 (續)

#### (b) 減值

國際財務報告準則第9號規定並無根據國際財務報告準則第9號按公允價值計入損益之項目以攤銷成本或按公允價值計入其他全面收入之債務工具、租賃應收款項、貸款承諾及財務擔保合約須作減值，並將根據預期信貸虧損模式按十二個月基準或可使用基準入賬。本集團預期採納簡化方式，並將根據於所有其貿易及其他應收款項餘下年期內之所有現金差額現值估計之可使用預期虧損入賬。本集團將進行更詳細分析，其將考慮所有合理及輔助資料（包括前瞻因素），以估計於採納國際財務報告準則第9號後其貿易及其他應收款項之預期信貸虧損。



## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.3 Issued but not yet effective International Financial Reporting Standards (continued)

Amendments to IFRS 10 and IAS 28 address an inconsistency between the requirements in IFRS 10 and in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to IFRS 10 and IAS 28 was removed by the IASB in December 2015 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for application now.

## 2. 編製基準及會計政策 (續)

### 2.3 已頒佈但尚未生效的國際財務報告準則 (續)

國際財務報告準則第10號及國際會計準則第28號修訂本針對國際財務報告準則第10號及國際會計準則第28號之間有關投資者與其聯營或合營公司之間的資產出售或注資兩者規定的不一致性。該等修訂規定，當投資者與其聯營或合營公司之間的資產出售或注資構成一項業務時，須確認全數收益或虧損。當交易涉及不構成一項業務的資產時，由該交易產生的收益或虧損於該投資者的損益內確認，惟僅以不相關投資者於該聯營或合營公司的權益為限。該等修訂即將應用。國際財務報告準則第10號及國際會計準則第28號修訂本的原強制生效日期於2015年12月已由國際會計準則理事會剔除，而新強制性生效日期將於完成對聯營公司及合營公司之更多會計審閱後釐定。然而，該等修訂現時可供採納。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.3 Issued but not yet effective International Financial Reporting Standards (continued)

IFRS 15 establishes a new five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The standard will supersede all current revenue recognition requirements under IFRSs. In April 2016, the IASB issued amendments to IFRS 15 to address the implementation issues on identifying performance obligations, application guidance on principal versus agent and licences of intellectual property, and transition. The amendments are also intended to help ensure a more consistent application when entities adopt IFRS 15 and decrease the cost and complexity of applying the standard. The Group will adopt HKFRS 15 from January 1, 2018 and plans to adopt the modified retrospective approach. The Group expects that the transitional adjustment to be made on 1 January 2018 upon initial adoption of IFRS 15 will not be material. During 2017, the Group has performed a detail assessment on the impact of the adoption of IFRS 15.

## 2. 編製基準及會計政策 (續)

### 2.3 已頒佈但尚未生效的國際財務報告準則 (續)

國際財務報告準則第15號確立一個新五步模型，以入賬處理客戶合約收入。根據國際財務報告準則第15號，收入乃按反映實體預期以向客戶轉讓貨品或服務所換取的代價金額確認。國際財務報告準則第15號的原則提供結構更完善的收入計量及確認方法。該準則亦引入廣泛定質及定量披露規定，包括分拆總收入、有關履行責任的資料、各期間合約資產及負債賬戶結餘的變動以及主要判斷及估計。該準則將凌駕國際財務報告準則所有現行收入確認規定。於2016年4月，國際會計準則理事會頒佈對國際財務報告準則第15號修訂本，以引入識別表現責任、委託人與代理的應用指引、知識產權許可及過渡安排的實施問題。該等修訂亦旨在幫助確保於實體採納國際財務報告準則第15號時更一致之應用及降低應用準則的成本及複雜性。本集團將自2018年1月1日起採納國際財務報告準則第15號並計劃採納經修改追溯方法。本集團預期將於2018年1月1日首次採納香港財務報告準則第15號後作出之過渡性調整並不重大。於2017年，本集團已對應用國際財務報告準則第15號的影響進行評估。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.3 Issued but not yet effective International Financial Reporting Standards (continued)

The Group's principal activities consist of development and operations of commercial properties, hotel operations. The expected impacts arising from the adoption of IFRS 15 are summarised as follow:

- The costs related directly to obtaining contracts with customers that would not have been incurred if the contracts had not been obtained, such as commission, will be eligible for capitalisation under IFRS 15 and will be amortised on a systematic basis consistent with the pattern of the transfer of the properties to which the assets related.

## 2. 編製基準及會計政策 (續)

### 2.3 已頒佈但尚未生效的國際財務報告準則 (續)

本集團的主要業務包括商用物業開發及營運、以及酒店營運。採納國際財務報告準則第15號的預期影響概述如下：

- 根據國際財務報告準則第15號，本集團為取得客戶合約而直接產生的、若未取得合同則不會產生的成本（如佣金）將可資本化，並按照與轉讓該資產之相關物業相一致之系統化基礎進行攤銷。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.3 Issued but not yet effective International Financial Reporting Standards (continued)

IFRS 16 replaces IAS 17 Leases, IFRIC 4 *Determining whether an Arrangement contains a Lease*, SIC-15 *Operating Leases – Incentives* and SIC-27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise assets and liabilities for most leases. The standard includes two recognition exemptions for lessees – leases of low-value assets and short-term leases. At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses unless the right-of-use asset meets the definition of investment property in IAS 40. The lease liability is subsequently increased to reflect the interest on the lease liability and reduced for the lease payments. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will also be required to remeasure the lease liability upon the occurrence of certain events, such as change in the lease term and change in future lease payments resulting from a change in an index or rate used to determine those payments. Lessees will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. Lessor accounting under IFRS 16 is substantially unchanged from the accounting under IAS 17. Lessors will continue to classify all leases using the same classification principle as in IAS 17 and distinguish between operating leases and finance leases.

## 2. 編製基準及會計政策 (續)

### 2.3 已頒佈但尚未生效的國際財務報告準則 (續)

國際財務報告準則第16號取代國際會計準則第17號租賃、國際財務報告詮釋委員會第4號釐定安排是否包括租賃、準則詮釋委員會第15號經營租賃－優惠及準則詮釋委員會第27號評估涉及租賃法律形式交易的內容。該準則載列確認、計量、呈列及披露租賃的原則，並要求承租人就大多數租賃確認資產及負債。該準則包括給予承租人兩項租賃確認豁免－低價值資產租賃及短期租賃。於租賃開始日期，承租人將確認於租賃期作出租賃付款為負債（即租賃負債）及代表可使用相關資產的權利為資產（即有使用權資產）。除非有使用權資產符合國際會計準則第40號投資物業的定義，有使用權資產其後按成本減累計折舊及任何減值虧損計量。租賃負債其後會就反映租賃負債利息而增加及因租賃付款而減少。承租人將須分別確認租賃負債的利息開支及有使用權資產的折舊開支。承租人將亦須於若干事件發生時重新計量租賃負債，例如由於租賃期變更或用於釐定該等付款的一項指數或比率變更而引致未來租賃付款變更。承租人一般將重新計量租賃負債的數額確認為有使用權資產的調整。國際財務報告準則第16號大致沿用國際會計準則第17號內出租人的會計處理方式。出租人將繼續使用與國際會計準則第17號相同的分類原則對所有租賃進行分類，並將之分為經營租賃及融資租賃。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.3 Issued but not yet effective International Financial Reporting Standards (continued)

The Group expects to adopt IFRS 16 on 1 January 2019, IFRS 16 will result in almost all leases being recognised on the consolidated statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The accounting for lessors will not significantly change.

The standard will affect primarily the accounting for Group's operating leases. As at 31 December 2017, the Group has non-cancellable operating lease commitments of RMB405,019,000 (31 December 2016: RMB29,087,000) (Note 34).

## 2. 編製基準及會計政策 (續)

### 2.3 已頒佈但尚未生效的國際財務報告準則 (續)

本集團預期於2019年1月1日採納國際財務報告準則第16號，國際財務報告準則第16號將導致大部份租賃於綜合財務狀況表內確認，因為經營租賃與融資租賃的區分已被剔除。根據新準則，資產（租賃項目之使用權）及支付租金之金融負債予以確認。唯一例外情況是短期低價值租賃。

出租人之會計處理並無出現重大變動。

該準則將主要影響本集團經營租賃之會計處理。於2017年12月31日，本集團之不可撤銷經營租賃承擔為人民幣405,019,000元（2016年12月31日：人民幣29,087,000元）（附註34）。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.3 Issued but not yet effective International Financial Reporting Standards (continued)

IFRIC 23, issued in June 2017, addresses the accounting for income taxes (current and deferred) when tax treatments involve uncertainty that affects the application of IAS 12 (often referred to as “uncertain tax positions”). The interpretation does not apply to taxes or levies outside the scope of IAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specifically addresses (i) whether an entity considers uncertain tax treatments separately; (ii) the assumptions an entity makes about the examination of tax treatments by taxation authorities; (iii) how an entity determines taxable profits or tax losses, tax bases, unused tax losses, unused tax credits and tax rates; and (iv) how an entity considers changes in facts and circumstances. The interpretation is to be applied retrospectively, either fully retrospectively without the use of hindsight or retrospectively with the cumulative effect of application as an adjustment to the opening equity at the date of initial application, without the restatement of comparative information. The Group expects to adopt the interpretation from 1 January 2019. The interpretation is not expected to have any significant impact on the Group’s financial statements.

## 2. 編製基準及會計政策 (續)

### 2.3 已頒佈但尚未生效的國際財務報告準則 (續)

國際財務報告詮釋委員會第23號於2017年6月頒佈，闡述當處理稅務涉及及影響應用國際會計準則第12號之不確定性（俗稱「不確定稅務狀況」）時之（即期及遞延）所得稅之會計處理。該詮釋不適用於國際會計準則第12號範圍以外之稅項或徵費，亦不具體包括與不確定稅務處理相關之利息及罰款之規定。該詮釋具體針對(i)實體是否分開考慮不確定稅務處理；(ii)主體對稅務機關審查稅務處理所作假設；(iii)實體如何釐定應課稅溢利或稅項虧損、稅基、未動用稅項虧損、未動用稅項抵免及稅率；及(iv)實體如何考慮事實及情況之變化。該詮釋應以全面回溯並不使用後見之明或連同應用之累積影響（作為初次應用之日期之期初股本之調整項目）回溯地應用，並無須重述比較資料。本集團預期將於2019年1月1日起事前採納該等詮釋。該等詮釋預期不會對本集團之財務報表產生任何重大影響。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies

#### Investments in joint ventures

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

The Group's share of the post-acquisition results and other comprehensive income of joint ventures is included in the consolidated statement of profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its joint ventures are eliminated to the extent of the Group's investments in the joint ventures, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of joint ventures is included as part of the Group's investments in joint ventures.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要

#### 於合營公司的投資

聯營公司為本集團持有其一般不少於20%投票權的長期股本權益，並可對其施以重大影響的實體。重大影響乃指可參與投資對象的財務及營運政策決策之權力，惟對該等政策並無控制權或共同控制權。

合營公司指一種合營安排，據此，對安排擁有共同控制權之訂約方對合營公司之資產淨值擁有權利。共同控制指按照合約協定對一項安排所共有之控制，僅在有關活動要求享有控制權之訂約方作出一致同意之決定時存在。

本集團於合營公司的投資乃根據權益會計法按本集團所佔資產淨值減任何減值虧損於綜合財務狀況表列賬。倘若會計政策存在任何不一致，將會作出相應調整。

綜合損表及其他綜合全面收益表分別包括本集團應佔共同控制實體收購後的業績及合營公司的其他全面收益。此外，倘一項變動直接於合營公司權益中確認，本集團將於綜合權益變動表內確認任何應佔變動（倘適用）。因本集團與其合營公司的交易而產生的未變現溢利及虧損乃以本集團於合營公司的投資為限而對銷，除非未變現的虧損提供所轉讓資產的減值證據。自收購合營公司產生的商譽屬於本集團於合營公司投資的一部份。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Investments in joint ventures (continued)

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When an investment in a joint venture is classified as held for sale, it is accounted for in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

#### Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed 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. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 於合營公司的投資 (續)

若於聯營公司的投資變成於合營公司的投資 (反之亦然) · 保留溢利將不會重新計量。取而代之 · 投資繼續根據權益法入賬。於所有其他情況下 · 於失去對聯營公司的重大影響或對合營公司的重大影響後 · 本集團按公允價值計量及確認任何保留投資。於失去重大影響或共同控制後聯營公司及合營公司賬面值與保留投資公允價值之間的任何差額及出售所得款項於損益確認。

若於合營公司的投資分類為持有作出售 · 則會根據國際財務報告準則第5號持作出售之非流動資產及已終止經營業務入賬。

#### 業務合併及商譽

業務合併乃採用收購法處理。業務合併中轉讓的代價乃按收購日之公允價值計量 · 該公允價值乃按本集團所轉讓的資產 · 本集團向被收方購的前任所有人承擔的負債及本集團發行以交換被收購方之控制權之股本權益於收購日的公允價值之和。就每次業務合併而言 · 本集團選擇是否以公允價值或被收購方可識別資產淨值的應佔比例 · 計算於被收購方屬現時擁有人權益的非控股權益並賦予擁有人權利於清盤時按比例分佔實體淨資產的非控股權益。非控股權益之一切其他成分乃按公允價值計量。與收購相關的成本於產生時列為開支。



## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Business combinations and goodwill (continued)

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 業務合併及商譽 (續)

當本集團收購一項業務時，根據合約條款、經濟環境及於收購日的相關條件為適當分類及名稱評估所承擔的金融資產及負債。此項評估包括被收購方將主合約內的嵌入式衍生工具分開。

倘企業合併分階段進行，先前持有的股權按收購日期的公允價值重新計量，而任何因此產生的收益或虧損於損益中確認。

由收購方將予轉讓的任何或然代價將於收購日期按公允價值確認。或然代價如被分類為資產或負債，則按公允價值計量，有關公允價值變動確認於損益。分類為權益的或然代價並無重新計量，而其後結算於權益中入賬。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Business combinations and goodwill (continued)

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 業務合併及商譽 (續)

商譽初步按成本計量，成本乃所轉讓的代價、就非控股權益確認的金額及本集團以往於被收購方持有的股本權益的任何公允價值的總和超過所收購的可識別淨資產及所承擔的負債的差額。如代價及其他項目之和低於所收購資產淨值的公允價值，在重新評估後，差額作為討價還價採購之收益於損益中確認。

在初步確認後，商譽按成本減任何累計減值虧損計量。商譽至少每年進減值測試一次或應任何事項的發生或環境的變化顯示賬面值可能發生減值時更頻繁地進行減值測試。本集團於12月31日進行商譽之年度減值測試。就減值測試而言，於業務合併中所收購的商譽自收購日起分配至本集團各現金產出單元或現金產出單元組，該現金產出單元或單元組預期將從合併協同效益中獲益，而無視是否有其他本集團資產或負債被分配至該等現金產出單元或單元組。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Business combinations and goodwill (continued)

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

#### Fair value measurement

The Group measures its investment properties, derivative financial instruments and equity investments at fair value at the end of each reporting period. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 業務合併及商譽 (續)

是否發生減值是通過評估商譽相關現金產出單元(組)的可收回金額決定,倘現金產出單元(組)之可收回金額低於該單元(組)之賬面值,則確認商譽減值虧損。商譽減值虧損不會在後續的期間被轉回。

倘商譽分配至現金產出單元(或現金產出單元組),而該單位業務的一部份被出售,則在計算出售收益或虧損時,與被出售業務相關的商譽將計入該業務的賬面值。如此出售的商譽基於被出售業務與現金產出單元餘留業務的相對值計量。

#### 公允價值計量

本集團於各報告期末按公允價值計量其投資物業、衍生金融工具和股權投資。公允價值為於計量日期市場參與者在有序交易中出售資產可收取或轉讓負債須支付之價格。公允價值計量乃基於假設於資產或負債的主要市場,或倘無主要市場,則於資產或負債最有利的市場進行出售資產或轉讓負債的交易而釐定。主要或最有利市場須由本集團評估。一項資產或負債的公允價值於計量時乃採用市場參與者於對資產或負債定價時採用的假設,並假設市場參與者以其最佳經濟利益行事。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Fair value measurement (continued)

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.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 公允價值計量 (續)

非金融資產的公允價值計量乃考慮市場參與者通過將資產用途最佳及最大化或將其出售予另外能將資產用途最佳及最大化的參與者而產生經濟利益的能力。

本集團使用當時適當的估值技術及有充足的數據可供計量公允價值，最大化使用相關可觀察數據及減少使用不可觀察數據。

用於計量或披露公允價值的所有資產及負債於公允價值架構內分類，如下所述，乃基於對公允價值計量整體而言相當重大的最低等級輸入而釐定：

- 第一級 – 基於相同資產或負債於活躍市場的報價（未經調整）
- 第二級 – 基於最低等級輸入可直接或間接觀察且對公允價值計量有重大影響的估值方法
- 第三級 – 基於最低等級輸入不可觀察且對價值計量有重大影響的估值方法

就按經常發生基準於財務報表確認的資產及負債而言，本集團於各報告期末通過重新評估類別（根據對公允價值計量整體而言屬重大的最低級別數據）釐定各層級之間是否發生轉移。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, deferred tax assets, financial assets, completed properties held for sale, properties under development, investment properties and non-current assets/a disposal group classified as held for sale), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the statement of profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 非金融資產減值

如果一項資產(除了存貨、遞延稅項資產、金融資產、持作銷售已落成物業、開發中物業、投資物業及非流動資產/分類為持作銷售的出售組別)存在減值跡象,或需要進行年度減值測試,則需估計該資產的可收回金額。資產可收回金額按該資產或現金產出單元的使用價值和公允價值減出售費用兩者中的較大者計算,並按單個資產單獨確認,除非該資產不能產生基本上獨立於其他資產或資產組所產生的現金流入,這種情況下,可確認該資產所屬的現金產出單元的可收回金額。

只有資產賬面金額超過其可收回金額時,才確認減值虧損。評估使用價值時,採用反映當前市場對資金時間價值和資產的特定風險的估價的稅前折現率,將估計未來現金流量折成現值。減值虧損於發生當期計入損益表,並保持一致。若資產按經重估金額列值,則減值虧損按照該經重估資產的有關會計政策入賬。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Impairment of non-financial assets (continued)

An assessment is made at the end of each reporting period as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

#### Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
  - (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 非金融資產減值 (續)

於每一報告期末評估是否有跡象表明以前確認的減值虧損可能已不存在或可能降低。如果存在上述跡象，則對可收回金額進行估計。對於一項除商譽以外的資產來說，只有在用於確認該資產可收回金額的估計發生變動時，以前確認的減值虧損才能轉回，但是由於該等資產的減值虧損的轉回而增加的資產賬面金額，不應高於資產以前年度沒有確認減值虧損時的賬面金額（減去任何折舊／攤銷）。這種減值虧損的轉回計入其發生當期的損益表，若資產按經重估金額列值，則減值虧損的轉回按照該經重估資產的有關會計政策入賬。

#### 關聯方

在下列情況下，以下各方被視為與本集團有關連：

- (a) 如有以下情況的個人及其近親
  - (i) 能夠控制或共同控制本集團；
  - (ii) 能夠對本集團行使重大影響；或
  - (iii) 為本集團或本集團母公司的主要管理人員；

或

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Related parties (continued)

- (b) the party is an entity where any of the following conditions applies:
- (i) the entity and the Group are members of the same group;
  - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
  - (iii) the entity and the Group are joint ventures of the same third party;
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
  - (vi) the entity is controlled or jointly controlled by a person identified in (a);
  - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
  - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 關聯方 (續)

- (b) 如有以下情況的實體：
- (i) 該實體與本集團為同一集團內成員；
  - (ii) 一家實體為另一家實體（或該實體的母公司、附屬公司或同系附屬公司）的聯營公司或共同控制實體；
  - (iii) 該實體與本集團為同一第三方的合營公司；
  - (iv) 一家實體為第三方的合營公司，而另一家實體為該第三方實體的聯營公司；
  - (v) 該實體為本集團或與本集團有關連的公司僱員終止受僱後福利計劃受益人；
  - (vi) 該實體由(a)節界定的人士控制或共同控制；
  - (vii) (a)(i)節界定的個人對該實體能夠實施重大影響，或該人士為該實體或該實體的母公司的主要管理人員；及
  - (viii) 實體或其所屬集團之任何成員公司向本集團或本集團之母公司提供主要管理人員服務。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Property and equipment and depreciation

Property and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property and equipment.

Cost may also include transfer from equity for any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Expenditure incurred after items of property and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Valuations are performed frequently enough to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Changes in the values of property and equipment are dealt with as movements in the asset revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on an individual asset basis, the excess of the deficit is charged to the statement of profit or loss. Any subsequent revaluation surplus is credited to the statement of profit or loss to the extent of the deficit previously charged. An annual transfer from the asset revaluation reserve to retained profits is made for the difference between the depreciation based on the revalued carrying amount of an asset and the depreciation based on the asset's original cost. On disposal of a revalued asset, the relevant portion of the asset revaluation reserve realised in respect of previous valuations is transferred to retained profits as a movement in reserves.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 物業及設備及折舊

物業及設備（在建工程除外）乃按成本值減累計折舊及任何減值虧損入賬。物業及設備的成本包括其購買價及任何使資產達至營運狀況及地點以作計劃用途的直接相關成本。成本亦可能包括轉撥自股本的物業及設備外幣購置項目的合資格現金流量對沖所產生任何收益或虧損。

成本亦可包括由權益轉撥的外幣購買物業、廠房及設備符合作現金流量對沖的任何收益或虧損。

物業及設備項目投產後產生的支出，如維修及保養費用等，一般計入產生期間損益的損益表。倘達到確認標準，則重大檢查的開支會於資產賬面值中資本化作為替換。倘須定期替換大部份物業及設備，則本集團會將該等部份確認為有特定可使用年期的個別資產並將其折舊。

估值乃足頻密地進行以確保重估資產之公允價值與其賬面值不會有重大差異。物業及設備之價值變動作物業重估儲備變動處理。如按個別資產基準，此儲備之總數不足以彌補虧絀，則超逾虧絀之數在損益表扣除。其後任何重估盈餘計入損益表，惟以過往扣除之虧絀為限。基於資產經重估賬面值之折舊與基於該項資產原來成本之折舊之差額部份，每年會由物業重估儲備轉撥至保留溢利。出售一項重估資產時，於以往估值實現之資產重估儲備之有關部份乃轉入保留溢利，作為儲備之變動處理。



## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Property and equipment and depreciation (continued)

Depreciation is calculated on the straight-line basis to write off the cost of each item of property and equipment to its residual value over its estimated useful life. The estimated residual values and useful lives for this purpose are as follows:

	Useful lives	Residual values
Buildings	20 years	5% to 10%
Hotel properties	40 years	5% to 10%
Office equipment	5 years	5%
Motor vehicles	5 years	5%
Leasehold improvements	Shorter of the lease terms and 5 years	–

Where parts of an item of property and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 物業及設備及折舊 (續)

折舊乃按每項物業及設備的估計可使用年期，以直線法扣減其成本值，並扣除任何估計殘值。就此採用的估計剩餘價值及可使用年限如下：

	可使用年限	剩餘價值
樓宇	20年	5%至10%
酒店物業	40年	5%至10%
辦公室設備	5年	5%
汽車	5年	5%
租賃物業裝修	按租期及5年之較短者	–

倘部份物業及設備項目擁有不同可使用年期，則該項目的成本乃以合理基準在各部份分配及各部份分別計提折舊。

殘值、可使用年期及折舊方法乃於各財政年度結算日經審核及適當調整。

倘預計使用或銷售物業及設備項目將不能帶來任何未來經濟利益，則初始確認的物業及設備及任何重大部份須終止確認。於該資產終止確認的年度，出售或報廢該資產的任何收益或虧損，按有關資產銷售所得款項淨值與有關資產賬面值兩者間的差額於損益表確認。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Property and equipment and depreciation (continued)

Construction in progress represents a building under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property and equipment when completed and ready for use.

#### Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for a property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Investment properties comprise completed investment properties and investment properties under construction. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair values of investment properties are included in the statement of profit or loss in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the statement of profit or loss in the year of the retirement or disposal.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 物業及設備及折舊 (續)

在建工程指在建樓宇，乃按成本減任何減值虧損列賬且並無折舊。成本包括於建造期間內之直接建造成本及相關借入資金之已資本化借入成本。在建工程乃於竣工且可供使用時重新分類至物業、機器及設備。

#### 投資物業

投資物業是指以獲得租賃收入及／或資本增值為目的，而非用於生產或提供產品或服務或管理用途或於日常業務過程的銷售而持有土地及樓宇的權益（包括以經營租賃持有但在其他方面均符合投資物業定義的租賃物業權益）。投資物業包括已落成投資物業及在建投資物業。該等物業最初以包括交易成本的成本計量。於初始確認後，投資物業按反映報告期末市況的公允價值列賬。

投資物業公允價值變動所產生的收益或虧損，於其產生年度計入損益表。

投資物業報廢或出售時形成的收益或虧損於報廢或出售的年度損益表中確認。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Investment properties (continued)

For a transfer from investment properties to owner-occupied properties or investment properties for disposal, the deemed cost of a property for subsequent accounting is its fair value at the date of change in use. If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under "Property and equipment and depreciation" up to the date of change in use, and any difference at that date between the carrying amount and the fair value of the property is accounted for as a revaluation in accordance with the policy stated under "Property and equipment and depreciation" above. For a transfer from properties under development or completed properties held for sale to investment properties, any difference between the fair value of the property at that date and its previous carrying amount is recognised in profit or loss.

The Group determines whether completed properties held for sale and properties under development would be transferred to investment properties when, only when, there is a change in use, evidenced by the following criteria: (a) the Group has prepared a business plan that reflects the future rental income generated by the property and this is supported with evidence that there is demand for rental space; (b) the Group can demonstrate that it has the resources, including the necessary financing or capital, to hold and manage an investment property; (c) the change in use is legally permissible; (d) if the property must be further developed for the change in use, the development has commenced and (e) change in use is approved by the board.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 投資物業 (續)

由投資物業轉為自用物業或待售投資物業時，該物業其後會計之認定成本為改變用途當日之公允價值。如本集團之自用物業轉為投資物業，本集團直至改變用途當日前會根據「物業及設備及折舊」所述之政策把該物業入賬，而於當日物業的賬面值與公允價值之任何差額則根據上述「物業及設備及折舊」所述之政策列作重估。由開發中物業及持作銷售已落成物業轉撥至投資物業時，該物業於當日的賬面值與先前的公允價值之任何差額於損益中確認。

本集團釐定持作銷售已落成物業及開發中物業是否轉撥至投資物業，當且僅當用途出現變更且由如下標準加以佐證時：(a)本集團已擬訂反映物業日後租金收入的業務計劃，並有租賃需求證據作支持；(b)本集團能證明其有資源（包括必要融資或資本）持有及管理投資物業；(c)法律允許變更用途；(d)如須進一步發展物業以改變物業用途，則已開始相關發展及(e)董事會批准變更用途。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Properties under development

Properties under development are stated at the lower of cost and net realisable value and comprise land costs, construction costs, borrowing costs, professional fees and other costs directly attributable to such properties incurred during the development period.

Properties under development which are intended to be held for sale and expected to be completed within 12 months from the end of the reporting period are classified as current assets.

Properties under development which are intended to be held for sale and expected to be completed beyond 12 months from the end of the reporting period are classified as non-current assets.

#### Completed properties held for sale

Completed properties held for sale are stated at the lower of cost and net realisable value. Cost is determined by an apportionment of the total costs of land and buildings attributable to the unsold properties. Net realisable value takes into account the selling price, less estimated costs to be incurred in selling the properties based on prevailing market conditions.

#### Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the statement of profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to the statement of profit or loss on the straight-line basis over the lease terms.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 開發中物業

開發中物業乃按成本及可變現淨值兩者的較低者列賬，包括土地成本、建築成本、借入成本、專業費用及該物業於開發期間直接應佔的其他成本。

計劃持作銷售並預期由報告期末起計會在12個月內完成的開發中物業列為流動資產。

計劃持作銷售並預期由報告期末起計會在12個月以後完成的開發中物業列為非流動資產。

#### 持作銷售已落成物業

持作銷售已落成物業按成本及可變現淨值兩者的較低者列賬。成本按待售物業應佔土地及樓宇總成本的比例釐定。可變現淨值已基於現行市況，考慮銷售價格，並減去估計銷售物業所產生的成本。

#### 經營租賃

將資產擁有權的所有報酬及風險實質歸出租人所有的租賃，均列作經營租賃。倘本集團為出租人，則本集團根據經營租賃出租的資產計入非流動資產，而根據經營租賃的應收租金則在總租期內以直線法計入損益表。倘本集團為承租人，則經營租賃的應付租金（扣除任何從出租人所得之已收獎勵）在總租期內以直線法計入損益表。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Operating leases

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property and equipment.

#### Investments and other financial assets

##### *Initial recognition and measurement*

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables, and available-for-sale financial investments, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. When financial assets are recognised initially, they are measured at fair value plus transaction costs that are attributable to the acquisition of the financial assets, except in the case of financial assets recorded at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

##### *Subsequent measurement*

The subsequent measurement of financial assets depends on their classification as follows:

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 經營租賃

經營租賃項下的預付土地租金款項最初按成本列報，並於其後以直線法在租約年期內確認。

倘租賃付款無法可靠地在土地及樓宇之間進行分配，所有租賃付款會作為物業及設備之融資租賃列作該土地及樓宇之成本。

#### 投資及其他金融資產

##### *初始確認及計量*

金融資產於初始確認時分類為按公允價值計入損益的金融資產、貸款及應收款項和可供出售金融資產，或分類為指定於實際對沖中作對沖工具的衍生工具（如適用）。金融資產於在初始確認時都以公允價值加上收購金融資產產生的交易成本計量，惟按公允價值計入損益記錄的金融資產除外。

所有金融資產常規買賣均於交易日確認，即本集團承諾購買或者出售該項資產的日期。所謂常規買賣乃指需按法規規定或市場慣例在一定期間內交付資產的金融資產買賣。

##### *其後計量*

其後計量的金融資產視其以下分類而定：

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Investments and other financial assets (continued)

##### *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments as defined by IAS 39.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with positive net changes in fair value presented as other income and gains and negative net changes in fair value presented as finance costs in the statement of profit or loss. These net fair value changes do not include any dividends or interest earned on these financial assets, which are recognised in accordance with the policies set out for “Revenue recognition” below.

Financial assets designated upon initial recognition as at fair value through profit or loss are designated at the date of initial recognition and only if the criteria in IAS 39 are satisfied.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated as at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in the statement of profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 投資及其他金融資產 (續)

##### *按公允價值計入損益的金融資產*

按公允價值計入損益的金融資產包括持作交易的金融資產及於初始確認後指定為按公允價值計入損益的金融資產。倘購買金融資產的目的為於近期購回，則金融資產應分類為持作交易用途。除非被指定為對沖國際會計準則第39號所界定關係的對沖工具，否則衍生工具（包括嵌入衍生工具）亦分類為持作交易用途。

按公允價值計入損益的的金融資產於財務狀況表中按公允價值列賬，而公允價值正變動淨額則於損益表中呈列為其他收入及收益，公允價值負變動淨額則呈列為財務成本。該等公允價值變動淨額不包括該等金融資產根據下文「收入確認」所載政策確認賺取之任何股息或利息。

僅在滿足國際會計準則第39號之標準時，於初始確認日將金融資產指定為按公允價值計入損益的金融資產。

嵌入主合約之衍生工具入賬列作獨立衍生工具，倘其經濟特徵及風險與主合約的經濟特徵及風險並無密切聯繫且主合約並非持作買賣或指定按公允價值計入損益，則按公允價值入賬。該等嵌入式衍生工具按公允價值計量，公允價值的變動於損益表中確認。僅在合約條款變動大幅改變現金流量或在金融資產按公允價值重新分類至損益類別時方會按要求重新評估。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Investments and other 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. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other income and gains in the statement of profit or loss. The loss arising from impairment is recognised in the statement of profit or loss in finance costs for loans and in other expenses for receivables.

##### *Available-for-sale financial investments*

Available-for-sale financial investments are non-derivative financial assets in listed and unlisted equity investments and debt securities. Equity investments classified as available for sale are those which are neither classified as held for trading nor designated as at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in market conditions.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 投資及其他金融資產 (續)

##### *貸款及應收款項*

貸款及應收款項指具有固定或可確定回收金額的但缺乏活躍市場的非衍生金融資產。初始計量後，該等資產的價值其後以實際利率法計算的攤餘成本減去任何減值準備確定。計量攤餘成本時已考慮到獲得時產生的任何折價或溢價，包括構成實際利率及交易成本的費用。實際利率攤銷計入損益表中的其他收益內。減值虧損在損益表的貸款財務成本及其他應收款項開支中確認。

##### *可供出售金融投資*

可供出售金融投資為上市及非上市投資及股本證券中的非衍生金融資產。分類為持作銷售的權益投資指既不是分類為持作交易亦非指定以公允價值計量且變動計入檔期損益的資產。此類別中的債務證券指擬持作不確定期限且可因應流動性需要或市況變動出售的資產。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Investments and other financial assets (continued)

##### Available-for-sale financial investments (continued)

After initial recognition, available-for-sale financial investments are subsequently measured at fair value, with unrealised gains or losses recognised as other comprehensive income in the available-for-sale investment revaluation reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in the statement of profit or loss in other income, or until the investment is determined to be impaired, when the cumulative gain or loss is reclassified from the available-for-sale investment revaluation reserve to the statement of profit or loss in other gains or losses. Interest and dividends earned whilst holding the available-for-sale financial investments are reported as interest income and dividend income, respectively, and are recognised in the statement of profit or loss as other income in accordance with the policies set out for “Revenue recognition” below.

When the fair value of unlisted equity investments cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such investments are stated at cost less any impairment losses.

The Group evaluates whether the ability and intention to sell its available-for-sale financial assets in the near term are still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets, the Group may elect to reclassify these financial assets if management has the ability and intention to hold the assets for the foreseeable future or until maturity.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 投資及其他金融資產 (續)

##### 可供出售金融投資 (續)

初始確認後，可供出售金融投資其後按公允價值計量，而未變現收益或損失於可供出售投資重新估值儲備內確認為其他全面收益，直到該投資終止確認（此時累計收益或虧損於損益表的其他收益內確認），或直到該投資被認定發生減值（此時累計收益或虧損從可供出售投資重估儲備重新分類至損益表的其他收益或虧損內）。根據下文「收入確認」所載的政策，當持有可供出售投資所賺取的利息及股息作為其他收入記入損益表，並分別列示為利息收入及股息收入。

倘非上市的權益性投資的公允價值由於(a)合理的公允價值估計數範圍的變動對於該投資影響重大或(b)符合該範圍的多種估計數不能合理評估並用於估計公允價值，而導致公允價值不能可靠計量，則此類投資按成本減去任何減值虧損入賬。

本集團評估在短期內將可供出售金融資產出售之能力及意圖是否仍然適用。當（於罕見情況下）交易市場不活躍致使本集團無法買賣該等金融資產時，倘管理層有能力及有意持有該等資產至可預見將來或直至到期，本集團或會對其進行重新分類。



## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Investments and other financial assets (continued)

##### Available-for-sale financial investments (continued)

For a financial asset reclassified from the available-for-sale category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the effective interest rate. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the effective interest rate. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the statement of profit or loss.

#### Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the assets.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 投資及其他金融資產 (續)

##### 可供出售金融投資 (續)

就某項金融資產在可供出售金融資產中重新分類時，於重新分類當日之公允價值賬面值轉為其新攤銷成本，而該資產相關之任何過往收益或損失，在投資之剩餘年限按照實際利率攤銷至損益。經攤銷之新成本與到期款項之間之差額亦應在該資產之剩餘年限按照實際利率攤銷。倘該資產其後釐定減值，當時計入權益之金額則重新分類至損益表。

#### 終止確認金融資產

金融資產（或（倘適用）一項金融資產之一部份或一組同類金融資產之一部份）在下列情況將首先終止確認（即自本集團綜合財務狀況表剔除）：

- 收取該項資產所得現金流量的權利已屆滿；或
- 本集團已轉讓其收取該項資產所得現金流量的權利，或須根據一項「轉付」安排，有責任在無重大延誤情況下將所收取現金流量悉數支付予第三方；及 (a) 本集團已轉讓該項資產的絕大部份風險及回報，或 (b) 本集團並無轉讓或保留該項資產的絕大部份風險及回報，但已轉讓該項資產的控制權。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Derecognition of financial assets (continued)

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

#### Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that occurred after the initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 終止確認金融資產 (續)

當本集團已轉讓其收取該項資產所得現金流量的權利或已訂立一項轉付安排，會評估其有否保留該項資產的大部份風險和回報，以及其程度。如本集團並無轉讓或保留該項資產的絕大部份風險及回報，且並無轉讓該項資產的控制權，本集團將按本集團的持續參與程度而繼續確認轉讓資產。在此情況下，本集團亦確認相關負債。已轉讓的資產及相關負債按反映本集團已保留的權利及責任的基準計量。

以轉讓資產擔保方式之持續參與按資產之原賬面值與本集團可能被要求償還之對價最高金額之較低者計量。

#### 金融資產的減值

本集團於每個報告期末對金融資產進行評價，以判斷是否存在客觀證據表明某項金融資產或某組金融資產可能已經發生減值。倘於初始確認後發生一個或多個事件致使某項金融資產或一組金融資產的預計未來現金流量受影響，且該影響金額可以可靠估計，則存在減值。發生減值的證據可能包括債務人或一組債務人出現重大財政困難，違約或拖欠利息或本金支付，有面臨破產或進行其他財務重組之可能以及有公開資料表明其預計未來現金流量確已減少且可靠計量，如債務人支付能力或所處經濟環境逐步惡化。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Impairment of financial assets (continued)

##### *Financial assets carried at amortised cost*

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in the statement of profit or loss. Interest income continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 金融資產的減值 (續)

##### *按攤銷成本入賬的金融資產*

就按攤銷成本入賬的金融資產，本集團首先對個別重大的金融資產單獨進行評估是否存在減值，或對個別不重大的金融資產共同進行評估。如果本集團認定單獨評估的金融資產之客觀減值證據並不存在，無論其金額是否重大，其應當包括在具有類似信用風險特性的金融資產組合內進行減值測試。已單獨進行減值測試及已確認減值虧損或繼續確認減值虧損的金融資產，不應包括在金融資產組合中進行減值測試。

任何已識別減值虧損的金額按該資產的賬面值與所估計未來現金流量（不包括尚未發生的未來信貸虧損）的現值兩者的差額計算。估計未來現金流量的現值按該金融資產的原實際利率（即初始確認時使用的實際利率）折現。

該資產的賬面值可透過使用備抵賬方式予以削減，而虧損則於損益表確認。利息收入應繼續按照計量減值虧損時對未來現金流量進行折現採用的折現率為基準按減少後的賬面值計算。當未來收回的前景甚微時，或所有抵押品已變現或轉至本集團，該貸款及應收款項及有關撥備須予撇銷。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Impairment of financial assets (continued)

##### *Financial assets carried at amortised cost (continued)*

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to the statement of profit or loss.

##### *Assets carried at cost*

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, or on a derivative asset that is linked to and must be settled by delivery of such an unquoted equity instrument, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset and recognised in the statement of profit or loss. Impairment losses on these assets are not reversed.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 金融資產的減值 (續)

##### *按攤銷成本入賬的金融資產 (續)*

倘在後續期間，在減值虧損確認後發生致使估計減值虧損金額增加或減少的事件，則會調整備抵賬以增加或減少先前確認的減值虧損。倘撇銷其後收回，則收回金額記入損益表中。

##### *按成本值入賬的資產*

倘有客觀證據顯示因公允價值未能可靠計算而不以公允價值入賬的非上市權益工具或與其掛鉤衍生工具資產產生減值虧損及必須交付該項非上市權益工具而結算，則虧損金額按該資產的賬面值與以同類金融資產按當前市場利率折算的估計未來現金流量現值的差額計算並於損益表內確認。該等資產的減值虧損不予轉回。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Impairment of financial assets (continued)

##### *Available-for-sale financial investments*

For available-for sale financial investments, the Group assesses at the end of each reporting period whether there is objective evidence that an investment or a group of investments is impaired.

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortization) and its current fair value, less any impairment loss previously recognised in the statement of profit or loss, is removed from other comprehensive income and recognized in the statement of profit or loss.

#### Financial liabilities

##### *Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, an amount due to the ultimate holding company, derivative financial instruments and interest-bearing bank and other borrowings.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 金融資產的減值 (續)

##### *可供出售金融資產*

就可供出售金融投資而言，目標集團將於各報告期末評估一項投資或一組投資有否出現客觀減值跡象。

倘可供出售之資產減值，包括其成本（扣除任何本金付款及攤銷）與現時公允價值之差額在扣除先前於損益表確認之任何減值虧損後之金額，從其他綜合收益中剔除並於損益表內確認。

#### 金融負債

##### *初始確認與計量*

金融負債於初始確認時被分類為以公允價值計量且變動計入損益之金融負債、貸款及借款，或被指定為一項有效套期保值工具之衍生品（如適用）。

初始確認所有金融負債時，按公允價值計量，如果是貸款及借款，則須扣除直接歸屬之交易費用。

本集團的金融負債包括應付貿易賬款及其他應付款、應付最終控股公司款項、衍生金融工具以及計息銀行貸款及其他借款。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Financial liabilities (continued)

##### *Subsequent measurement*

The subsequent measurement of financial liabilities depends on their classification as follows:

##### *Loans and borrowings*

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

#### Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 金融負債 (續)

##### *其後計量*

金融負債按其分類之其後計量如下：

##### *貸款及借款*

在初始確認後，計息貸款及借款其後採用實際利率法按攤銷成本計量，除非折現影響不重大，這種情況下，它們按成本計量。在終止確認負債以及透過實際利率進行攤銷程序時，收益及虧損於損益表中確認。

攤銷成本按照考慮任何折現或收購溢價以及作為實際利率一部份之費用或成本計算所得。實際利率之攤銷包含於損益表的財務費用中。

#### 金融負債之終止確認

如果負債義務已履行、撤銷或屆滿，則金融負債終止確認。

如果現有金融負債被同一貸款方以實質上幾乎全部不同條款之另一金融負債取代，或者現有負債條款幾乎全部被實質性修改，則此類替換或修改作為終止確認原負債以及確認一項新負債處理，且各自賬面金額之間的差額於損益表確認。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and on disposal.

Cost of inventories includes the transfer from equity of gains and losses on qualifying cash flow hedges in respect of the purchases of raw materials.

#### Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 抵銷金融工具

當且僅當現階段存在法律上可強制執行之權利，將金融資產與金融負債抵銷並有意圖以淨額結算，或變現資產及處理負債同時進行，金融資產與金融負債相互抵銷並以淨額在財務狀況表中呈列。

#### 存貨

存貨按成本或可變現淨值兩者較低者計價。成本按加權平均法釐定。淨變現價值按估計銷售價減去任何完成交易及出售將產生的估計成本計算。

存貨成本包括就採購原料而從權益中轉撥之可用作現金對沖之盈虧。

#### 現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金及活期存款，以及購入後通常於三個月內到期的可隨時轉換為已知金額現金的短期高變現能力但價值改變的風險不大的投資，減須於要求時償還的銀行透支，組成本集團現金管理的一部份。

就綜合財務狀況表而言，現金及現金等價物包括手頭現金及銀行存款（包括並無限制用途的定期存款及性質類似現金的資產）。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of (i) the amount that would be recognised in accordance with the general guidance for provisions above; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the guidance for revenue recognition.

#### Employee retirement benefits

Pursuant to the relevant regulations of the PRC government, the companies comprising the Group operating in Mainland China (the "PRC group companies") have participated in a local municipal government retirement benefit scheme (the "Scheme"), whereby the PRC group companies are required to contribute a certain percentage of the salaries of their employees to the Scheme to fund their retirement benefits. The only obligation of the Group with respect to the Scheme is to pay the ongoing contributions under the Scheme. Contributions under the Scheme are charged to the statement of profit or loss as incurred.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 撥備

倘因過往事件須承擔現時的責任(法定或推定)，而承擔該責任可能導致日後資源外流，且對責任金額能夠可靠地估計，則確認撥備。

當折現的影響重大時，就撥備確認的金額乃指預計在日後履行責任時所需開支在報告期末日的現值。由於時間流逝導致折現值的金額的增加，乃作為財務費用在損益表內入賬。

於業務合併中確認的或有負債初始確認時以其公允價值計量。其後，其則以(i)根據上述計提撥備的一般原則確認的金額；及(ii)初始確認金額扣減(倘適用)按照收入確認原則計算的累計攤銷所得金額中的較高者計量。

#### 僱員退休福利

按照中國政府的有關法規，在中國內地經營的附屬公司(「中國集團公司」)已經參加了當地市政府的退休金計劃(「該計劃」)，該計劃要求中國集團公司按公司員工基本工資一定比例向該計劃供款，為職工的退休福利提供資金。本集團在該計劃的唯一義務是持續向上述計劃繳納所規定的供款。該計劃項下的供款在發生時記入損益表。



## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Income tax

Income tax comprises current and deferred tax and land appreciation tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 所得稅

所得稅包括即期及遞延稅項以及土地增值稅。與在損益以外確認的項目有關的所得稅在損益以外的其他全面收益內確認或直接於權益內確認。

當期稅項資產及負債以預期從稅務當局收回或向其支付之金額予以估量，基於本集團業務經營所在國家普遍通行之解釋與慣例，按照已頒佈或在報告期末前已經實質執行之稅率（及稅務法例）來確定。

遞延稅項乃於報告期末就資產及負債的稅基與其作財務報告用途的賬面值之間的所有暫時差額採用負債法作出撥備。

遞延稅項負債根據全部應課稅暫時差額確認入賬，但以下情況除外：

- 進行交易（業務合併除外）時，由初步確認商譽或資產或負債而產生的遞延稅項負債對會計利潤或應課稅盈虧概無構成影響；及
- 就於附屬公司及合營公司的投資有關的應課稅暫時差額而言，倘暫時差額的撥回時間可予控制及暫時差額在可見將來可能不會撥回時。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Income tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 所得稅 (續)

所有可扣減暫時性差額及未動用稅項抵免與任何未動用稅務虧損結轉，均被確認為遞延稅項資產。倘可能具有應課稅溢利抵銷可扣減暫時性差額、及未動用稅項抵免及未動用稅項虧損結轉，則會確認遞延稅項資產，惟下述情況除外：

- 因有關可扣減暫時性差額的遞延稅項資產源自初次確認一項交易中的資產或負債，而有關交易（業務合併除外）進行時不會影響會計溢利或應課稅溢利或虧損；及
- 就有關附屬公司及合營公司投資所產生之可扣減暫時性差額而言，遞延稅項資產僅於暫時性差額於可預見的將來可能撥回，而且具有應課稅溢利用以抵銷暫時性差額時，方會予以確認。

遞延稅項資產賬面值會在各報告期末予以檢討，並在不大可能再有足夠應課稅溢利撥用全部或部份遞延稅項資產時予以削減。未確認的遞延稅項資產於各報告期末日亦須予以重新檢討，並在可能仍有足夠應課稅溢利收回全部或部份遞延稅項資產時予以確認。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Income tax (continued)

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the statement of profit or loss by way of a reduced depreciation charge.

Where the Group receives grants of non-monetary assets, grants are recorded at the fair value of the non-monetary assets and released to the statement of profit or loss over the expected useful lives of the relevant assets by equal annual instalments.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 所得稅 (續)

遞延稅項資產及負債乃以報告期末已實行或大體上實行的稅率(及稅務法例)為基礎,按預期有關資產或有關負債予以變現或列支的期間適用的稅率計算。

倘本集團有合法權利以本期稅項資產抵銷本期稅項負債,而遞延稅項與同一應課稅實體及稅務機關有關,則可將遞延稅項資產及遞延稅項負債抵銷。

#### 政府補貼

企業能夠合理地保證政府補貼所附條件得到滿足,並且能夠收到該補貼,此時即應按公允價值確認政府補貼。與開支項目有關的補貼,應在有關期間(即能夠使該補貼系統地與被補償費用相匹配的期間)確認為收入。

與資產有關的補貼,應將其公允價值記入遞延收益賬的貸項,並在有關資產的預期使用年限內,以等額按年攤分方式撥入損益表,或自資產賬面值扣除及以削減折舊支出方式在損益表內解除。

如本集團收取一項非貨幣資產補貼,則有關資產及補助乃按該非貨幣資產的公允價值列賬,並於相關資產的預期可使用年期內按等額分期形式每年撥入損益表。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Government grants (continued)

Where the Group receives government loans granted with no or at a below-market rate of interest for the construction of a qualifying asset, the initial carrying amount of the government loans is determined using the effective interest rate method, as further explained in the accounting policy for “Financial liabilities” above. The benefit of the government loans granted with no or at a below-market rate of interest, which is the difference between the initial carrying value of the loans and the proceeds received, is treated as a government grant and released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments.

#### Revenue recognition

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

- (a) the significant risks and rewards of ownership of the properties are transferred to the purchasers;
- (b) neither continuing managerial involvement to the degree usually associated with ownership, nor effective control over the properties is retained;
- (c) the amount of revenue can be measured reliably;
- (d) it is probable that the economic benefits associated with the transaction will flow to the Group; and
- (e) the cost incurred or to be incurred in respect of the transaction can be measured reliably.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 政府補貼 (續)

如本集團就建設合資格資產而獲取不計息或以低於市場水平的息率計息的政府貸款，則有關政府貸款的初始賬面值將以實際利率法釐定，而有關方法將於上文「金融負債」所載的會計政策內進一步闡釋。獲授不計息或以低於市場水平息率計息的政府貸款的益處，即該等貸款初始賬面值與所得款項兩者之差額，會當作政府補貼處理，並於有關資產的預期可使用年內按等額分期形式每年撥入損益表。

#### 收入確認

在日常業務過程中銷售物業所得收入於達成所有下列標準時確認：

- (a) 與物業擁有權有關的重大風險及回報轉予買家；
- (b) 並無保留一般與擁有權有關的持續管理參與權或物業的有效控制權；
- (c) 收入金額能可靠計算；
- (d) 本集團很可能取得與交易有關的經濟利益；及
- (e) 交易已產生或將予產生的成本能可靠計量。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Revenue recognition (continued)

The above criteria are met when construction of the relevant properties has been completed and the Group has obtained the project completion report issued by the relevant government authorities, the properties have been delivered to the purchasers, and the collectability of related receivables is reasonably assured. Payments received on properties sold prior to the date of revenue recognition are included in the consolidated statement of financial position under current liabilities.

Property leasing income derived from the leasing of the Group's properties is recognised on a time proportion basis over the lease terms.

Property management fee income derived from the provision of property maintenance and management services is recognised upon the rendering of the relevant services.

Hotel operating income which includes room rental, food and beverage sales and income from the provision of other ancillary services is recognised when the services are rendered.

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Dividend income is recognised when the shareholders' right to receive payment has been established.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 收入確認 (續)

當相關物業的建築工程已完工及已取得有關政府機關發出的物業完工報告、物業交付予買家及有關應收款項的可收回性能合理地確保時，才符合上述標準。銷售物業時收取的按金於收入確認當日前列入綜合財務狀況表中流動負債項下。

來自租賃本集團物業的租賃物業收入於租賃期間按時間比例確認。

來自提供物業維修及管理服務的物業管理費乃於提供相關服務時確認。

酒店經營收入(包括房租、食品及飲料銷售及提供其他配套服務的收入)於提供服務時確認。

利息收入以實際利率法按應計基準確認，而所採用的利率為將估計未來現金該入按金融工具預期年期或較短期間(如適用)準確折現至金融資產賬面淨值之利率。

股息收入乃當股東收取款項的權利已確定時予以確認。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Share-based payments

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees for grants after 7 November 2002 is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model, further details of which are given in note 29 to the financial statements.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 以股份為基礎的支付

本公司設有一項購股權計劃，旨在對本集團業務成功作出貢獻的合資格參與者提供鼓勵與獎賞。本集團僱員（包括董事）以股份為基礎的支付方式收取報酬，而僱員則提供服務作為權益工具之代價（「股權結算交易」）。

與2002年11月7日之後獲授購股權的僱員進行股權結算交易的成本是參考授出購股權當日的公允價值計算。公允價值由外部估值師採用二項式期權定價模型釐定，有關進一步詳情載於財務報表附註29。

股權結算交易之成本，連同權益相應增加部份，在表現及／或服務條件獲得履行之期間於僱員福利開支內確認。在歸屬日期前，每個報告期末確認之股權結算交易之累計開支，反映歸屬期已到期部份及本集團對最終將會歸屬之權益工具數目之最佳估計。在某一期間內在損益表內扣除或進賬，乃反映累計開支於期初與期終確認之變動。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Share-based payments (continued)

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 以股份為基礎的支付 (續)

於釐定獎勵的授出日期公允價值時，不會考慮服務及非市場表現條件，惟會對達成條件的可能性作出評估，作為本集團有關最終將獲歸屬的股本工具數目的最佳估計之一部份。市場表現條件會於授出日期公允價值內反映。獎勵附帶的任何其他條件（但並無關連服務規定）被視為非歸屬條件。非歸屬條件會於獎勵的公允價值內反映並引致即時將獎勵支銷，惟亦有服務及／或表現條件時則除外。

對於因未達成非市場表現及／或服務條件而最終未歸屬的購股權獎勵，不會確認任何開支。倘獎勵包括市場或非歸屬條件，只要所有其他表現及／或服務條件已經達成，則不論市場或非歸屬條件是否達成，交易均會被視為歸屬。

倘若以股權支付的購股權的條款有所變更，所確認的開支最少須達到猶如條款並無任何變更的水平。此外，倘若按變更日期計量，任何變更導致以股份為基礎的支付交易的總公允價值有所增加，或對僱員帶來其他利益，則應就該等變更確認開支。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Share-based payments (continued)

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

#### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Where funds have been borrowed generally and used for the purpose of obtaining qualifying assets, a capitalisation rate of 8.63% (2016: 7.78%) has been applied to the expenditure on the individual assets.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 以股份為基礎的支付 (續)

倘若股權結算的購股權被註銷，應被視為已於註銷日期歸屬，任何尚未確認有關授予購股權的開支，均應即時確認。這包括在本集團所能控制的非歸屬條件或僱員未能達至下的任何購股權。然而，若授予新購股權代替已註銷的購股權，並於授出日期指定為替代購股權，則已註銷的購股權及新購股權，均應被視為原購股權的變更（如前段所述）。

計算每股盈利時，未行使購股權之攤薄效應，反映為額外股份攤薄。

#### 借款成本

收購、興建或生產合資格資產（即需要大量時間製作以供擬定用途或銷售的資產）應佔的直接借款費用，將資本化作為該等資產的部份成本。在該等資產實際上可作擬定用途或銷售時終止借款費用的資本化。待用作未完成資產開支的特定借款的臨時投資所賺取的投資收入，自資本化的借款費用中扣除。所有其他借款成本在產生期間內列作開支。借款成本包括實體就借入資金產生的利息及其他成本。

如一般借入資金，及用作取得合資格資產，對個別資產開支應用8.63%（2016年：7.78%）的資本化率。



## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting.

Interim dividends are simultaneously proposed and declared. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

#### Foreign currencies

The Company and certain subsidiaries incorporated outside Mainland China use Hong Kong dollars (“HK\$”) and United States dollars (“US\$”) as their functional currencies, respectively. The functional currency of Mainland China subsidiaries is the RMB. As the Group mainly operates in Mainland China, the RMB is used as the presentation currency of the Group. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 股息

末期股息於股東在股東大會上予以批准時確認為負債。

中期股息乃同時建議派發及宣派。因此，中期股息乃於建議派發及宣派時隨即確認為負債。

#### 外幣

本公司及若干於中國內地以外註冊成立的附屬公司分別以港元（「港元」）及美元（「美元」）作為其記賬本位幣。中國內地附屬公司記賬本位幣為人民幣。由於本集團主要在中國內地經營，故人民幣被用作本集團的呈報貨幣。本集團屬下各實體均可自行釐定所用的記賬本位幣，而各實體的財務報表計入的項目均以該記賬本位幣列賬。本集團屬下各實體記錄的外幣交易最初以交易日的各自記賬本位幣匯率入賬。以外幣計值的貨幣資產及負債按報告期末的記賬本位幣匯率換算。結算或換算貨幣項目的差額計入損益表。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Foreign currencies (continued)

Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in other comprehensive income until the net investment is disposed of, at which time the cumulative amount is reclassified to the statement of profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

The functional currencies of non-PRC established subsidiaries are currencies other than the RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the statement of profit or loss.

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 外幣 (續)

結算或換算貨幣項目的差額計入損益表，惟指定為對沖本集團於海外業務投資淨值的一部份的貨幣項目除外。該等貨幣項目直至投資淨值獲出售方計入其他全面收益，此時，累算款項乃重新分類至損益表。就該等貨幣項目匯兌差額應佔的稅項支出及抵免亦計入其他全面收益中。

按歷史成本以外幣計量的非貨幣項目，以最初交易日的匯率換算。按公允價值計量並以外幣為單位的非貨幣項目按計量公允價值當日的匯率換算。換算以公允價值計量及非貨幣項目所產生的收益或虧損與確認該項目公允價值變動的盈虧的處理方法一致（換言之，於其他全他全面收入或損益確認公允價值盈虧的項目的匯兌差額，亦分別於其他全面收入或損益確認）。

若干非於中國成立的附屬公司之記賬本位幣為人民幣以外的貨幣。於報告期末，該等實體的資產與負債乃根據報告期末的現行匯率換算為人民幣，而損益表是按年內的加權平均匯率換算為人民幣。

因此產生之匯兌差額於其他全面收益內確認及在外幣折算差額儲備內累計。於出售海外實體時，在該海外實體的權益內確認的遞延累計數額於損益表確認入賬。

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.4 Summary of significant accounting policies (continued)

#### Foreign currencies (continued)

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of non-PRC established subsidiaries are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of non-PRC established companies which arise throughout the year are translated into RMB at the weighted average exchange rates for the year.

## 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

### Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

## 2. 編製基準及會計政策 (續)

### 2.4 主要會計政策概要 (續)

#### 外幣 (續)

收購海外業務產生的任何商譽及對收購產生的資產及負債賬面值作出的任何公允價值調整作為海外業務的資產及負債處理，並按收市匯率換算。

就綜合現金流量表而言，非於中國成立附屬公司的現金流量按產生現金流量當日的現行匯率換算為人民幣。非於中國成立公司在整個年度內經常產生的現金流量是按年內的加權平均匯率換算為人民幣。

## 3. 重大會計判斷及估計

編製本集團的財務報表時，管理層須作出判斷、估計及假設，而該等判斷、估計及假設會影響所呈報收入、開支、資產及負債的報告金額及其隨附披露以及對或有負債的披露。由於有關假設及估計的不確定因素，可導致管理層須就未來受影響的資產或負債賬面金額作出重大調整。

### 判斷

在應用本集團會計政策過程中，管理層作出下列對財務報表內所確認金額有最重大影響的判斷，涉及估計者除外：

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

#### Judgements (continued)

##### (i) Operating lease commitments – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

##### (ii) Classification between investment properties, completed properties held for sale and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately, the Group accounts for the portions separately or leased out separately under a finance lease. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

### 3. 重大會計判斷及估計 (續)

#### 判斷 (續)

##### (i) 經營租賃承擔—本集團作為出租人

本集團就其投資物業組合訂有商用物業租約。本集團根據對有關安排條款及條件的評估，釐定其於以經營租約租出的物業保留所有與擁有權有關的重大風險及回報。

##### (ii) 投資物業、持作銷售已落成物業及業主自佔物業的分類

本集團會釐定物業是否符合資格列為投資物業，並已建立作出判斷的準則。投資物業為持有以賺取租金或資本增值或兩者的物業。因此，本集團考慮物業產生的現金流是否大部份獨立於本集團持有的其他資產。

若干物業部份持有以供賺取租金或資本增值，而部份則持有供生產或供應貨品或服務或行政用途。倘若該等部份可單獨銷售，本集團會將該等部份分開入賬或根據融資租賃單獨租出。倘若該等部份不能夠單獨銷售，則僅會在持有供生產或供應貨品或服務或行政用途的部份只佔很微小部份時，方視物業為投資物業。判斷乃按個別物業基準作出，以釐定配套服務所佔比例是否偏高以致有關物業不符合被列為投資物業。

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

#### Judgements (continued)

##### (iii) Classification of current and non-current properties under development

The Group classifies properties under development according to the construction progress and estimated commencement date of presale. Properties under development are classified as current assets after the construction commences.

#### Estimation uncertainty

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, are described below:

##### (i) Fair value of investment properties

Investment properties were revalued based on the appraised market value by independent professional valuers. Such valuations were based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results. In making the estimate, the Group considers information from current prices in an active market for similar properties and uses assumptions that are mainly based on market conditions existing at the end of the reporting period.

In the absence of current prices in an active market for similar properties, the Group considers information from a variety of sources, including:

- (a) current prices in an active market for properties of a different nature, condition or location or subject to different lease or other contracts, adjusted to reflect those differences;

### 3. 重大會計判斷及估計 (續)

#### 判斷 (續)

##### (iii) 流動及非流動開發中物業分類

本集團根據建造進程及估計開始預售日期分類物業。開發中物業於動工後分類為流動資產。

#### 估計的不明朗因素

於報告期末，有關未來的主要假設及估計的不明朗因素的主要來源構成須對下一財政年度資產及負債的賬面值作出重大調整的重大風險，茲論述如下：

##### (i) 投資物業公允價值

投資物業按獨立專業估值師對其評估市值重估。該等估值乃基於若干假設，而該等假設受不明朗因素影響，並可能與實際結果有大幅偏差。在作出估計時，本集團考慮活躍市場類似物業的現價，並採用主要依據報告期末市況而作出的假設。

若無類似物業在活躍市場的現價，本集團按照來自不同來源之資料釐定公允價值：

- (a) 不同性質、狀況或地點或受不同租約或其他合約規限之物業當時在活躍市場上之價格（可予調整以反映該等差異）；

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

#### Estimation uncertainty (continued)

##### (i) Fair value of investment properties (continued)

- (b) recent prices of similar properties on less active markets, with adjustments to reflect any changes in economic conditions since the dates of the transactions that occurred at those prices; and
- (c) discounted cash flow projections based on reliable estimates of future cash flows, supported by the terms of any existing leases and other contracts and (when possible) by external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

The principal assumptions for the Group's estimation of the fair value include those related to current market rents for similar properties in the same location and condition, appropriate discount rates, expected future market rents and future maintenance costs. The carrying amount of investment properties at 31 December 2017 was RMB 5,667,300,000 (2016: RMB5,367,750,000). Further details, including the key assumptions used for fair value measurement, are given in note 13 to the financial statements.

##### (ii) Net realisable value of properties under development and completed properties held for sale

The Group's properties under development and completed properties held for sale are stated at the lower of cost and net realisable value. Based on the Group's historical experience and the nature of the subject properties, the Group makes estimates of the selling prices, the costs of completion of properties under development, and the costs to be incurred in selling the properties based on prevailing market conditions.

### 3. 重大會計判斷及估計 (續)

#### 估計的不明朗因素 (續)

##### (i) 投資物業公允價值 (續)

- (b) 活躍程度稍遜之市場所提供類似物業近期價格(可予調整以反映自按有關價格成交當日以來經濟狀況之任何變動); 及
- (c) 根據未來現金流量之可靠估計而作出之折現現金流量預測, 該預測乃根據任何現有租約及其他合約之條款, 以及(如有可能)外在因素(如相同地點及狀況之類似物業之現行市場租金等)而作出, 並採用可反映當時市場對不確定之現金流量金額及時間之評估之折現率計算。

本集團估計公允價值的主要假設包括地處相同位置及狀況之類似物業之當前市場租金、適用折扣率、預計未來市場租金及未來維修成本。於2017年12月31日, 投資物業賬面值為人民幣5,667,300,000元(2016年: 人民幣5,367,750,000元)。有關詳情(包括公允價值計量所使用的主要假設)載於財務報表附註13。

##### (ii) 開發中物業及持作銷售已落成物業的可變現淨值

本集團開發中物業及持作銷售已落成物業按成本及可變現淨值兩者的較低者列賬。本集團根據其過往經驗及有關物業的性質, 基於現行市況估計售價、開發中物業竣工成本及銷售物業產生的成本。

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

#### Estimation uncertainty (continued)

##### (ii) Net realisable value of properties under development and completed properties held for sale (continued)

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 a provision for properties under development and completed properties held for sale. Such provision requires the use of judgements and estimates. Where the expectation is different from the original estimate, the carrying value and provision for properties in the period in which the estimate is changed will be adjusted accordingly.

##### (iii) PRC land appreciation tax ("LAT")

LAT in the PRC is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sale of properties less deductible expenditures including land costs, borrowing costs and other property development expenditures.

The subsidiaries of the Group engaging in the property development business in Mainland China are subject to LAT. However, the implementation of these taxes varies amongst various cities in Mainland China and the Group has not finalised its LAT returns with various tax authorities. Accordingly, significant judgement is required in determining the amount of land appreciation and its related taxes. The ultimate tax determination is uncertain during the ordinary course of business. The Group recognises these liabilities based on management's best estimates. Where the final tax outcome of these matters is different from the amounts that were initially recorded, the differences will impact the statement of profit or loss and the provision for LAT in the period in which the determination is made.

### 3. 重大會計判斷及估計 (續)

#### 估計的不明朗因素 (續)

##### (ii) 開發中物業及持作銷售已落成物業的可變現淨值 (續)

倘若完工成本增加，或售價淨額減少，則可變現淨值會減少，並可能因而導致須就開發中物業及持作銷售已落成物業作出撥備。該撥備須運用判斷及估計。在預期與原有估計有差異時，將於該估計有改變的期間對物業的賬面值及撥備作出相應調整。

##### (iii) 中國土地增值稅

中國的土地增值稅按土地增值（即出售物業所得款項減可扣減支出（包括土地成本、借款成本及其他物業發展支出））以累進稅率30%至60%徵收。

本集團屬下在中國從事物業開發業務的附屬公司須繳納土地增值稅。然而，在中國內地不同城市，該等稅項的實施各有差異，且本集團尚未與不同稅務機關最終落實其土地增值稅報稅表。因此，在釐定土地增值金額及其相關稅項時須作出重大判斷。於日常業務過程中最終的稅項釐定仍不確定。本集團按照管理層的最佳估計確認該等負債。倘該等事項的最終稅項結果與最初記賬的金額不同，則有關差異將會影響損益表，並就該釐定期間的土地增值稅作出撥備。

## 4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on income derived from business and has four reportable operating segments as follows:

- (a) the commercial property development segment develops and sells commercial properties in Mainland China;
- (b) the property rental segment leases investment properties in Mainland China;
- (c) the hotel operations segment owns and operates a hotel; and
- (d) the others segment comprises, principally, the Group's property management services business, which provides management and security services to commercial properties.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax from continuing operations. The adjusted profit/loss before tax from continuing operations is measured consistently with the Group's profit before tax from continuing operations except that interest income, finance costs, dividend income, fair value gain/losses from the Group's financial instruments as well as head office and corporate expenses are excluded from the measurement.

Segment assets exclude deferred tax assets, tax recoverable, pledged deposits, cash and cash equivalents, and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank and other borrowings, tax payable, deferred tax liabilities and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

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

## 4. 經營分部資料

就管理而言，本集團根據業務所產生收入設立業務單位，並有四個可報告經營分部如下：

- (a) 商用物業開發分部，在中國內地開發及銷售商用物業；
- (b) 物業租賃分部，在中國內地租賃投資物業；
- (c) 酒店營運分部，擁有及經營酒店；及
- (d) 其他分部，主要包括本集團的物業管理服務業務，為商用物業提供管理及保安服務。

管理層會單獨監察本集團經營分部業績以作出有關資源分配及表現評估的決定。分部表現根據可報告分部溢利／虧損（以來自持續經營業務之經調整除稅前溢利／虧損計量）予以評估。來自持續經營業務之經調整除稅前溢利／虧損與本集團來自持續經營業務之除稅前溢利一貫計量，惟利息收入、融資成本、股息收入、本集團金融工具之公允價值收益／虧損以及總辦事處及企業費用均不計入該計量內。

分部資產不包括遞延稅項資產、預繳稅金、質押存款、現金及現金等價物及其他未分配總辦事處及企業資產，原因是該等資產按組合基準管理。

分部負債不包括計息銀行貸款及其他借款、應繳稅項、遞延稅項負債及其他未分配總辦事處及企業負債，原因是該等負債按組合基準管理。

分部間銷售及轉讓參照根據當時通行市價向第三方作出的銷售所採用的售價進行交易。



## 4. OPERATING SEGMENT INFORMATION (CONTINUED)

## 4. 經營分部資料 (續)

Year ended 31 December 2017	截至2017年 12月31日止年度	Commercial property development 商用物業開發 RMB'000 人民幣千元	Property rental 物業租賃 RMB'000 人民幣千元	Hotel operations 酒店營運 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Segment revenue:</b>	<b>分部收入:</b>					
Sales to external customers	對外部客戶銷售	148,234	63,610	66,815	17,327	295,986
Intersegment sales	分部間銷售	-	9,424	-	2,909	12,333
		148,234	73,034	66,815	20,236	308,319
<i>Reconciliation:</i>	<i>調節:</i>					
Elimination of intersegment sales	分部間銷售對銷					(12,333)
Revenue from operations	經營業務收入					295,986
<b>Segment results</b>	<b>分部業績</b>	76,996	743,659	(29,520)	(28,253)	762,882
<i>Reconciliation:</i>	<i>調節:</i>					
Interest income	利息收入					2,369
Finance costs	財務費用					(13,161)
Profit before tax	除稅前利潤					752,090
<b>Segment assets</b>	<b>分部資產</b>	4,740,198	5,722,824	2,135,646	351,521	12,950,189
<i>Reconciliation:</i>	<i>調節:</i>					
Elimination of intersegment receivables	分部間應收款項對銷					(346,290)
Corporate and other unallocated assets	企業及其他未分配資產					650,275
Total assets	總資產					13,254,174
<b>Segment liabilities</b>	<b>分部負債</b>	1,865,859	70,620	394,408	729,983	3,060,870
<i>Reconciliation:</i>	<i>調節:</i>					
Elimination of intersegment payables	分部間應付款項對銷					(346,289)
Corporate and other unallocated liabilities	企業及其他未分配負債					4,531,237
Total liabilities	總負債					7,245,818
<b>Other segment information:</b>	<b>其他分部資料:</b>					
Depreciation	折舊	966	704	11,066	4,455	17,191
Capital expenditure	資本開支	63,482	8,146	147,485	33,721	252,834

#### 4. OPERATING SEGMENT INFORMATION (CONTINUED)

#### 4. 經營分部資料 (續)

Year ended		Commercial property development 商用物業開發	Property rental 物業租賃	Hotel operations 酒店營運	Others 其他	Total 總計
31 December 2016	截至2016年 12月31日止年度	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Segment revenue:</b>	<b>分部收入:</b>					
Sales to external customers	對外部客戶銷售	742,988	61,978	47,679	5,726	858,371
Intersegment sales	分部間銷售	-	24,033	-	3,929	27,962
		742,988	86,011	47,679	9,655	886,333
<i>Reconciliation:</i>	<i>調節:</i>					
Elimination of intersegment sales	分部間銷售對銷					(27,962)
Revenue from operations	經營業務收入					858,371
<b>Segment results</b>	<b>分部業績</b>	165,829	138,547	(18,379)	(19,041)	266,956
<i>Reconciliation:</i>	<i>調節:</i>					
Interest income	利息收入					969
Finance costs	財務費用					(2,218)
Profit before tax	除稅前利潤					265,707
<b>Segment assets</b>	<b>分部資產</b>	3,099,595	5,982,621	1,362,261	488,609	10,933,086
<i>Reconciliation:</i>	<i>調節:</i>					
Elimination of intersegment receivables	分部間應收款項對銷					(134,793)
Corporate and other unallocated assets	企業及其他未分配資產					490,652
Total assets	總資產					11,288,945
<b>Segment liabilities</b>	<b>分部負債</b>	1,094,374	17,232	76,804	365,519	1,553,929
<i>Reconciliation:</i>	<i>調節:</i>					
Elimination of intersegment payables	分部間應付款項對銷					(134,793)
Corporate and other unallocated liabilities	企業及其他未分配負債					4,527,750
Total liabilities	總負債					5,946,886
<b>Other segment information:</b>	<b>其他分部資料:</b>					
Share of profit and loss of:	分佔溢利及虧損:					
Joint venture	合營公司	-	15	-	-	15
Depreciation	折舊	893	816	9,375	2,006	13,090
Investments in joint ventures	於合營公司的投資	-	759	-	-	759
Capital expenditure	資本開支	28	19	117,013	268	117,328

## 4. OPERATING SEGMENT INFORMATION (CONTINUED)

### Geographical information

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

### Information about major customers

No sales to a single customer or a group of customers under common control accounted for 10% or more of the Group's revenue for the years ended 31 December 2017 and 2016.

## 5. REVENUE, OTHER INCOME AND GAINS

Revenue represents income from the sale of properties, property leasing income, property management fee income and hotel operating income during the year, net of business tax and other sales related taxes and discounts allowed.

An analysis of revenue, other income and gains is as follows:

Revenue	收入
Sale of properties	銷售物業
Property leasing income	物業租賃收入
Property management fee income	物業管理費收入
Hotel operating income	酒店營運的收入
Less: Business tax and surcharges*	減：營業稅及附加費*

\* Pursuant to the VAT reform in the PRC effective from 1 May 2016, all pre-sales of properties incurred after 1 May 2016 are subject to VAT. Accordingly, once the related revenue from these sales of properties is recognised, more revenue represents the net invoiced value of properties sold with VAT exclusive. Revenue in connection with the pre-sales incurred prior to 1 May 2016 are still subject to business tax, and the revenue represents the net invoiced value of properties sold with business tax exclusive.

## 4. 經營分部資料 (續)

### 地區資料

本集團的全部收入源自於中國內地客戶，及本集團全部非流動資產亦位於中國內地。

### 關於主要客戶的資料

並無對某單一客戶或處於共同控制下的客戶組別的銷售額佔本集團截至2017年及2016年12月31日止年度收入的10%或以上。

## 5. 收入、其他收入及收益

收入為年內銷售物業收入、物業租賃收入、物業管理費收入及酒店營運收入（扣除營業稅及其他銷售相關稅及銷售折扣後）。

收入、其他收入及收益的分析如下：

2017	2016
2017年	2016年
RMB'000	RMB'000
人民幣千元	人民幣千元
152,246	769,893
76,997	58,087
26,232	14,402
67,391	46,749
(26,880)	(30,760)
<b>295,986</b>	<b>858,371</b>

\* 根據自2016年5月1日起生效之中國增值稅改革，於2016年5月1日後產生之所有預售物業均須繳納增值稅。因此，一旦來自該等物業銷售之相關收入獲確認，更多收入指已售物業之發票淨值（不含增值稅）。於2016年5月1日前產生之有關預售收入仍須繳納營業稅，而該收入指已售物業的發票淨值（不含營業稅）。

## 5. REVENUE, OTHER INCOME AND GAINS (CONTINUED)

## 5. 收入、其他收入及收益 (續)

		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>Other income</b>	<b>其他收入</b>		
Subsidy income	補貼收入	798	–
Bank interest income	銀行利息收入	2,368	969
Others	其他項目	11,090	14,519
		<b>14,256</b>	15,488
<b>Gains</b>	<b>收益</b>		
Gain on disposal of investment properties	出售投資物業之收益	63,221	–
Foreign exchange gains	匯兌收益	367	1,344
		<b>63,588</b>	1,344
		<b>77,844</b>	16,832

**6. PROFIT BEFORE TAX**

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

**6. 除稅前利潤**

本集團除稅前利潤經扣除／（計入）下列各項：

			<b>2017</b>	2016
			<b>2017年</b>	2016年
		<i>Notes</i>	<b>RMB'000</b>	RMB'000
		<i>附註</i>	人民幣千元	人民幣千元
Cost of properties sold	已出售物業成本	20	<b>79,425</b>	492,880
Depreciation	折舊	12	<b>17,191</b>	13,090
Minimum lease payments under operating leases:	根據經營租賃的最低租金款項：			
– Office premises	– 辦公室物業		<b>7,413</b>	2,206
Auditors' remuneration	核數師酬金		<b>1,200</b>	1,200
Staff costs including directors' and chief executive's remuneration:	員工成本（包括董事及主要行政人員酬金）：	8		
– Salaries and other staff costs	– 工資及其他員工成本		<b>77,153</b>	57,948
– Pension scheme contributions	– 退休金計劃供款		<b>10,671</b>	6,494
Foreign exchange differences, net	匯兌差額，淨值	5	<b>(367)</b>	(1,344)
Direct operating expenses (including repairs and maintenance arising on investment properties)	直接經營開支（包括投資物業發生的維修及修理）		<b>7,312</b>	2,815
(Gain)/loss on disposal of investment properties	出售投資物業之（收益）／虧損		<b>(63,221)</b>	7,221
Fair value gains, net:	公允價值收益，淨額：			
Fair value gain upon transfer to investment properties	轉撥至投資物業的公允價值收益	13	<b>(523)</b>	–
Changes in fair value of investment properties	投資物業公允價值的變動	13	<b>(825,157)</b>	(124,994)

## 7. FINANCE COSTS

An analysis of the Group's finance costs is as follows:

	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Interest on bank and other borrowings	218,090	253,749
Less: Interest capitalised in properties under development	(204,929)	(251,531)
	<b>13,161</b>	2,218

## 7. 財務費用

本集團的財務費用分析如下：

## 8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of information about Benefits of Directors) Regulation, is as follows:

	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Fees	600	600
Other emoluments:		
Salaries, bonuses and allowances	2,098	2,082
Pension scheme contributions	32	42
	<b>2,130</b>	2,124
	<b>2,730</b>	2,724

## 8. 董事及主要行政人員酬金

根據上市規則、香港公司條例第383(1)(a)、(b)、(c)及(f)條，以及公司（披露董事利益資料）規例第2部之規定，年內董事及主要行政人員酬金如下：

## 8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (CONTINUED)

In 2009 and 2011, certain directors were granted share options for the shares of Zhong An Real Estate Limited, the parent company of the Group, as disclosed in note 30. The fair value of the options was determined as at the date of grant. In respect of their services to the Group, the relevant accounting impact was accounted for in the consolidated financial statements for the financial year and included in the above directors' remuneration disclosures.

### (a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

Mr. Ng Sze Yuen, Terry	吳士元先生
Mr. Xu Chengfa	須成發先生
Mr. Yim Chun Leung	嚴振亮先生

There were no other emoluments payable to the independent non-executive directors during the year (2016: Nil).

## 8. 董事及主要行政人員酬金 (續)

於2009年及2011年，若干董事獲授本集團母公司眾安房產有限公司股份購股權，見附註30所披露。該等購股權的公允價值於授出日期釐定。就彼等對本集團的服務而言，於財政年度的綜合財務報表中及上述董事薪酬披露中已計及相關會計影響。

### (a) 獨立非執行董事

年內已付獨立非執行董事之費用載列如下：

	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Mr. Ng Sze Yuen, Terry	200	200
Mr. Xu Chengfa	200	200
Mr. Yim Chun Leung	200	200
	<b>600</b>	600

年內並無其他應付獨立非執行董事之薪酬 (2016年：無)。

## 8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (CONTINUED)

## 8. 董事及主要行政人員酬金 (續)

### (b) Executive directors, a non-executive director and the chief executive

### (b) 執行董事、非執行董事及主要行政人員

		Salaries and allowances	Bonuses	Pension Scheme contributions	Total
		薪金及津貼	花紅	退休金計劃供款	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>2017</b>	<b>2017年</b>				
<i>Executive directors:</i>	<i>執行董事：</i>				
Ms. Tang Yiyan	唐怡燕女士	269	63	-	332
Ms. Jin Ni	金妮女士	863	220	16	1,099
		<b>1,132</b>	<b>283</b>	<b>16</b>	<b>1,431</b>
<i>Non-executive director:</i>	<i>非執行董事：</i>				
Mr. Shi Kancheng	施侃成先生	-	-	-	-
<i>Chief executive:</i>	<i>主要行政人員：</i>				
Mr. Dong Shuixiao	董水校先生	543	140	16	699
		<b>1,675</b>	<b>423</b>	<b>32</b>	<b>2,130</b>
<b>2016</b>	<b>2016年</b>				
<i>Executive directors:</i>	<i>執行董事：</i>				
Ms. Tang Yiyan	唐怡燕女士	246	69	10	325
Ms. Jin Ni	金妮女士	864	220	16	1,100
		1,110	289	26	1,425
<i>Non-executive director:</i>	<i>非執行董事：</i>				
Mr. Shi Kancheng	施侃成先生	-	-	-	-
<i>Chief executive:</i>	<i>主要行政人員：</i>				
Mr. Dong Shuixiao	董水校先生	544	139	16	699
		1,654	428	42	2,124

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (2016: Nil).

年內概無董事放棄或同意放棄任何薪酬的安排 (2016年：無)。



## 9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included three (2016: two) directors, details of whose remuneration are set out in note 8 above. Details of the remuneration of the remaining two (2016: three) non-director, highest paid employees for the year are as follows:

		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Salaries, bonuses and allowances	薪金、花紅及津貼	2,852	2,268
Pension scheme contributions	退休金計劃供款	38	26
		<b>2,890</b>	<b>2,294</b>

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

		Number of employees	
		僱員人數	
		2017	2016
		2017年	2016年
Nil to RMB1,000,000	零至人民幣1,000,000元	1	2
Over RMB1,000,000	超過人民幣1,000,000元	2	1
		<b>3</b>	<b>3</b>

No share options were granted to the non-director, highest paid employees.

## 9. 五名最高薪人士

年內五名最高薪人士內包括三名(2016年: 兩名)董事,其酬金詳情已載於上文附註8。年內餘下兩名(2016年: 三名)非董事最高薪酬僱員的酬金詳情如下:

		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Salaries, bonuses and allowances	薪金、花紅及津貼	2,852	2,268
Pension scheme contributions	退休金計劃供款	38	26
		<b>2,890</b>	<b>2,294</b>

薪酬介於以下組別的非董事最高薪酬僱員人數如下:

		Number of employees	
		僱員人數	
		2017	2016
		2017年	2016年
Nil to RMB1,000,000	零至人民幣1,000,000元	1	2
Over RMB1,000,000	超過人民幣1,000,000元	2	1
		<b>3</b>	<b>3</b>

並無向非董事最高薪酬僱員授出購股權。

## 10. INCOME TAX

The Group's subsidiaries incorporated in Hong Kong are not liable for income tax as they did not have any assessable profits currently arising in Hong Kong during the year (2016: Nil).

The provision for the PRC income tax has been provided at the applicable income tax rate of 25% (2016: 25%) on the assessable profits of the Group's subsidiaries in Mainland China.

LAT is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sale of properties less deductible expenditures including land costs, borrowing costs and other property development expenditures. The Group has estimated, made and included in taxation a provision for LAT according to the requirements set forth in the relevant PRC tax laws and regulations. Prior to the actual cash settlement of the LAT liabilities, the LAT liabilities are subject to the final review/approval by the tax authorities.

## 10. 所得稅

本集團於香港註冊成立的附屬公司於年內均無於香港產生任何即期應課稅溢利，故此毋須繳納所得稅（2016年：無）。

中國所得稅已就本集團在中國內地的附屬公司的應課稅溢利25%（2016年：25%）的適用所得稅稅率作出撥備。

中國土地增值稅按土地增值（即出售物業所得款項減可扣減支出（包括土地成本、借款成本及其他物業發展支出））以累進稅率30%至60%徵收。本集團已根據中國有關稅務法律法規，估計、作出及在稅項內計入土地增值稅準備。在以現金實際結算土地增值稅負債之前，土地增值稅負債須由稅務當局最終審議／核准。

		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Current – PRC corporate income tax for the year	即期稅項—年內中國企業所得稅	101,062	44,512
Current – PRC LAT for the year	即期稅項—年內中國土地增值稅	81,912	44,785
Deferred (note 18)	遞延稅項（附註18）	102,758	39,345
<b>Total tax charge for the year</b>	<b>年內稅項開支總額</b>	<b>285,732</b>	<b>128,642</b>

**10. INCOME TAX (CONTINUED)**

A reconciliation of the tax expense applicable to profit before tax using the statutory rate for the jurisdiction in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rate is as follows:

**10. 所得稅 (續)**

根據本公司及其大多數附屬公司所在司法權區的法定稅率計算除稅前利潤適用稅項開支與根據實際稅率計算的稅項開支對賬如下：

		<b>2017</b>	2016
		<b>2017年</b>	2016年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Profit before tax	除稅前利潤	<b>752,090</b>	265,707
Tax at the statutory tax rate of 25% (2016: 25%)	按25% (2016年: 25%) 法定稅率計算的稅項	<b>188,022</b>	66,427
Effect of withholding tax at 10% on the distributable profits of the Group's PRC subsidiaries	就本集團中國附屬公司 可供分派溢利繳納10%預扣稅 的影響	<b>7,270</b>	1,025
Expenses not deductible for tax	不可扣稅開支	<b>4,447</b>	3,672
Tax losses utilised from previous periods	來自先前期間之已動用稅項虧損	<b>(19,543)</b>	(5,026)
Tax losses not recognised	未確認稅項虧損	<b>44,101</b>	28,956
Provision for LAT	土地增值稅的撥備	<b>81,912</b>	44,785
Tax effect on LAT	土地增值稅的稅務影響	<b>(20,477)</b>	(11,197)
Tax charge at the Group's effective rate	本集團實際稅率的稅項開支	<b>285,732</b>	128,642
Tax payable in the consolidated statement of financial position represents:	於綜合財務狀況表內的 應付稅項指：		
PRC corporate income tax	中國企業所得稅	<b>166,062</b>	115,043
PRC LAT	中國土地增值稅	<b>170,115</b>	127,505
		<b>336,177</b>	242,548



## 12. PROPERTY AND EQUIPMENT

## 12. 物業及設備

		Buildings 樓宇 RMB'000 人民幣千元	Hotel properties 酒店物業 RMB'000 人民幣千元	Office equipment 辦公室設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Leasehold improvement 租賃物業改良 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 31 December 2015 and at 1 January 2016:	於2015年12月31日及 2016年1月1日:							
Cost	成本	54,235	174,093	19,749	17,307	5,566	-	270,950
Accumulated depreciation	累計折舊	(14,706)	(62,803)	(17,373)	(14,391)	(114)	-	(109,387)
Net carrying amount	賬面淨值	39,529	111,290	2,376	2,916	5,452	-	161,563
At 1 January 2016, net of accumulated depreciation	於2016年1月1日· 扣除累計折舊	39,529	111,290	2,376	2,916	5,452	-	161,563
Additions	添置	-	-	519	-	133	116,676	117,328
Transfer from properties under development	轉撥自在建物業 under development	-	-	-	-	-	1,074,531	1,074,531
Disposals	出售	-	-	(86)	(8)	-	-	(94)
Depreciation provided during the year	年內計提折舊	(3,311)	(6,332)	(1,432)	(660)	(1,355)	-	(13,090)
At 31 December 2016, net of accumulated depreciation	於2016年12月31日· 扣除累計折舊	36,218	104,958	1,377	2,248	4,230	1,191,207	1,340,238
At 31 December 2016:	於2016年12月31日:							
Cost	成本	54,235	174,093	20,182	17,299	5,699	1,191,207	1,462,715
Accumulated depreciation	累計折舊	(18,017)	(69,135)	(18,805)	(15,051)	(1,469)	-	(122,477)
Net carrying amount	賬面淨值	36,218	104,958	1,377	2,248	4,230	1,191,207	1,340,238
At 1 January 2017, net of accumulated depreciation	於2017年1月1日· 扣除累計折舊	36,218	104,958	1,377	2,248	4,230	1,191,207	1,340,238
Additions	增加	19	-	9,845	9,103	30,765	203,102	252,834
Transfer from properties under development	轉撥自在建物業 under development	-	-	-	-	-	420,316	420,316
Construction in progress completed	完成在建工程	-	850,316	-	-	-	(850,316)	-
Disposals	出售	-	-	(15)	(14)	-	-	(29)
Depreciation provided during the year	年內計提折舊	(2,413)	(8,471)	(285)	(1,078)	(4,944)	-	(17,191)
At 31 December 2017, net of accumulated depreciation	於2017年12月31日· 扣除累計折舊	33,824	946,803	10,922	10,259	30,051	964,309	1,996,168
At 31 December 2017:	於2017年12月31日:							
Cost	成本	54,254	1,024,409	30,012	26,388	36,464	964,309	2,135,836
Accumulated depreciation	累計折舊	(20,430)	(77,606)	(19,090)	(16,129)	(6,413)	-	(139,668)
Net carrying amount	賬面淨值	33,824	946,803	10,922	10,259	30,051	964,309	1,996,168

## 12. PROPERTY AND EQUIPMENT (CONTINUED)

At 31 December 2017, certain items of the Group's property and equipment with a net carrying amount of approximately RMB90,704,000 (2016: RMB128,816,000) were pledged to secure interest-bearing bank and other borrowings granted to the Group as disclosed in note 27.

## 12. 物業及設備 (續)

於2017年12月31日，本集團若干物業及設備項目賬面淨值約為人民幣90,704,000元（2016年：人民幣128,816,000元），如附註27所披露，已作為授予本集團計息銀行貸款及其他借款的抵押。

## 13. INVESTMENT PROPERTIES

## 13. 投資物業

		Completed investment properties	Investment properties under construction	Investment properties held for sale	Total
	Note	已竣工投資物業	在建投資物業	持作銷售投資物業	總計
	附註	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2016	於2016年1月1日	3,089,100	2,155,000	–	5,244,100
Investment properties under construction completed	在建已竣工投資物業	2,155,000	(2,155,000)	–	–
Additions	添置	60,794	–	–	60,794
Disposal	出售	(62,138)	–	–	(62,138)
Changes in fair value of investment properties	投資物業公允價值變動	124,994	–	–	124,994
Transfer to investment properties held for sale	轉撥至持作銷售投資物業	(237,813)	–	237,813	–
<b>At 31 December 2016 and 1 January 2017</b>	<b>於2016年12月31日及2017年1月1日</b>	<b>5,129,937</b>	<b>–</b>	<b>237,813</b>	<b>5,367,750</b>
Transfers from properties under construction to investment properties under construction	在建物業轉撥至在建投資物業	–	858,814	–	858,814
Increase in investment properties and investment properties under construction	投資物業及在建投資物業增加	8,843	160,663	–	169,506
Investment properties under construction completed	已竣工在建投資物業	1,019,477	(1,019,477)	–	–
Transfer to investment properties held for sale	轉撥至持作銷售投資物業	(773,902)	–	773,902	–
Transfers to properties under construction	轉撥至在建物業	(697,000)	–	–	(697,000)
Disposal	出售	–	–	(857,450)	(857,450)
Fair value gain upon transfer	轉撥後公允價值收益	523	–	–	523
Changes in fair value of investment properties	投資物業的公允價值變動	784,467	–	40,690	825,157
<b>At 31 December 2017</b>	<b>於2017年12月31日</b>	<b>5,472,345</b>	<b>–</b>	<b>194,955</b>	<b>5,667,300</b>

### 13. INVESTMENT PROPERTIES (CONTINUED)

### 13. 投資物業 (續)

			2017	2016
		<i>Notes</i>	2017年	2016年
		<i>附註</i>	RMB'000	RMB'000
			人民幣千元	人民幣千元
Non-current assets	非流動資產		<b>5,472,345</b>	<b>5,129,937</b>
Current assets	流動資產	<i>(e)</i>	<b>194,955</b>	<b>237,813</b>
			<b>5,667,300</b>	<b>5,367,750</b>

- (a) All investment properties of the Group were revalued at the end of the year by an independent professionally qualified valuer, CBRE Limited, at fair value. CBRE Limited is an industry specialist in investment property valuation. The fair value represents the amount at which the assets could be exchanged between a knowledgeable and willing buyer and a seller in an arm's length transaction at the date of valuation, in accordance with International Valuation Standards.

The following table gives information about how the fair values of these 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 are observable.

Investment properties held by the Group in the consolidated statement of financial position were valued into fair value hierarchy level 3 as shown below. The valuation techniques adopted are the direct comparison approach and the income approach (term and reversion approach), and key inputs are:

- (1) Term yield: the higher the term yield, the lower the fair value;
- (2) Reversionary yield: the higher the reversionary yield, the lower the fair value;

- (a) 本集團全部投資物業於年終由獨立專業合資格估值師世邦魏理仕有限公司按公允價值重估。世邦魏理仕有限公司乃專門為投資物業估值的行業專家。公允價值指可按知情自願買家及賣家於估值日期根據國際估值標準經公平交易交換資產的金額。

下表載列如何釐定此等投資物業的公允價值（尤其是，所用的估值技術及輸入數據）的資料以及根據公允價值計量輸入數值可觀察程度劃分公允價值計量的公允價值架構（第一至第三級）。

綜合財務狀況表中本集團所持有投資物業乃按下文所列的公允價值等級第三級進行估值，採納的估值技術為直接比較法及收入法（租期復歸法），而主要輸入數據為：

- (1) 租期收益率：租期收益率越高，公允價值越低；
- (2) 復歸收益率：復歸收益率越高，公允價值越低；

### 13. INVESTMENT PROPERTIES (CONTINUED)

- (a) (continued)
- (3) Market unit rent: the higher the market unit rent, the higher the fair value; and
- (4) Price per square metre: the higher the price, the higher the fair value.

### 13. 投資物業 (續)

- (a) (續)
- (3) 市場單位租金：市場單位租金越高，公允價值越高；及
- (4) 每平方米價格：價格越高，公允價值越高。

#### The significant unobservable inputs

#### 重大不可觀察輸入數據

##### Investment properties

##### held by the Group

本集團所持有投資物業

Property 1 –  
Property in Hangzhou  
(Guomao Building)  
1號物業－杭州物業  
(國貿大廈)

##### Significant unobservable inputs

重大不可觀察輸入數據

Term yield, taking into account of yield 4% for office portion and 5.5% for retail portion, generated from comparable properties and adjustment to reflect the certainty of term income secured and to be received.  
經計及同類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，辦公部份租期收益率為4%及零售部份5.5%。

Reversionary yield of 5.5% for office portion and 6% for retail portion, taking into account annual unit market rental income and unit market value of the comparable properties.  
經計及單位市場年度租金收入及同類物業的單位市值，辦公部份復歸收益率為5.5%及零售部份6%。

Market unit rent of RMB1.7/sqm/day for office portion and RMB4.9/sqm/day for retail portion, using direct market comparables and taking into account location and other individual factors such as road frontage, size of property and facilities.  
使用直接市場比較方法並經計及位置及臨街道路、物業大小及設施等其他個別因素，市場單位租金為每平方米每天人民幣1.7元（辦公部份）及每平方米每天人民幣4.9元（商舖部份）。

Price of RMB9,800/sqm for office portion and RMB23,800/sqm for retail portion, using market direct comparables and taking into account location and other individual factors such as road frontage and size of property, etc.  
使用直接市場比較法並計及位置與臨街通道及物業大小等其他個別因素，價格為每平方米人民幣9,800元（辦公部份）及人民幣23,800元（商舖部份）。



## 13. INVESTMENT PROPERTIES (CONTINUED)

### The significant unobservable inputs (continued)

#### Investment properties

#### held by the Group

本集團所持有投資物業

Property 2 –  
Property in Shanghai  
(La Vie)  
2號物業—上海物業  
(逸樂軒)

#### Significant unobservable inputs

重大不可觀察輸入數據

Term yield, taking into account of yield 5%, generated from comparable properties and adjustment to reflect the certainty of term income secured and to be received.  
經計及同類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，收益率為5%。

Reversionary yield of 5.5%, taking into account annual unit market rental income and unit market value of the comparable properties.  
經計及單位市場年度租金收入及同類物業的單位市值，復歸收益率為5.5%。

Market unit rent of RMB7.7/sqm/day, using direct market comparables and taking into account location and other individual factors such as road frontage, size of property and facilities.

使用直接市場比較方法並經計及位置及臨街道路、物業大小及設施等其他個別因素，市場單位租金為每平方米每天人民幣7.7元。

Price of RMB50,500/sqm, using market direct comparables and taking into account location and other individual factors such as road frontage and size of property, etc.  
使用直接市場比較法並計及位置與臨街道路及物業大小等其他個別因素，價格為每平方米人民幣50,500元。

## 13. 投資物業 (續)

### 重大不可觀察輸入數據 (續)

### 13. INVESTMENT PROPERTIES (CONTINUED)

### 13. 投資物業 (續)

#### The significant unobservable inputs (continued)

#### 重大不可觀察輸入數據 (續)

##### Investment properties

##### held by the Group

本集團所持有投資物業

##### Significant unobservable inputs

重大不可觀察輸入數據

Property 3 –  
Property in Hangzhou  
(Integrated Service Center)  
3號物業－杭州物業  
(綜合服務中心)

Term yield, taking into account of yield 5.5%, generated from comparable properties and adjustment to reflect the certainty of term income secured and to be received.

經計及同類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%。

Reversionary yield of 6%, taking into account annual unit market rental income and unit market value of the comparable properties.

經計及單位市場年度租金收入及同類物業的單位市值，復歸收益率為6%。

Market unit rent of RMB3.9/sqm/day, using direct market comparables and taking into account location and other individual factors such as road frontage, size of property and facilities.

使用直接市場比較方法並經計及位置及臨街道路、物業大小及設施等其他個別因素，市場單位租金為每平方米每天人民幣3.9元。

Price of RMB20,600/sqm, using market direct comparables and taking into account location and other individual factors such as road frontage and size of property, etc.

使用直接市場比較法並計及位置與臨街道路及物業大小等其他個別因素，價格為每平方米人民幣20,600元。

## 13. INVESTMENT PROPERTIES (CONTINUED)

### The significant unobservable inputs (continued)

#### Investment properties

#### held by the Group

本集團所持有投資物業

Property 4 – Property in  
Hangzhou (Retail portion of  
Highlong Plaza)

4號物業－杭州物業  
(恒隆廣場商舖部份)

#### Significant unobservable inputs

重大不可觀察輸入數據

Term yield, taking into account of yield 5.5%, generated from comparable properties and adjustment to reflect the certainty of term income secured and to be received.

經計及同類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%。

Reversionary yield of 6%, taking into account annual unit market rental income and unit market value of the comparable properties.

經計及單位市場年度租金收入及同類物業的單位市值，復歸收益率為6%。

Market unit rent of RMB6.2/sqm/day, using direct market comparables and taking into account location and other individual factors such as road frontage, size of property and facilities.

使用直接市場比較方法並經計及位置及臨街道路、物業大小及設施等其他個別因素，市場單位租金為每平方米每天人民幣6.2元。

Price of RMB32,200/sqm, using market direct comparables and taking into account of location and other individual factors such as road frontage and size of property, etc.

使用直接市場比較法並計及位置與臨街道路及物業大小等其他個別因素，價格為每平方米人民幣32,200元。

## 13. 投資物業 (續)

### 重大不可觀察輸入數據 (續)

### 13. INVESTMENT PROPERTIES (CONTINUED)

### 13. 投資物業 (續)

#### The significant unobservable inputs (continued)

#### 重大不可觀察輸入數據 (續)

##### Investment properties

##### held by the Group

本集團所持有投資物業

##### Significant unobservable inputs

重大不可觀察輸入數據

Property 5 –  
Property in Hangzhou  
(Landscape Garden)  
5號物業－杭州物業  
(山水苑)

Term yield, taking into account of yield 5.75%, generated from comparable properties and adjustment to reflect the certainty of term income secured and to be received.

經計及同類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5.75%。

Reversionary yield of 6.25%, taking into account annual unit market rental income and unit market value of the comparable properties.

經計及單位市場年度租金收入及同類物業的單位市值，復歸收益率為6.25%。

Market unit rent of RMB2.5/sqm/day, using direct market comparables and taking into account location and other individual factors such as road frontage, size of property and facilities.

使用直接市場比較方法並經計及位置及臨街道路、物業大小及設施等其他個別因素，市場單位租金為每平方米每天人民幣2.5元。

Price of RMB15,500/sqm, using market direct comparables and taking into account location and other individual factors such as road frontage and size of property, etc.

使用直接市場比較法並計及位置與臨街道路及物業大小等其他個別因素，價格為每平方米人民幣15,500元。

### 13. INVESTMENT PROPERTIES (CONTINUED)

#### The significant unobservable inputs (continued)

##### Investment properties

##### held by the Group

本集團所持有投資物業

Property 6 –  
Property in Hangzhou  
(Hidden Dragon Bay)  
6號物業－杭州物業  
(隱龍灣)

##### Significant unobservable inputs

重大不可觀察輸入數據

Term yield, taking into account of yield 5%, generated from comparable properties and adjustment to reflect the certainty of term income secured and to be received.  
經計及同類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 of 6%, taking into account of annual unit market rental income and unit market value of the comparable properties.  
經計及單位市場年度租金收入及同類物業的單位市值，復歸收益率為6%。

Market unit rent of RMB4.4/sqm/day, using direct market comparables and taking into account location and other individual factors such as road frontage, size of property and facilities.

使用直接市場比較方法並經計及位置及臨街道路、物業大小及設施等其他個別因素，所得市場單位租金為每平方米每天人民幣4.4元。

Price of RMB21,000/sqm, using market direct comparables and taking into account location and other individual factors such as road frontage and size of property, etc.  
使用直接市場比較法並計及位置與臨街道路及物業大小等其他個別因素，價格為每平方米人民幣21,000元。

### 13. 投資物業 (續)

#### 重大不可觀察輸入數據 (續)

### 13. INVESTMENT PROPERTIES (CONTINUED)

### 13. 投資物業 (續)

#### The significant unobservable inputs (continued)

#### 重大不可觀察輸入數據 (續)

##### Investment properties

##### held by the Group

本集團所持有投資物業

##### Significant unobservable inputs

重大不可觀察輸入數據

Property 7 –  
Property in Yuyao  
(Yintai shopping mall)  
7號物業—餘姚物業  
(銀泰城)

Term yield, taking into account of yield 5.75%, generated from comparable properties and adjustment to reflect the certainty of term income secured and to be received.

經計及同類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5.75%。

Reversionary yield of 6.25%, taking into account of annual unit market rental income and unit market value of the comparable properties.

經計及單位市場年度租金收入及同類物業的單位市值，復歸收益率為6.25%。

Market unit rent of RMB4.1/sqm/day, using direct market comparables and taking into account location and other individual factors such as road frontage, size of property and facilities.

使用直接市場比較方法並經計及位置及臨街道路、物業大小及設施等其他個別因素，市場單位租金為每平方米每天人民幣4.1元。

Price of RMB16,500/sqm, using market direct comparables and taking into account location and other individual factors such as road frontage and size of property, etc.

使用直接市場比較法並計及位置與臨街道路及物業大小等其他個別因素，價格為每平方米人民幣16,500元。

There are three properties – International Office Center, Office portion of Highlong Plaza and Serviced apartment portion of Highlong Plaza, three properties in Hangzhou – valued into fair value hierarchy level 2, the valuation technique adopted is the direct comparison approach, and the key input is price per square metre, the higher the price, the higher the fair value.

共有三處物業—國際辦公中心、恒隆廣場辦公部份及恒隆廣場服務式公寓（三處均為於杭州）乃按公允價值等級第2級進行估值，採納的估值技術為直接比較法，而主要輸入數據為每平方米價格，價格越高，公允價值越高。

Significant unobservable input for International Office Center is the price of RMB20,000/sqm to RMB32,000/sqm, using market direct comparables and taking into account location and other individual factors such as road frontage and size of property, etc. As at 31 December 2017, the investment property part of International Office Center is valued by fair value hierarchy level 2 with a carrying amount of RMB2,416,000,000 (2016: RMB2,773,000,000).

國際辦公中心的重大不可觀察輸入數據為每平方米人民幣20,000元至每平方米人民幣32,000元的價格，該等數值使用直接市場比較法並計及位置以及臨街道路、物業大小等其他個別因素釐定。於2017年12月31日，國際辦公中心的投資物業部份按公允價值等級第2級進行估值，賬面值為人民幣2,416,000,000元（2016年：人民幣2,773,000,000元）。

### 13. INVESTMENT PROPERTIES (CONTINUED)

#### The significant unobservable inputs (continued)

Significant unobservable input for Office portion of Highlong Plaza is the price of RMB12,400/sqm to RMB12,500/sqm, using market direct comparables and taking into account location and other individual factors such as road frontage and size of property, etc. As at 31 December 2017, the investment property part of Office portion of Highlong Plaza is valued by fair value hierarchy level 2 with a carrying amount of RMB224,500,000 (2016: RMB289,000,000).

Significant unobservable input for Serviced apartment portion of Highlong Plaza is the price of RMB15,000/sqm to RMB15,900/sqm, using market direct comparables and taking into account location and other individual factors such as road frontage and size of property, etc. As at 31 December 2017, the investment property part of Serviced apartment portion of Highlong Plaza is valued by fair value hierarchy level 2 with a carrying amount of RMB41,000,000 (2016: RMB264,000,000).

- (b) The Group's investment properties situated on the leasehold land in Mainland China are all leased from 30 to 50 years.

### 13. 投資物業 (續)

#### 重大不可觀察輸入數據 (續)

恒隆廣場辦公部份的重大不可觀察輸入數據為每平方米人民幣12,400元至每平方米人民幣12,500元的價格，該等數值使用直接市場比較法並計及位置以及臨街道路、物業大小等其他個別因素釐定。於2017年12月31日，恒隆廣場辦公部份的投資物業部份按公允價值等級第2級進行估值，賬面值為人民幣224,500,000元（2016年：人民幣289,000,000元）。

恒隆廣場服務式公寓部份的重大不可觀察輸入數據為每平方米人民幣15,000元至每平方米人民幣15,900元的價格，該等數值使用直接市場比較法並計及位置以及臨街道路、物業大小等其他個別因素釐定。於2017年12月31日，恒隆廣場服務式公寓部份的投資物業部份按公允價值等級第2級進行估值，賬面值為人民幣41,000,000元（2016年：人民幣264,000,000元）。

- (b) 本集團的投資物業（位於中國內地的租賃土地）租期介乎於30至50年。

### 13. INVESTMENT PROPERTIES (CONTINUED)

#### The significant unobservable inputs (continued)

- (c) Investment properties leased out under operating leases

The Group leases out investment properties under operating lease arrangements. All leases run for a period of one to fifteen years, with an option to renew the leases after the expiry dates, at which time all terms will be renegotiated. The Group's total future minimum lease receivables under non-cancellable operating leases generated from investment properties are as follows:

Within one year	一年內
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)
After five years	五年以上

- (d) At 31 December 2017, certain of the Group's investment properties with a carrying amount of RMB1,732,798,000 (2016: RMB2,355,739,000) were pledged to secure interest-bearing bank and other borrowings granted to the Group as disclosed in note 27.

### 13. 投資物業(續)

#### 重大不可觀察輸入數據(續)

- (c) 根據經營租賃已租出的投資物業

本集團根據經營租賃安排租出投資物業。所有租賃為期一至十五年，並可選擇於到期日後在重新磋商全部條款下續訂租賃。本集團根據不可取消經營租賃由投資物業所得的日後最低租賃款項總額如下：

2017	2016
2017年	2016年
RMB'000	RMB'000
人民幣千元	人民幣千元
67,233	53,668
145,805	134,296
23,330	30,448
<b>236,368</b>	<b>218,412</b>

- (d) 於2017年12月31日，根據附註27所披露，本集團賬面值為人民幣1,732,798,000元(2016年：人民幣2,355,739,000元)的若干投資物業已作本集團獲得計息銀行貸款及其他借款的抵押。



### 13. INVESTMENT PROPERTIES (CONTINUED)

#### The significant unobservable inputs (continued)

- (e) As at 31 December 2017, the Group had entered into certain sale and purchase agreements to sell certain investment properties with a carrying amount of RMB194,955,000 (2016: RMB237,813,000). Besides, the Group also had received deposits of approximately RMB32,571,000 (2016: RMB141,300,000), the amount received was recognised as advances from customers as at 31 December 2017.
- (f) By the end of 2016, the unit 1 of A3.1 of International Office Center("IOC") of Henlly Enterprise Management(Hangzhou) Co.,Ltd.("Hli"), which is originally designed to lease out to third parties. In October 2017, Management decided to change the usage of Unit 1 of A3.1 from lease out learn rental to further development the properties to SOHO for sale. The decoration and pre-sale of Unit 1 of IOC A3.1 has started. Unit 1 of A3.1 was transferred to properties under construction with fair value cost of RMB697 million at transition date.

### 13. 投資物業 (續)

#### 重大不可觀察輸入數據 (續)

- (e) 於2017年12月31日，本集團訂立若干買賣協議以出售賬面值為人民幣194,955,000元（2016年：人民幣237,813,000元）的若干投資物業。此外，本集團亦已收取按金約人民幣32,571,000元（2016年：人民幣141,300,000元）。於2017年12月31日，已收取金額獲確認為客戶預付款。
- (f) 截至2016年年底，恒利企業管理（杭州）有限公司（「恒利」）國際辦公中心（「IOC」）的A3.1單元1最初設計用於出租予第三方。於2017年10月，管理層決定將A3.1單元1的用途由出租賺取租金改為進一步發展物業為SOHO出售。IOC A3.1單元1已開始裝修及預售。A3.1單元1已轉撥至在建物業，於過渡日期的公允價值成本為人民幣6.97億元。

## 14. PROPERTIES UNDER DEVELOPMENT

## 14. 開發中物業

		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Carrying amount at 1 January	於1月1日賬面值	<b>2,323,045</b>	3,222,200
Additions	添置	<b>1,240,691</b>	538,966
Transfer to investment properties (note 13)	轉撥至投資物業 (附註13)	<b>(858,814)</b>	-
Transfer to construction in progress (note 12)	轉撥至在建工程 (附註12)	<b>(420,316)</b>	(1,074,531)
Transfer from investment properties (note 13)	轉撥自投資物業 (附註13)	<b>697,000</b>	-
Transfer to completed properties held for sale (note 20)	轉撥至持作銷售已落成物業 (附註20)	<b>(130,192)</b>	(363,590)
Carrying amount at 31 December	於12月31日賬面值	<b>2,851,414</b>	2,323,045
Current assets	流動資產	<b>2,211,244</b>	990,130
Non-current assets	非流動資產	<b>640,170</b>	1,332,915
		<b>2,851,414</b>	2,323,045

## 14. PROPERTIES UNDER DEVELOPMENT (CONTINUED)

The Group's properties under development are located in Mainland China.

The carrying amounts of the properties under development situated on the leasehold land in Mainland China are as follows:

## 14. 開發中物業 (續)

本集團開發中物業均位於中國內地。

開發中物業 (位於中國內地的租賃土地) 的賬面值如下:

		<b>2017</b>	2016
		<b>2017年</b>	2016年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Leases of over 50 years	租期超過50年	-	234,000
Leases between 30 and 50 years	租期30年至50年	<b>2,851,414</b>	2,089,045
		<b>2,851,414</b>	2,323,045

At 31 December 2017, certain of the Group's properties under development with a carrying amount of RMB786,511,000 (2016: RMB1,673,772,000) were pledged to secure interest-bearing bank and other borrowings granted to the Group as disclosed in note 27.

於2017年12月31日，本集團若干開發中物業賬面值為人民幣786,511,000元 (2016年：人民幣1,673,772,000元)，如附註27所披露，已作為授予本集團計息銀行貸款及其他借款的抵押。

## 15. AVAILABLE-FOR-SALE INVESTMENTS

## 15. 可供出售投資

	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Unlisted equity investments, at cost	<b>359,300</b>	28,300

非上市權益投資，按成本值

As at 31 December 2017, the available-for-sale investments were the unlisted equity investments with a carrying amount of RMB359,300,000 (2016: RMB28,300,000) stated at cost less impairment, because the investment do not have a quoted market price in an active market. In the opinion of the directors, the fair value of the investments were not less than the carrying values of the investments as at 31 December 2017.

於2017年12月31日，可供出售投資為按成本減減值列賬的賬面值為人民幣359,300,000元（2016年：人民幣28,300,000元）的非上市權益投資，此乃由於投資於活躍市場並無市場報價。董事認為於2017年12月31日，投資之公允價值並不低於其賬面值。

On 11 January 2017, Zhong An Shenglong, an indirect non-wholly-owned subsidiary of the Company, proposed acquisition of 42.5% of the equity interests in Zhejiang Xinnongdu Industrial Corporation Limited ("XND"). On 21 August 2017, Zhong An Shenglong entered into an equity transfer agreement to acquire 19.85% of the equity interests in XND at a cash consideration of RMB327 million and the Company has not yet appointed any representative to the board of XND. As at 31 December 2017, the directors of the Company consider the remaining transaction is not yet completed and it is subject to finalisation of certain terms and conditions of the remaining transaction agreement.

於2017年1月11日，本公司之間接非全資附屬公司眾安盛隆建議收購浙江新農都實業有限公司（「浙江新農都」）股權之42.5%。於2017年8月21日，眾安盛隆訂立股權轉讓協議以收購浙江新農都股權之19.85%，現金代價為人民幣327,000,000元及本公司並無委任任何代表加入浙江新農都董事會。於2017年12月31日，本公司董事認為餘下交易尚未完成，仍須待餘下交易協議的若干條款及條件落實。

## 16. LONG TERM PREPAYMENTS

## 16. 長期預付款

	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Prepaid land lease payments	<b>72,290</b>	295,744
Maintenance fund	<b>12,031</b>	11,921
Prepaid property lease payment	<b>38,633</b>	-
Construction completion deposits	<b>13,480</b>	3,600
Deposits	<b>52,273</b>	-
	<b>188,707</b>	311,265

預付土地租金款項

維護資金

預付物業租賃付款

竣工按金

按金

## 17. INVESTMENT IN A JOINT VENTURE 17. 於一間合營公司的投資

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Share of net assets	分佔資產淨值	-	759

The 40% equity interest in Hangzhou Yinsheng Commercial Management Co., Ltd. ("YS") used to be held through a subsidiary with 90% of equity interests attributable to the Group. On 17 August 2017, YS was liquidated.

於杭州銀晟商業管理有限公司(「銀晟」)的40%股本權益乃透過本公司應佔90%股本權益的附屬公司持有。於2017年8月17日，銀晟被清盤。

The movements of the investments in a joint venture during the reporting period are as follows:

於報告期內於一間合營公司投資的變動載列如下：

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
At 1 January	於1月1日	759	774
Newly required interest in a joint venture	於一間合營公司之新收購權益	-	-
Share of losses	分佔虧損	-	(15)
Disposal of shares of a joint venture	出售一間合營公司股份	(759)	-
<b>At 31 December</b>	<b>於12月31日</b>	<b>-</b>	<b>759</b>

## 18. DEFERRED TAX ASSETS AND LIABILITIES

The movements in deferred tax assets and liabilities are as follows:

### Deferred tax assets

		Losses available for offsetting against future taxable profits			Prepaid corporation income tax	Total
		Unrealised Intragroup profit or loss	for offsetting against future taxable profits	Prepaid corporation income tax		
		未變現集團間損益	可供抵銷未來應課稅利潤的虧損	預付企業所得稅	總計	
		RMB'000	RMB'000	RMB'000	RMB'000	
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	
At 1 January 2016	於2016年1月1日	3,691	11,561	4,037	19,289	
Prepaid income tax	預付所得稅	-	-	(4,037)	(4,037)	
Deferred tax charged to the statement of profit or loss during the year	年內於損益表扣除的遞延稅項	-	(4,163)	-	(4,163)	
At 31 December 2016 and 1 January 2017	於2016年12月31日及2017年1月1日	3,691	7,398	-	11,089	
Deferred tax charged to the statement of profit or loss during the year	年內於損益表扣除的遞延稅項	(1,715)	1,683	-	(32)	
<b>At 31 December 2017</b>	<b>於2017年12月31日</b>	<b>1,976</b>	<b>9,081</b>	<b>-</b>	<b>11,057</b>	

In accordance with the PRC laws and regulations, tax losses could be carried forward for five years to offset against its future taxable profits. Deferred tax assets relating to unutilised tax losses are recognised to the extent that it is probable that sufficient taxable profit will be available to allow these deferred tax assets to be utilised.

根據中國法律及法規，稅項虧損可結轉5年以抵銷其日後的應課稅溢利。有關尚未動用稅項虧損的遞延稅項資產，只會在將有足夠應課稅溢利以使該等遞延稅項資產獲得動用時方會確認。

## 18. 遞延稅項資產及負債

遞延稅項資產及負債變動如下：

### 遞延稅項資產

		Losses available for offsetting against future taxable profits			Prepaid corporation income tax	Total
		Unrealised Intragroup profit or loss	for offsetting against future taxable profits	Prepaid corporation income tax		
		未變現集團間損益	可供抵銷未來應課稅利潤的虧損	預付企業所得稅	總計	
		RMB'000	RMB'000	RMB'000	RMB'000	
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	
At 1 January 2016	於2016年1月1日	3,691	11,561	4,037	19,289	
Prepaid income tax	預付所得稅	-	-	(4,037)	(4,037)	
Deferred tax charged to the statement of profit or loss during the year	年內於損益表扣除的遞延稅項	-	(4,163)	-	(4,163)	
At 31 December 2016 and 1 January 2017	於2016年12月31日及2017年1月1日	3,691	7,398	-	11,089	
Deferred tax charged to the statement of profit or loss during the year	年內於損益表扣除的遞延稅項	(1,715)	1,683	-	(32)	
<b>At 31 December 2017</b>	<b>於2017年12月31日</b>	<b>1,976</b>	<b>9,081</b>	<b>-</b>	<b>11,057</b>	

## 18. DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED)

### Deferred tax assets (continued)

The Group has no accumulated tax losses arising in Hong Kong that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. The Group has accumulated tax losses arising in Mainland China of RMB413,204,000 (2016: RMB246,749,000) that will expire in one to five years for offsetting against future taxable profits. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

### Deferred tax liabilities

## 18. 遞延稅項資產及負債 (續)

### 遞延稅項資產 (續)

本集團並無於香港產生累計稅項虧損，可用以無限期抵銷各出現虧損的公司日後的應課稅溢利。本集團於中國內地產生人民幣413,204,000元（2016年：人民幣246,749,000元）的累計稅項虧損，將於一至五年內到期，以抵銷日後的應課稅溢利。由於該等附屬公司已產生虧損一段時間，且認為並無可能有可用作扣減稅務虧損的應課稅溢利，故並無就該等虧損確認遞延稅項資產。

### 遞延稅項負債

		Fair value adjustment of investment properties 公允價值調整	Withholding tax 預扣稅	Others* 其他*	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2016	於2016年1月1日	840,994	11,048	97,370	949,412
Deferred tax credited to the statement of profit or loss during the year	年內於損益表進賬的遞延稅項	61,085	1,025	(26,928)	35,182
At 31 December 2016 and 1 January 2017	於2016年12月31日及2017年1月1日	902,079	12,073	70,442	984,594
Realised during the year	於年內變現	(138,164)	-	(900)	(139,064)
Deferred tax credited to the statement of profit or loss during the year	年內於損益表進賬的遞延稅項	206,026	7,270	28,495	241,791
At 31 December 2017	於2017年12月31日	969,941	19,343	98,037	1,087,321

\* Others mainly include temporary differences regarding capitalised finance costs.

\* 其他主要包括與資本化融資成本相關的暫時差額。

## 18. DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED)

### Deferred tax liabilities (continued)

Pursuant to the PRC Corporate Income Tax Law (the "New CIT Law"), a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in the PRC. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in the PRC in respect of earnings generated from 1 January 2008.

Other than the deferred tax liability in relation to the PRC withholding income tax provided above, no deferred taxation has been provided for the distributable retained profits of approximately RMB352,489,000 (2016: RMB64,068,000), which were derived from the PRC subsidiaries 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.

## 18. 遞延稅項資產及負債 (續)

### 遞延稅項負債 (續)

根據中國企業所得稅法(「新企業所得稅法」),須向於中國成立的外資企業的海外投資者宣派股息徵收10%預扣稅。有關規定自2008年1月1日起生效,並適用於2007年12月31日後所產生之盈利。倘中國內地與外資投資者所屬司法權區之間定有稅務優惠則可按較低預扣稅率繳稅。本集團之適用比率為10%。因此,本集團須就該等於中國成立之附屬公司就2008年1月1日起產生之盈利而分派之股息繳交預扣稅。

除與上文載列的中國預扣所得稅相關的遞延稅項負債外,概無就源自中國附屬公司的可分派保留溢利約人民幣352,489,000元(2016年:人民幣64,068,000元)作出遞延稅項撥備,因為本集團能控制暫時性差額撥回的時間且暫時性差額可能於可見未來不會撥回。



## 19. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

Details of the Group's subsidiaries that have material non-controlling interests are set out below:

Percentage of equity interest held by non-controlling interests:

		2017 2017年	2016 2016年
Zhejiang Zhong An Sheng Long Commercial Co., Ltd. ("Zhong An Sheng Long")	浙江眾安盛隆商業有限公司 ([眾安盛隆])	10%	10%
Hangzhou Zheng Jiang Real Estate Development Co., Ltd. ("Hangzhou Zheng Jiang")	杭州正江房地產開發有限公司 ([杭州正江])	7.5%	7.5%
Zhejiang Heng Fa Real Estate Co. Ltd. ("Zhejiang Heng Fa")	浙江恒發置業有限公司 ([浙江恒發])	49%	-

Accumulated balances of non-controlling interests at the reporting dates:

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Zhong An Sheng Long	眾安盛隆	146,506	155,947
Hangzhou Zheng Jiang	杭州正江	7,613	17,060
Zhejiang Heng Fa	浙江恒發	18,175	-

Loss for the year allocated to non-controlling interests:

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Zhong An Sheng Long	眾安盛隆	(13,329)	(5,906)
Hangzhou Zheng Jiang	杭州正江	(557)	(461)
Zhejiang Heng Fa	浙江恒發	(6,325)	-

## 19. 部份擁有的附有重大非控股權益的附屬公司

擁有重大非控股權益的本集團附屬公司詳情載列如下：

非控股權益持有股權百分比：

	2017 2017年	2016 2016年
Zhejiang Zhong An Sheng Long Commercial Co., Ltd. ("Zhong An Sheng Long")	10%	10%
Hangzhou Zheng Jiang Real Estate Development Co., Ltd. ("Hangzhou Zheng Jiang")	7.5%	7.5%
Zhejiang Heng Fa Real Estate Co. Ltd. ("Zhejiang Heng Fa")	49%	-

於報告日期非控股權益累計結餘：

	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Zhong An Sheng Long	146,506	155,947
Hangzhou Zheng Jiang	7,613	17,060
Zhejiang Heng Fa	18,175	-

年內分派予非控股權益的虧損：

	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Zhong An Sheng Long	(13,329)	(5,906)
Hangzhou Zheng Jiang	(557)	(461)
Zhejiang Heng Fa	(6,325)	-

## 19. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS (CONTINUED)

The following tables illustrate the summarised financial information of the above subsidiaries. The amounts disclosed are before any inter-company eliminations:

## 19. 部份擁有的附有重大非控股權益的附屬公司 (續)

下表載列以上附屬公司的財務資料概要。所披露的金額為於任何公司間對銷前之金額：

		Zhong An Sheng Long 眾安盛隆 RMB'000 人民幣千元	Hangzhou Zheng Jiang 杭州正江 RMB'000 人民幣千元	Zhejiang Heng Fa 浙江恒發 RMB'000 人民幣千元
<b>2017</b>				
<b>2017年</b>				
Revenue	收入	43,737	13,576	-
Changes in fair value of investment properties	投資物業公允價值變動	(19,578)	(23,028)	-
Total expenses	開支總額	(86,513)	2,022	16,154
(Loss)/profit and total comprehensive income for the year	年內(虧損)/溢利及全面收益總額	(62,354)	(7,430)	16,154
Current assets	流動資產	2,639,851	713,528	298,017
Non-current assets	非流動資產	3,147,234	713,528	3,627
Current liabilities	流動負債	(3,652,964)	(839,676)	(266,277)
Non-current liabilities	非流動負債	(637,000)	-	-
Net cash flows generated from/ (used in) operating activities	營運活動產生/(耗用)現金流量淨額	538,109	(1,183)	(56,654)
Net cash flows used in investing activities	投資活動耗用現金流量淨額	(538,109)	(10)	(497)
Net cash flows used in financing activities	融資活動耗用現金流量淨額	-	-	-
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額	-	(1,193)	(57,151)

## 19. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS (CONTINUED)

The following tables illustrate the summarised financial information of the above subsidiaries. The amounts disclosed are before any inter-company eliminations: (continued)

## 19. 部份擁有的附有重大非控股權益的附屬公司(續)

下表載列以上附屬公司的財務資料概要。所披露的金額為於任何公司間對銷前之金額：(續)

		Zhong An Sheng Long 眾安盛隆	Hangzhou Zheng Jiang 杭州正江
2016		RMB'000	RMB'000
2016年		人民幣千元	人民幣千元
Revenue	收入	32,535	10,925
Changes in fair value of investment properties	投資物業公允價值的變動	(5,650)	(16,900)
Total expenses (Loss) and total comprehensive income for the year	開支總額 年內(虧損)及全面收益總額	(85,944)	(165)
		(59,059)	(6,140)
Current assets	流動資產	2,569,423	719,015
Non-current assets	非流動資產	2,621,050	379,274
Current liabilities	流動負債	(2,317,697)	(809,377)
Non-current liabilities	非流動負債	(1,313,301)	(61,449)
Net cash flows (used in)/generated from operating activities	營運活動(耗用)/產生現金流量淨額	(586,862)	621,959
Net cash flows generated from investing activities	投資活動產生現金流量淨額	705,601	-
Net cash flows used in financing activities	融資活動耗用現金流量淨額	(101,000)	(601,000)
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	17,739	20,959

## 20. COMPLETED PROPERTIES HELD FOR SALE

## 20. 持作銷售已竣工物業

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Carrying amount at 1 January	於1月1日之賬面值	<b>1,232,200</b>	1,361,490
Transfer from properties under development (note 14)	轉撥自開發中物業 (附註14)	<b>130,192</b>	363,590
Transfer to cost of properties sold (note 6)	轉撥至已出售物業成本 (附註6)	<b>(79,425)</b>	(492,880)
Carrying amount at 31 December	於12月31日之賬面值	<b>1,282,967</b>	1,232,200

As at 31 December 2017, certain of the Group's completed properties held for sale of RMB1,086,533,000 (2016: RMB893,109,000) were pledged to secure interest-bearing bank and other borrowings granted to the Group as disclosed in note 27.

於2017年12月31日，本集團若干持作銷售已落成物業為人民幣1,086,533,000元（2016年：人民幣893,109,000元），如附註27所披露，已作為授予本集團計息銀行貸款及其他借款的抵押。

## 21. TRADE RECEIVABLES

The Group's trading terms with its customers are mainly lease receivables on credit. The credit period is generally one month, extending up to three months for major customers. All balances of the trade receivables as at the end of the year were neither past due nor impaired and aged within one to three months.

Trade receivables are non-interest-bearing and unsecured.

## 21. 應收貿易賬款

本集團與其客戶訂立的貿易條款主要為信貸租賃應收款項。信貸期一般為一個月，就主要客戶而言最多延長至三個月。應收貿易賬款於年底的所有餘額均未逾期或減值，且賬齡為一至三個月。

應收貿易賬款為免息及無抵押。

## 22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Advances to suppliers	預付款給供應商	30,015	8,634
Deposits	按金	39,312	2,223
Prepaid other tax	預付其他稅項	26,752	16,764
Other receivables	其他應收款項	47,227	74,733
		<b>143,306</b>	102,354

None of the above is either past due or impaired. The financial assets included in the above balances related to receivables for which there was no recent history of default.

## 22. 預付款項、按金及其他應收款項

上述各項並無逾期或減值。計入上述結餘之金融資產與近期並無拖欠債務記錄之應收款項有關。

## 23. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cash and bank balances	現金及銀行結餘	430,000	344,566
Time deposits	定期存款	182,463	118,231
		<b>612,463</b>	462,797
Less: Restricted cash	減：受限制現金	<b>(289,151)</b>	(164,489)
Cash and cash equivalents	現金及現金等價物	<b>323,312</b>	298,308
Current assets	流動資產	<b>149,224</b>	46,258
Non-current assets	非流動資產	<b>139,927</b>	118,231
Restricted cash	受限制現金	<b>289,151</b>	164,489

## 23. 現金及現金等價物及受限制現金

## 23. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH (CONTINUED)

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and restricted cash are deposited with creditworthy banks with no recent history of default.

Pursuant to relevant regulations in the PRC, certain property development companies of the Group are required to place in designated bank accounts certain amounts of pre-sale proceeds of properties as guarantee deposits for the construction of the related properties. The deposits can be used for purchases of construction materials and payments of the construction fees of the relevant property projects when approval from relevant local government authorities is obtained. As at 31 December 2017, these guarantee deposits amounted to approximately RMB105,905,000 (2016: RMB45,115,000).

Besides, certain of the Group's bank accounts of approximately RMB783,000 (2016: RMB1,143,000) were guaranteed to bank for the timely repayment of the loans.

As at 31 December 2017, certain of the Group's current time deposits of RMB42,536,000 (2016: Nil) were pledged to secure interest-bearing bank loans and other borrowings granted to the Group as disclosed in note 27.

As at 31 December 2017, certain of the Group's non-current time deposits of RMB1,000,000 (2016: RMB1,000,000) were pledged to banks as guarantees to mortgage facilities granted to purchasers of the Group's properties.

As at 31 December 2017, certain of the Group's non-current time deposits of RMB138,927,000 (2016: RMB117,231,000) were pledged to secure interest-bearing bank loans and other borrowings granted to the Group as disclosed in note 27.

## 23. 現金及現金等價物及受限制現金 (續)

銀行存款基於銀行日常儲蓄率以浮動利率計息。短期定期存款為一天至三個月不等的期限（視本集團的即時現金需求而定），及按不同的短期定期存款利率計息。銀行結餘及受限制現金均存放於近期並無違約歷史的信譽良好之銀行。

根據中國相關法規，本集團的若干物業開發公司須將所收取的若干物業預售所得款項存放於指定銀行賬戶，作為相關物業建設的擔保按金。當取得相關當地政府部門的批准後，按金可用於購置相關物業項目的建築材料及支付建築費用。於2017年12月31日，該擔保按金約為人民幣105,905,000元（2016年：人民幣45,115,000元）。

此外，本集團之若干銀行賬目約人民幣783,000元（2016年：人民幣1,143,000元）已向銀行提供擔保，以及時償還貸款。

誠如附註27所披露，於2017年12月31日，本集團之若干即期定期存款人民幣42,536,000元（2016年：無）已質押予銀行，作為本集團獲授計息銀行貸款及其他借款之擔保。

於2017年12月31日，本集團之若干非即期定期存款人民幣1,000,000元（2016年：人民幣1,000,000元）已質押予銀行，作為向本集團物業買家獲授按揭信貸之擔保。

誠如附註27所披露，於2017年12月31日，本集團之若干非即期定期存款人民幣138,927,000元（2016年：人民幣117,231,000元）已予以質押，作為本集團獲授計息銀行貸款及其他借款之擔保。

## 23. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH (CONTINUED)

At the end of the reporting period, the cash and bank balances of the Group denominated in RMB amounted to RMB341,556,000 (2016: RMB210,918,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorized to conduct foreign exchange business.

## 24. TRADE PAYABLES

An aging analysis of the Group's trade payables as at the end of the reporting period, based on the payment due dates, is as follows:

Within six months	6個月內
Over six months but within one year	超過6個月但1年內
Over one year	超過1年

The trade payables are unsecured and interest-free and are normally settled based on the progress of construction.

## 25. OTHER PAYABLES AND ACCRUALS

Deposits related to construction	有關建築的按金
Payables for acquisition of subsidiaries	就收購附屬公司應付的款項
Tax surcharges	附加稅
Guarantee deposits	擔保按金
Other payables	其他應付款項

Other payables are unsecured and interest-free.

## 23. 現金及現金等價物及受限制現金 (續)

於報告期末，本集團以人民幣列值的現金及銀行結餘為人民幣341,556,000元（2016年：人民幣210,918,000元）。人民幣不得自由兌換為其他貨幣，然而，根據中國內地外匯管制規定以及結匯、售匯及付匯管理規定，本集團獲准透過有權進行外匯業務的銀行將人民幣兌換為其他貨幣。

## 24. 應付貿易賬款

本集團應付貿易賬款於各報告期末按付款到期日計算的賬齡分析如下：

2017	2016
2017年	2016年
RMB'000	RMB'000
人民幣千元	人民幣千元
590,329	526,838
117,687	188,219
42,358	11,942
<b>750,374</b>	<b>726,999</b>

應付貿易賬款乃無抵押及免息且一般按建築進度支付。

## 25. 其他應付款項及應計費用

2017	2016
2017年	2016年
RMB'000	RMB'000
人民幣千元	人民幣千元
40,894	42,352
15,060	15,060
19,548	8,491
41,540	14,466
62,081	35,447
<b>179,123</b>	<b>115,816</b>

其他應付款項為無抵押並且不計息。

## 26. ADVANCES FROM CUSTOMERS

Advances from customers represent sales proceeds received from buyers in connection with the Group's pre-sale of properties.

## 27. INTEREST-BEARING BANK AND OTHER BORROWINGS

## 26. 客戶預付款

客戶預付款指就本集團就預售物業而收取買家的銷售所得款項。

## 27. 計息銀行貸款及其他借款

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Current:	即期：		
Bank loans – secured	銀行貸款－有抵押	1,130,739	754,000
Bank loans – unsecured	銀行貸款－無抵押	50,000	50,000
Other loans – secured	其他貸款－有抵押	–	300,000
		<b>1,180,739</b>	1,104,000
Non-current:	非即期：		
Bank loans – secured	銀行貸款－有抵押	1,117,000	2,196,609
Other loans – secured	其他貸款－有抵押	810,000	–
		<b>1,927,000</b>	2,196,609
		<b>3,107,739</b>	3,300,609
Repayable:	須於下列期間償還：		
Within one year or on demand	一年內或要求時	1,180,739	1,104,000
Over one year but within two years	多於一年但少於兩年	1,270,000	989,609
Over two years but within five years	多於兩年但少於五年	487,000	757,000
Over five years	五年以上	170,000	450,000
		<b>3,107,739</b>	3,300,609

Except for certain short term bank and other borrowings amounting to RMB1,201,000,000 (2016: RMB770,000,000) that bear interest at fixed rates, all bank loans bear interest at floating rates.

除若干按固定利率計息之短期銀行貸款及其他借款人民幣1,201,000,000元（2016年：人民幣770,000,000元），所有銀行貸款按浮動利率計息。



## 27. INTEREST-BEARING BANK AND OTHER BORROWINGS (CONTINUED)

The Group's bank and other borrowings bear effective interest rates ranging as follows:

		2017	2016
		2017年	2016年
Effective interest rates	實際利率	<b>0.90% – 8.20%</b>	2.11%-12.00%

The carrying amounts of all the Group's borrowings during the year were denominated as follows:

		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
RMB loans and borrowings	人民幣貸款及借款	<b>2,787,390</b>	2,998,000
US\$ loans and borrowings	美元貸款及借款	<b>282,784</b>	302,609
JPY loans and borrowings	日元貸款及借款	<b>37,565</b>	–
		<b>3,107,739</b>	3,300,609

## 27. 計息銀行貸款及其他借款 (續)

本集團的銀行貸款及其他借款按以下實際利率計息：

本集團於年內所有借款的賬面值按以下貨幣計值，詳情如下：

## 27. INTEREST-BEARING BANK AND OTHER BORROWINGS (CONTINUED)

The Group's bank and other borrowings were secured by the pledges of the following assets at the end of reporting period as follows:

## 27. 計息銀行貸款及其他借款 (續)

於報告期末，本集團銀行貸款及其他借款由以下資產質押作抵押：

			2017	2016
		Note	2017年	2016年
		附註	RMB'000	RMB'000
			人民幣千元	人民幣千元
Carrying value of the Group's assets:	本集團資產的賬面值：			
Investment properties	投資物業	13	1,732,798	2,355,739
Properties under development	開發中物業	14	786,511	1,673,772
Completed properties held for sale	持作銷售已落成物業	20	1,086,533	893,109
Restricted cash	受限制現金	23	181,463	117,231
Property and equipment	物業及設備	12	90,704	128,816
			<b>3,878,009</b>	<b>5,168,667</b>

## 28. SHARE CAPITAL

### Shares

## 28. 股本

### 股份

			2017	2016
			2017年	2016年
Authorised:	法定：			
5,000,000,000 (2016: 5,000,000,000) ordinary shares of HK\$0.10 each	5,000,000,000股 每股面值0.10港元的普通股 (2016年：5,000,000,000股)		HK\$500,000港元	HK\$500,000港元
Issued and fully paid:	已發行及繳足：			
1,846,132,000 (2016: 1,736,120,000) ordinary shares of HK\$0.10 each	1,846,132,000股 每股面值0.10港元的普通股 (2016年：1,736,120,000股)		人民幣RMB 147,503元	人民幣RMB 138,034元

**28. SHARE CAPITAL (CONTINUED)**

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

**28. 股本 (續)**

本公司已發行股本變動概述如下：

		Number of shares in issue 已發行 股份數目	Share capital 股本 RMB'000 人民幣千元	Share premium account 股份溢價賬 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2013	於2013年1月1日	-	-	-	-
Issue of shares (Note (a))	發行股份 (附註(a))	1,000,000	79	-	79
Issue of shares (Note (b))	發行股份 (附註(b))	1,000,000	80	-	80
Issue of shares (Note (c))	發行股份 (附註(c))	1,000,000	80	-	80
Shares capitalised standing to the credit of capital reserve (Note (d))	於資本儲備進賬之 資本化股份 (附註(d))	1,267,000,000	100,825	-	100,825
Issue of shares (Note (e))	發行股份 (附註(e))	468,000,000	37,119	445,433	482,552
		<b>1,738,000,000</b>	<b>138,183</b>	<b>445,433</b>	<b>583,616</b>
Share issue expenses	股份發行開支	-	-	(12,900)	(12,900)
		<b>1,738,000,000</b>	<b>138,183</b>	<b>432,533</b>	<b>570,716</b>
At 31 December 2014 and 31 December 2015	於2014年12月31日及 2015年12月31日	<b>1,738,000,000</b>	<b>138,183</b>	<b>432,533</b>	<b>570,716</b>
Repurchase of shares (Note (f))	回購股份 (附註(f))	(1,880,000)	(149)	(6,514)	(6,663)
		<b>1,736,120,000</b>	<b>138,034</b>	<b>426,019</b>	<b>564,053</b>
At 31 December 2016	於2016年12月31日	<b>1,736,120,000</b>	<b>138,034</b>	<b>426,019</b>	<b>564,053</b>
Issue of shares (note (g))	發行股份 (附註(g))	110,012,000	9,469	157,817	167,286
		<b>1,846,132,000</b>	<b>147,503</b>	<b>583,836</b>	<b>731,339</b>
At 31 December 2017	於2017年12月31日	<b>1,846,132,000</b>	<b>147,503</b>	<b>583,836</b>	<b>731,339</b>

**28. SHARE CAPITAL (CONTINUED)**

## Notes:

- (a) The Company was incorporated on 2 July 2013 and a total of 1,000,000 shares were allotted and issued by the Company to Zhong An. On 24 February 2014, Zhong An transferred the 1,000,000 shares, amounting to RMB79,000, then held by Zhong An to Ideal World Investments Limited ("Ideal World"). As a result, the entire issued share capital of the Company was wholly owned by Ideal World.
- (b) On March 2014, the Company acquired a 100% equity interest in Huijun (International) Holdings Limited ("Huijun International"), a 75% equity interest in Henly Enterprise Management (Hangzhou) Co., Ltd. ("Henly Enterprise") and a 100% equity interest in Qirui Commercial (Hangzhou) Management Co., Ltd. ("Qirui Commercial") from Ideal World, which were settled by the Company allotting and issuing, credited as fully paid, 1,000,000 shares, amounting to RMB80,000 to Ideal World.
- (c) On 30 May 2014, the Company and its related parties signed the deed of novation, assignment and set-off (the "Deed"). The Deed settled and set-off the outstanding balances of the Company with related parties. The net debts due to and owed by the Company to Ideal World after set-off, amounting to approximately RMB963,639,000, were settled by the Company by allotting and issuing 1,000,000 new shares amounting to RMB80,000 credited as fully paid to Ideal World.
- (d) On 31 May 2014, the directors were authorised to capitalise HK\$126,700,000, equivalent to RMB100,825,000, by using the exchange rate of that day, standing to the capital reserve account of the Company, so that 1,267,000,000 shares were allotted and issued, pursuant to this resolution.
- (e) On 10 July 2014, the Company completed the listing on the Stock Exchange by issuing a total of 468,000,000 new shares of HK\$0.10 each at an issue price of HK\$1.30 per share. The total cash proceeds were, before expense, HK\$608,400,000 equivalent to RMB482,552,000 by using the exchange rate of that day.
- (f) In May 2016, the Company repurchased and cancelled its own shares amounting to RMB1.88 million at market value, HK\$4.22 per share. The share capital was written down by RMB1.49 million at a historical convert proportion, and the share premium was written down by the remaining amount.
- (g) On 5 July 2017, the Company entered into a placing agreement for placing up to 260,000,000 shares to not less than six independent placements at a price of HK\$1.82 per placing share on a best effort basis. On 26 July 2017, an aggregate of 110,012,000 shares had been successfully placed at the placing price of HK\$1.82.

**28. 股本 (續)**

## 附註:

- (a) 本公司於2013年7月2日註冊成立，並向眾安配售及發行合共1,000,000股股份。於2014年2月24日，眾安向Ideal World Investments Limited (「Ideal World」)轉讓其當時持有的1,000,000股股份，金額達人民幣79,000元。因此，本公司全部已發行股本由Ideal World全資擁有。
- (b) 於2014年3月，本公司自Ideal World收購匯駿(國際)控股有限公司(「匯駿國際」)全部股權、恒利企業管理(杭州)有限公司(「恒利企業」)75%的股權及祺瑞商業管理(杭州)有限公司(「祺瑞商業」)全部股權，以本公司向Ideal World配發及發行1,000,000股入賬計作繳足股份而償付，金額達人民幣80,000元。
- (c) 於2014年5月30日，本公司及其關聯方訂立更替、轉讓及抵銷契據(「該契據」)。該契據結算及抵銷本公司與關聯方的尚未償還結餘。於抵銷後，本公司應付及欠付Ideal World的債務淨額約為人民幣963,639,000元，由本公司透過向Ideal World配發及發行1,000,000股入賬列作繳足新股份而償付，金額達人民幣80,000元。
- (d) 於2014年5月31日，董事獲授權擴充資本126,700,000港元(按當日匯率計算相當於人民幣100,825,000元)，計入本公司資本儲備賬，以根據本決議案配發及發行1,267,000,000股股份。
- (e) 於2014年7月10日，本公司透過按發行價每股股份1.30港元發行合共468,000,000股每股面值0.10港元的新股份完成於聯交所上市。現金所得款項總額(扣除開支前)為608,400,000港元(按當日匯率計算相當於人民幣482,552,000元)。
- (f) 於2016年5月，本公司按市值每股4.22港元購回及註銷金額達人民幣1,880,000元之自身股份。股本按歷史兌換比例撇減人民幣1,490,000元，股份溢價已按餘額撇減。
- (g) 於2017年7月5日，本公司訂立配售協議，以按盡力基準以每股配售股份1.82港元的價格向不少於六名獨立承配人配售最多260,000,000股股份。於2017年7月26日，合共110,012,000股股份已按配售價1.82港元成功配售。

## 29. OTHER RESERVE

Other reserve represented the reserve from the share option scheme adopted by Zhong An Real Estate Limited (the “Parent Company”), the parent company of the Group, who operates a share option scheme (the “Scheme”) for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the operations. The Scheme became effective on 15 May 2009 and, unless otherwise cancelled or amended, will remain in force for 10 years from the offer date.

Certain directors of the Group were granted these share options. In respect of their services to the Group, the relevant share-based payment transactions were accounted for in the consolidated financial statements.

Pursuant to the Scheme adopted by the Parent Company, the initial maximum number of shares which may be allotted and issued upon exercise of all options granted (excluding options which have lapsed in accordance with the terms of the Scheme and other share option schemes of the Parent Company and its subsidiaries (the “Parent Group”), if any) under the Scheme and other share option schemes of the Parent Group (if any) must not exceed 10% of the shares of the Parent Company in issue as at 15 May 2009, being the date of approval of the Scheme by the shareholders at the annual general meeting of the Parent Company. Such maximum number may however be refreshed at a general meeting of the Parent Company by shareholders. In addition, no options may be granted under the Scheme or other share option schemes adopted by the Parent Group (if any) if the grant of such option will result in the maximum number of shares which may be allotted and issued upon exercise of all outstanding options granted but yet to be exercised under the Scheme and other share option schemes adopted by the Parent Group (if any) exceeding 30% of the issued share capital of the Parent Company from time to time. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period is limited to 1% of the shares of the Parent Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders’ approval in a general meeting.

## 29. 其他儲備

其他儲備指來自本集團母公司眾安房產有限公司(「母公司」)所採納的購股權計劃的儲備。購股權計劃(「該計劃」)由母公司營運，以向為本集團營運成功作出貢獻的合資格參與者提供鼓勵及獎勵。該計劃於2009年5月15日起生效，除非另行註銷或修訂，否則將由要約日期起十年內有效。

本集團若干董事獲授該等購股權，就彼等對本集團的服務而言，相關以股份為基礎支付的交易獲計及並已計入有關期間綜合財務報表。

根據母公司所採納的該計劃，因根據該計劃及母公司及其附屬公司(「母公司集團」)其他購股權計劃(如有)所授出的全部購股權(不包括根據該計劃及母公司集團其他購股權計劃(如有)的條款已告失效的購股權)獲行使而可予配發及發行的初步最高股份數目，不得超過母公司於2009年5月15日(即股東於母公司股東週年大會上批准該計劃之日期)已發行股份的10%。然而，有關最高股份數目可於母公司股東大會上由股東作出更新。此外，倘授出有關購股權將導致根據購股權計劃及母公司集團採納的其他購股權計劃(如有)已授出但未行使的所有購股權獲行使而可予配發及發行的最高股份數目超過母不時已發行股本的30%，則不可根據購股權計劃或母公司集團採納的其他購股權計劃(如有)授出該等購股權。於任何十二個月期間內可根據購股權向該計劃下每名合資格參與者發行的最高股份數目，僅限於母公司於任何時間已發行股份的1%。任何進一步授出超過此限額的購股權須於股東大會上取得股東的批准。

## 29. OTHER RESERVE (CONTINUED)

Share options granted to a director, chief executive or substantial shareholder of the Parent Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Parent Company, or to any of their associates, in excess of 0.1% of the shares of the Parent Company in issue at any time or with an aggregate value (based on the price of the Parent Company's shares at the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted by the grantee within 21 days from the date of offer at a consideration of HK\$1.00. The exercise period of the share options granted is determinable by the directors, and commences after a vesting period of one to five years and ends on a date which is not later than 10 years from the date of offer of the share options or the expiry date of the Scheme, if earlier.

The exercise price of share options is determinable by the directors, but may not be less than the highest of:

- (i) the Stock Exchange closing price of the Parent Company's shares on the date of offer of the share options;
- (ii) the average Stock Exchange closing price of the Parent Company's shares for the five trading days immediately preceding the date of offer; and
- (iii) the nominal value of a share of the Parent Company.

## 29. 其他儲備 (續)

授予母公司董事、主要行政人員或主要股東或彼等任何聯繫人士的購股權，須事先獲得獨立非執行董事的批准。此外，如果於任何十二個月期間授予母公司主要股東或獨立非執行董事，或彼等的任何聯繫人的任何購股權超過母公司於任何時間已發行股份的0.1%或其總值（根據本公司於授出日期的股價計算）超過5,000,000港元，則須事先於股東大會上取得股東批准。

授出購股權的要約可自要約日期起21日內由承授人按代價1.00港元接納。所授出購股權之行使期由董事釐定，並於一至五年之歸屬期後開始，至自購股權要約日期起不遲於十年之日或該計劃之屆滿日期（以較早發生者為準）為止。

購股權之行使價由董事釐定，但不可低於以下最高者：

- (i) 母公司股份於購股權要約日期在聯交所之收市價；
- (ii) 母公司股份於緊接要約日期前五個營業日在聯交所之平均收市價；及
- (iii) 母公司每股股份的面值。

**29. OTHER RESERVE (CONTINUED)**

The share options granted to certain directors of the Group were outstanding under the Scheme during the reporting periods:

**29. 其他儲備 (續)**

於報告期間，授予本集團若干董事的購股權乃該計劃下尚未行使之購股權：

		2017 2017年		2016 2016年	
		Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
		加權平均 行使價 HK\$ per share 每股港元	購股權 數目 '000 千份	加權平均 行使價 HK\$ per share 每股港元	購股權 數目 '000 千份
At 1 January	於1月1日	2.12	5,053	2.12	5,053
At 31 December	於12月31日	2.12	5,053	2.12	5,053

The exercise prices and exercise periods of the share options outstanding as at the end of the reporting periods are as follows:

於報告期末，尚未行使購股權之行使價及行使期如下：

2017		2017年	
Number of options 購股權數目 '000 千份	Exercise price* 行使價* per share 每股	Exercise period 行使期	
2,650	HK\$1.85 1.85港元	22 January 2014 to 21 January 2021 2014年1月22日至2021年1月21日	
2,403	HK\$2.58 2.58港元	9 July 2010 to 8 July 2019 2010年7月9日至2019年7月8日	
5,053			

**29. OTHER RESERVE (CONTINUED)****29. 其他儲備 (續)**

2016	2016年	2016年
Number of options 購股權數目 '000 千份	Exercise price* 行使價* per share 每股	Exercise period 行使期
2,650	HK\$1.85 1.85港元	22 January 2014 to 21 January 2021 2014年1月22日至2021年1月21日
2,403	HK\$2.58 2.58港元	9 July 2010 to 8 July 2019 2010年7月9日至2019年7月8日
5,053		

\* The exercise price of the share options is subject to adjustment in case of rights or bonus issues, or other similar changes in the Parent Company's share capital.

\* 購股權的行使價在供股或紅股發行或本公司股本的其他相若變動情況下可予調整。

The Group did not recognise any share option expense (2016: Nil) during the year ended 31 December 2017.

截至2017年12月31日止年度，本集團並無確認任何購股權開支（2016年：無）。

**30. RESERVES****30. 儲備****(a) Share premium****(a) 股份溢價**

The share premium represents the excess of ordinary shares paid by the shareholders over their nominal value.

本公司股份溢價指股東支付之普通股金額超過其面值。

**(b) Capital reserve****(b) 資本儲備**

(i) On 30 May 2014, the Company and its related parties signed the deed of novation, assignment and set-off (the "Deed"). The Deed settled and set-off the outstanding balances of the Company with related parties. The net debts due to and owing by the Company to Ideal World after set-off, amounting to approximately RMB963,639,000, were settled by the Company by allotting and issuing 1,000,000 new shares amounting to RMB80,000 credited as fully paid to Ideal World.

(i) 於2014年5月30日，本公司及其關聯方訂立更替、轉讓及抵銷契據（「該契據」）。該契據結算及抵銷本公司與關聯方的尚未償還結餘。於抵銷後，本公司應付及欠付Ideal World的債務淨額約為人民幣963,639,000元，由本公司透過向Ideal World配發及發行1,000,000股入賬列作繳足新股份而償付，金額達人民幣80,000元。



## 30. RESERVES (CONTINUED)

### (b) Capital reserve (continued)

- (ii) On 31 May 2014, the directors were authorised to capitalise HK\$126,700,000, equivalent to RMB100,825,000, by using the exchange rate on that day, standing to the credit of the capital reserve account of the Company, so that 1,267,000,000 shares were allotted and issued, pursuant to this resolution.
- (iii) Deemed contribution by the controlling shareholder represented certain residual interests of the residential business remained in certain subsidiaries and was contributed by the controlling shareholder to the Group.

### (c) Statutory surplus reserve

In accordance with the Company Law of the PRC and the respective articles of association of the PRC group companies, each of the subsidiaries of the Group that is domiciled in Mainland China is required to allocate 10% of its profit after tax, as determined in accordance with the PRC Accounting Regulations, to the statutory surplus reserve (the "SSR") until such reserve reaches 50% of its registered capital.

In addition, certain of the PRC group companies are foreign investment enterprises which are not subject to the SSR allocation. According to the relevant PRC regulations applicable to foreign investment enterprises, each of these subsidiaries is required to allocate a certain portion (not less than 10%) of its profit after tax, as determined in accordance with the PRC Accounting Regulations, to the statutory reserve fund until such reserve reaches 50% of its registered capital.

## 30. 儲備 (續)

### (b) 資本儲備 (續)

- (ii) 於2014年5月31日，董事獲授權擴充資本126,700,000港元（按當日匯率計算相當於人民幣100,825,000元），計入本公司資本儲備賬，以根據本決議案配發及發行1,267,000,000股股份。
- (iii) 被視為控股股東出資指若干附屬公司餘下的住宅業務的若干權益，並由控股股東注入本集團。

### (c) 法定盈餘儲備

根據中國公司法及中國集團公司各自的組織章程細則，位於中國內地的本集團各附屬公司須撥付其除稅後利潤的10%（根據中國會計準則釐定）至法定盈餘公積（「法定盈餘公積」），直至該項公積達至其各自註冊資本的50%。

此外，由於若干中國集團公司為外資企業，故毋須撥付至法定盈餘公積。根據適用於外資企業的有關中國法規，該等附屬公司各須根據中國會計準則所釐定的除稅後利潤的若干部份（不少於10%）撥至法定準備金，直至該項準備金達至其註冊資本的50%。

## 31. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

### Changes in financial liabilities arising from financing activities

## 31. 綜合現金流量表附註

### 融資活動產生之金融負債變動

		Bank and other loans 銀行及 其他貸款 RMB'000 人民幣千元
At 1 January 2017	於2017年1月1日	3,300,609
Changes from financing cash flow	融資現金流量變動	(192,870)
At 31 December 2017	於2017年12月31日	3,107,739

## 32. RELATED PARTY TRANSACTIONS

(1) Name and relationship

### Name of related parties

#### 關聯方名稱

Mr. Shi Kancheng  
施侃成先生  
Yuyao Zhong An Property Co., Ltd.  
余姚眾安置業有限公司  
Zhejiang Zhong An Property Management Co., Ltd.  
浙江眾安物業服務有限公司  
Zhong An Group Co., Ltd.  
眾安集團有限公司  
Zhong An Real Estate Co., Ltd.  
眾安房產有限公司  
Glorious Days Management Co., Ltd.  
好時管理有限公司  
Anhui Zhong An Real Estate Development Co., Ltd.  
安徽眾安房地產開發有限公司  
Zhejiang Zhong An Property Co., Ltd.  
浙江眾安物業服務有限公司  
Zhejiang Anyuan Agriculture Development Co., Ltd.  
浙江安源農業開發有限公司

## 32. 關聯方交易

(1) 名稱及關係

### Relationship with the Group

#### 與本集團關係

Ultimate controlling shareholder  
最終控股股東  
Company controlled by the ultimate controlling shareholder  
由最終控股股東控制的公司  
Company controlled by the ultimate controlling shareholder  
由最終控股股東控制的公司  
Company controlled by the ultimate controlling shareholder  
由最終控股股東控制的公司  
Company controlled by the ultimate controlling shareholder  
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Company controlled by the ultimate controlling shareholder  
由最終控股股東控制的公司  
Company controlled by the ultimate controlling shareholder  
由最終控股股東控制的公司

**32. RELATED PARTY TRANSACTIONS  
(CONTINUED)**

(2) Outstanding balances with related parties:

**(i) Amounts due from related companies**

		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Yuyao Zhong An Property Co., Ltd.	余姚眾安置業有限公司	-	80,067
Zhong An Real Estate Co., Ltd.	眾安房產有限公司	7,523	-
Glorious Days Management Co., Ltd.	好時管理有限公司	31,765	-
		<b>39,288</b>	80,067

Amounts due from related companies were interest-free, unsecured and had no fixed terms of repayment.

**(ii) Amounts due to related companies**

		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Zhong An Group Co., Ltd.	眾安集團有限公司	427,715	267,000
Zhejiang Zhong An Property Management Co., Ltd.	浙江眾安物業服務有限公司	800	520
Anhui Zhong An Real Estate Development Co., Ltd.	安徽眾安房地產開發有限公司	186,316	-
Yuyao Zhong An Property Co., Ltd.	余姚眾安置業有限公司	79,044	-
Zhejiang Anyuan Agriculture Development Co., Ltd.	浙江安源農業開發有限公司	2,346	-
		<b>696,221</b>	267,520

Amounts due to related companies were interest-free, unsecured and had no fixed terms of repayment.

**32. 關聯方交易 (續)**

(2) 與關聯方的未償還結餘:

**(i) 應收關聯公司款項**

	2017	2016
	2017年	2016年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
	-	80,067
	7,523	-
	31,765	-
	<b>39,288</b>	80,067

應收關聯公司款項為免息、無抵押及無固定償還期限。

**(ii) 應付關聯公司款項**

	2017	2016
	2017年	2016年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
	427,715	267,000
	800	520
	186,316	-
	79,044	-
	2,346	-
	<b>696,221</b>	267,520

應付關聯公司款項為免息、無抵押及無固定償還期限。

## 32. RELATED PARTY TRANSACTIONS (CONTINUED)

(3) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following transactions with related parties during the year:

(i) **Property service fee**

		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Zhejiang Zhong An Property Management Co., Ltd.	浙江眾安物業服務有限公司	800	520

(ii) Compensation of key management personnel of the Group, which comprises the remuneration of the directors, is disclosed in note 8.

## 32. 關聯方交易 (續)

(3) 除於該等財務報表其他部份的交易詳情外，於年內本集團與關聯方進行的交易如下：

(i) **物業服務費用**

		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		800	520

(ii) 本集團主要管理人員的薪酬(包括董事薪酬)已於附註8披露。

## 33. COMMITMENTS

The Group had the following commitments for property development expenditure at the end of the reporting period:

		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Contracted, but not provided for: Properties under development	已訂約但未撥備： 開發中物業	520,421	478,185

## 33. 資本承擔

於報告期末，本集團就物業開發支出的資本承擔如下：

**34. OPERATING LEASE COMMITMENTS****As lessor**

The Group leases its investment properties under operating lease arrangements on terms ranging from one to fifteen years and with an option for renewal after the expiry dates, at which time all terms will be renegotiated.

At 31 December 2017, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

**34. 經營租賃承擔****作為出租人**

本集團根據經營租賃安排出租其投資物業，租期介乎一至十五年，並可選擇於到期日後在重新磋商全部條款下續訂租賃。

於2017年12月31日，本集團根據與其租戶訂立的不可註銷經營租賃而於下列期間到期的日後最低應收租賃款項總額如下：

		<b>2017</b>	2016
		<b>2017年</b>	2016年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Within one year	一年內	<b>67,233</b>	53,668
In the second to fifth years, inclusive	第二至第五年（首尾兩年包括在內）	<b>145,805</b>	134,296
After five years	五年後	<b>23,330</b>	30,448
		<b>236,368</b>	218,412

**34. OPERATING LEASE COMMITMENTS  
(CONTINUED)****As lessee**

The Group leases certain of its office properties and office equipment under operating lease arrangements, negotiated for terms from one to nine years with an option for renewal after the expiry dates, at which time all terms will be renegotiated.

At 31 December 2017, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

**34. 經營租賃承擔 (續)****作為承租人**

本集團根據經營租賃安排租用其若干辦公室物業及辦公設備，租期經磋商介乎一至九年，並可選擇於到期日後在重新磋商全部條款下續訂租賃。

於2017年12月31日，本集團根據不可註銷經營租賃而於下列期間到期的日後最低應付租賃款項總額如下：

		<b>2017</b>	2016
		<b>2017年</b>	2016年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Within one year	一年內	<b>22,850</b>	4,775
In the second to fifth years, inclusive	第二至第五年(首尾兩年包括在內)	<b>98,848</b>	12,109
After five years	五年後	<b>283,321</b>	12,203
		<b>405,019</b>	29,087

**35. CONTINGENT LIABILITIES****35. 或有負債**

		<b>2017</b>	2016
		<b>2017年</b>	2016年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Guarantees given to banks for:	就以下項目給予銀行的擔保：		
Mortgage facilities granted to purchasers of the Group's properties	本集團物業買家獲授銀行按揭信貸	<b>232,541</b>	314,227

### 35. CONTINGENT LIABILITIES (CONTINUED)

The Group provided guarantees in respect of the mortgage facilities granted by certain banks to the purchasers of the Group's properties. Pursuant to the terms of the guarantee arrangements, in case of default on mortgage payments by the purchasers, the Group is responsible for repaying the outstanding mortgage loans together with any accrued interest and penalty owed by the defaulted purchasers to the banks. The Group is then entitled to take over the legal titles of the related properties. The Group's guarantee periods commence from the dates of grant of the relevant mortgage loans and end after the execution of individual purchasers' collateral agreements.

The Group did not incur any material losses during the reporting period in respect of the guarantees provided for mortgage facilities granted to purchasers of the Group's properties. The directors consider that in case of default on payments, the net realisable value of the related properties can cover the repayment of the outstanding mortgage loans together with any accrued interest and penalty, and therefore no provision has been made in connection with the guarantees.

### 35. 或有負債 (續)

本集團就若干銀行向本集團物業的買家授出的按揭信貸出具擔保。根據擔保安排條款，倘買家未能償還按揭款項，本集團有責任向銀行償還買家結欠的餘下按揭貸款及應計利息及罰款。本集團其後有權接收相關物業的合法所有權。本集團的擔保期由授出相關按揭貸款日期起至個別買家訂立抵押協議後止。

於報告期間，本集團並無就本集團物業的買家獲授予的按揭信貸所提供的擔保而產生任何重大虧損。董事認為，倘出現未能還款的情況，相關物業的可變現淨值足以償還餘下的按揭貸款及應計利息及罰款，因此並無就該等擔保作出撥備。

## 36. FINANCIAL INSTRUMENTS BY CATEGORY

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

### 2017 Financial assets

Available-for-sale investments	可供出售投資
Long term prepayments	長期預付款
Trade receivables	應收貿易賬款
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項中的金融資產
Amounts due from related companies	應收關聯公司款項
Restricted cash	受限制現金
Cash and cash equivalents	現金及現金等價物

At 31 December 2017 於2017年12月31日

## 36. 以類別劃分的金融工具

各類金融工具於報告期末的賬面值如下：

### 2017年 金融資產

Loans and receivables	Available-for-sale financial assets	Total
貸款及應收款項	可供出售金融資產	總計
RMB'000	RMB'000	RMB'000
人民幣千元	人民幣千元	人民幣千元

-	359,300	359,300
116,417	-	116,417
19,275	-	19,275
86,539	-	86,539
39,288	-	39,288
289,151	-	289,151
323,312	-	323,312
873,982	359,300	1,233,282

### Financial liabilities

Trade payables	應付貿易賬款
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用中的金融負債
Interest-bearing bank and other borrowings	計息銀行貸款及其他借款
Amounts due to related companies	應付關聯公司款項

### 金融負債

### Financial liabilities at amortised cost 按攤餘成本的金 融負債 RMB'000 人民幣千元

750,374
159,575
3,107,739
696,221
4,713,909



### 36. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

### 36. 以類別劃分的金融工具 (續)

2016

## Financial assets

2016年

## 金融資產

		Loans and receivables 貸款及 應收款項 RMB'000 人民幣千元	Available-for-sale financial assets 可供出售 金融資產 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Available-for-sale investments	可供出售投資	-	28,300	28,300
Long term prepayments	長期存款	15,521	-	15,521
Trade receivables	應收貿易賬款	19,642	-	19,642
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項中的金融資產	76,956	-	76,956
Amount due from a related company	應收一間關聯公司款項	80,067	-	80,067
Restricted cash	受限制現金	164,489	-	164,489
Cash and cash equivalents	現金及現金等價物	298,308	-	298,308
At 31 December 2016	於2016年12月31日	654,983	28,300	683,283

## Financial liabilities

## 金融負債

		Financial liabilities at amortised cost 按攤餘成本的 金融負債 RMB'000 人民幣千元
Trade payables	應付貿易賬款	726,999
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用中的金融負債	107,325
Interest-bearing bank and other borrowings	計息銀行貸款及其他借款	3,300,609
Amounts due to related companies	應付關聯公司款項	268,200
		4,403,133

### 37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

### 37. 金融工具的公允價值及公允價值架構

本集團金融工具的賬面值及公允價值如下，惟賬面值與公允價值合理相若者除外：

		Carrying amounts	Carrying amounts	Fair values	Fair values
		賬面值	賬面值	公允價值	公允價值
		2017	2016	2017	2016
		2017年	2016年	2017年	2016年
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Financial liabilities</b>	<b>金融負債</b>				
Interest-bearing bank and other borrowings	計息銀行貸款及其他借款	<b>3,107,739</b>	3,300,609	<b>3,024,522</b>	3,223,669

Management has assessed that the fair values of cash and cash equivalents, the current portion of restricted cash, trade receivables, trade payables, financial assets included in prepayments, deposits and other receivables, financial liabilities included in other payables and accruals, amounts due from/to related companies, approximate to their carrying amounts largely due to the short term maturities of these instruments. The non-current portions of restricted cash, long term deposits and available-for-sale investments approximate to their carrying amounts largely due to the insignificant amount or short remaining maturities of these instruments.

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

The fair values of the interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

由於現金及現金等值物、受限制現金的即期部份、應收貿易賬款、應付貿易賬款、計入預付款項、按金及其他應收款項中的金融資產、計入其他應付款項及應計費用中的金融負債、應收／應付關聯公司款項於短期內到期，故管理層認為該等工具公允價值與其賬面值相若。受限制現金非即期部份、長期存款及可供出售投資與其賬面值相若，主要由於該等金融工具數額不大及剩餘期限短所致。

金融資產及負債的公允價值以該工具於自願交易方（而非強迫或清倉銷售）當前交易下的可交易金額入賬。下列方法及假設乃用於估算公允價值。

計息銀行貸款及其他借款的公允價值乃透過使用具類似條款、信貸風險及餘下到期日的金融工具現時所用折現率將預期未來現金流量折現而計算。

### 37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

The fair values of listed equity investments are based on quoted market prices. The fair values of unlisted available-for-sale equity investments have been estimated using a discounted cash flow valuation model based on assumptions that are not supported by observable market prices or rates. The valuation requires the directors to make estimates about the expected future cash flows including expected future dividends and proceeds on subsequent disposal of the shares. The directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in other comprehensive income, are reasonable, and that they were the most appropriate values at the end of the reporting period.

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- |         |   |  |
|---------|---|--|
| Level 1 | – | Quoted market prices in an active market (that are unadjusted) for identical assets or liabilities   |
| Level 2 | – | Valuation techniques (for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable) |
| Level 3 | – | Valuation techniques (for which the lowest level input that is significant to the fair value measurement is unobservable)                      |

#### Fair value hierarchy

All the above financial assets and liabilities had Level 2 input other than available-for-sale investments which had Level 3 input. The fair value hierarchy of investment properties is disclosed in note 13 to the financial information.

During the reporting period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3.

### 37. 金融工具的公允價值及公允價值架構 (續)

上市權益投資的公允價值按市場報價釐定。非上市可供出售權益投資的公允價值已採用折現現金流量估值模式並假設並無可觀察的市場價格或利率的估計。估值要求董事就預計日後現金流量(包括預計日後股息及其後出售股份的所得款項)作出估計。董事認為估值技術導致的估計公允價值(於綜合財務狀況表入賬)及公允價值的相關變動(於其他全面收益入賬)乃屬合理且為報告期末最適當的估值。

確認或披露公允價值的所有金融工具，均根據對公允價值計量整體而言屬重要輸入數據之最低層級在下述公允價值等級內進行分類：

- |       |                                      |
|-------|--------------------------------------|
| 第1級別： | 同類資產或負債於活躍市場的報價(即未經調整的價格)            |
| 第2級別： | 估值技術(藉此直接或間接觀察對公允價值計量而言屬重要之最低層級輸入數據) |
| 第3級別： | 估值技術(藉此不可觀察對公允價值計量而言屬重要之最低層級輸入數據)    |

#### 公允價值架構

除可供出售投資有第3級別輸入數據外，以上所有金融資產及負債均有第2級別輸入數據。投資物業的公允價值等級已於財務資料的附註13披露。

於報告期間，第1級別與第2級別之間並無公允價值計量數據，且並無轉入或轉出第3級別。

## 38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise cash and cash equivalents, short term deposits and interest-bearing bank and other borrowings. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The Group does not hold or issue derivative financial instruments for trading purposes. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below:

### (a) Interest rate risk

The Group has no significant interest-bearing assets. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's bank and other borrowings with floating interest rates. The Group has not used any interest rate swaps to hedge its interest rate risk.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings) and the Group's equity, assuming all the increases or decreases are dealt with in profit or loss, without consideration of interest capitalisation.

## 38. 財務風險管理目標及政策

本集團的金融工具主要包括現金及現金等價物、短期存款和計息銀行貸款及其他借款。這些金融工具主要用於為本集團營運籌集資金。本集團擁有其他各類金融資產及負債，例如應收貿易賬款及應付貿易賬款，是直接從其營運產生。

本集團金融工具所產生的主要風險是利率風險、外幣風險、信貸風險和流動資金風險。本集團沒有持有或發行衍生金融工具作買賣用途。以下為董事會檢討並同意管理上述每項風險的政策概要：

### (a) 利率風險

本集團並無重大計息資產。本集團就市場利率轉變所承受的風險主要與本集團的浮息銀行貸款及其他借款有關。本集團未有使用任何利率掉期對沖其利率風險。

下表列出利率合理可能變動下，透過浮動利率借貸的影響，本集團除稅前利潤及本集團權益的敏感度（所有其他因素保持不變），假設所有增加或減少於損益入賬，而不計及利息資本化。

### 38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### (a) Interest rate risk (continued)

### 38. 財務風險管理目標及政策 (續)

#### (a) 利率風險 (續)

		Increase/ (decrease) in basis points 基點 增加／(減少)	Increase/ (decrease) in profit before tax 除稅前利潤 增加／(減少) RMB'000 人民幣千元	Increase/ (decrease) in equity 權益 增加／(減少) RMB'000 人民幣千元
<b>2017</b>	<b>2017年</b>			
RMB	人民幣	50	(250)	(188)
US\$	美元	50	(1,414)	(1,061)
JPY	日元	50	(188)	(141)
RMB	人民幣	(50)	250	188
US\$	美元	(50)	1,414	1,061
JPY	日元	(50)	188	141
<b>2016</b>	<b>2016年</b>			
RMB	人民幣	50	(14,990)	(11,243)
US\$	美元	50	(1,513)	(1,135)
RMB	人民幣	(50)	14,990	11,243
US\$	美元	(50)	1,513	1,135

## 38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### (b) Foreign currency risk

The Group's businesses are located in Mainland China and all transactions are conducted in RMB. Most of the Group's assets and liabilities are denominated in RMB, except for certain bank balances and bank loans denominated in US\$ and HK\$.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the US\$ and HK\$ exchange rates, with all other variables hold constant, of the Group's profit before tax and the Group's equity.

## 38. 財務風險管理目標及政策 (續)

### (b) 外幣風險

本集團的業務全部在中國內地進行，所有交易都採用人民幣。本集團大部份資產及負債以人民幣計值，若干以美元及港元計值的銀行結餘及銀行貸款除外。

下表列示本集團除稅前利潤及本集團權益於報告期末對美元及港元匯率合理可能變動的敏感度，惟所有其他可變因素保持不變。

		Increase/ (decrease) in foreign currency rate 外匯匯率 增加/(減少) %	Increase/ (decrease) in profit before tax 除稅前利潤 增加/(減少) RMB'000 人民幣千元	Increase/ (decrease) in equity 權益 增加/(減少) RMB'000 人民幣千元
<b>2017</b>	<b>2017年</b>			
If HK\$ weakens against US\$	倘港元兌美元貶值	5	(8,831)	(6,623)
If HK\$ strengthens against US\$	倘港元兌美元升值	(5)	8,831	6,623
If RMB weakens against US\$	倘人民幣兌美元貶值	5	3,556	2,667
If RMB strengthens against US\$	倘人民幣兌美元升值	(5)	(3,556)	(2,667)
<b>2016</b>	<b>2016年</b>			
If HK\$ weakens against US\$	倘港元兌美元貶值	5	(10,642)	(7,982)
If HK\$ strengthens against US\$	倘港元兌美元升值	(5)	10,642	7,982
If RMB weakens against US\$	倘人民幣兌美元貶值	5	2,029	1,522
If RMB strengthens against US\$	倘人民幣兌美元升值	(5)	(2,029)	(1,522)

## 38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### (c) Credit risk

The Group has no concentration of credit risk. The Group's cash and cash equivalents are mainly deposited with overseas banks and state-owned banks in Mainland China. The carrying amounts of the other receivables, restricted cash and cash and cash equivalents included in the consolidated statement of financial position represent the Group's maximum exposure to credit risk in relation to its financial assets. The Group has no other financial assets which carry significant exposure to credit risk. The Group has arranged bank financing for certain purchasers of its property units and has provided guarantees to secure the obligations of these purchasers for repayments. Detailed disclosures of these guarantees are included in note 35.

### (d) Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade receivables) and projected cash flows from operations.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank and other borrowings.

## 38. 財務風險管理目標及政策 (續)

### (c) 信貸風險

本集團並無集中的信貸風險。本集團的現金及現金等價物主要為存放在海外銀行及中國內地國營銀行的存款。綜合財務狀況表內所列的其他應收款項、受限制現金以及現金及現金等價物的賬面值為本集團就其金融資產所承擔的最高信貸風險。本集團並無附帶重大信貸風險的其他金融資產。本集團有為其若干物業單位的買家安排銀行融資並提供擔保以保證買家的還款責任，有關該等擔保的詳細披露載於附註35。

### (d) 流動資金風險

本集團採用經常性流動資金計劃工具監察其資金儲備風險。該工具考慮其金融工具及金融資產（如應收貿易賬款）兩者之到期情況及經營業務之預計現金流。

本集團的目的乃透過利用銀行貸款及其他借款，維持資金延續性與靈活性之間的平衡。

### 38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### (d) Liquidity risk (continued)

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

		2017 2017年					
		On demand	Less than 3 months	3 to less than 12 months	1 to 5 years	Over 5 years	Total
		按要求	少於3個月	3至12個月	1至5年	5年以上	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Interest-bearing bank and other borrowings	計息銀行貸款及其他借款	-	195,565	985,174	1,757,000	170,000	3,107,739
Interest payable in relation to bank and other borrowings	有關銀行及其他借款之應付利息	-	46,729	120,205	137,843	8,428	313,205
Trade payables	應付貿易賬款	750,374	-	-	-	-	750,374
Guarantees given to banks in connection with mortgage facilities granted to purchasers of the Group's properties	就本集團物業買家獲授按揭信貸給予銀行之擔保	-	232,541	-	-	-	232,541
Other payables and accruals	其他應付款項及應計費用	159,575	-	-	-	-	159,575
		<b>909,949</b>	<b>474,835</b>	<b>1,105,379</b>	<b>1,894,843</b>	<b>178,428</b>	<b>4,563,434</b>

### 38. 財務風險管理目標及政策 (續)

#### (d) 流動資金風險 (續)

根據訂約未貼現付款，本集團金融負債於報告期末的到期日概況如下：



### 38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### 38. 財務風險管理目標及政策 (續)

#### (d) Liquidity risk (continued)

#### (d) 流動資金風險 (續)

		2016 2016年					
		On demand	Less than 3 months	3 to less than 12 months	1 to 5 years	Over 5 years	Total
		按要求	少於3個月	3至12個月	1至5年	5年以上	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Interest-bearing bank and other borrowings	計息銀行貸款及其他借款	-	283,000	821,000	1,746,609	450,000	3,300,609
Interest payable in relation to bank and other borrowings	有關銀行及其他借款之應付利息	-	53,382	131,534	262,326	36,829	484,071
Trade payables	應付貿易賬款	726,999	-	-	-	-	726,999
Guarantees given to banks in connection with mortgage facilities granted to purchasers of the Group's properties	就本集團物業買家獲授按揭信貸給予銀行之擔保	-	314,227	-	-	-	314,227
Other payables and accruals	其他應付款項及應計費用	107,325	-	-	-	-	107,325
		834,324	650,609	952,534	2,008,935	486,829	4,933,231

#### (e) Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

#### (e) 資本管理

本集團資本管理的主要目的旨在保障本集團能夠持續經營及維持穩健的資本比率，以支持其業務及使股東價值最大化。

### 38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### (e) Capital management (continued)

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2017 and 31 December 2016.

The Group monitors capital using a gearing ratio, which is net debt divided by capital plus net debt. Net debt includes interest-bearing bank and other borrowings, trade payables, other payables and the accruals, less cash and cash equivalents. Capital represents equity attributable to owners of the parent. The gearing ratios as at the end of each of the reporting periods was as follows:

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Interest-bearing bank and other borrowings	計息銀行貸款及其他借款	3,107,739	3,300,609
Trade payables	應付貿易賬款	750,374	726,999
Other payables and accruals	其他應付款項及應計費用	179,123	115,816
Less: Cash and cash equivalents	減：現金及現金等價物	(323,312)	(298,308)
Net debt	債務淨額	3,713,924	3,845,116
Equity attributable to owners of the parent	母公司擁有人應佔權益	5,837,122	5,171,653
Capital and net debt	股本及債務淨額	9,551,046	9,016,769
Gearing ratio	資產負債比率	39%	43%

### 38. 財務風險管理目標及政策 (續)

#### (e) 資本管理 (續)

本集團管理其資本結構，並根據經濟狀況的變動和相關資產的風險特徵對其作出調整。為維持或調整資本結構，本集團可能調整支付予股東的股息、將資本返還予股東或發行新股份。本集團不受任何外部強加資本要求限制。於截至2017年12月31日及2016年12月31日止年度，管理資本的目標、政策或流程概無任何變動。

本集團運用資產負債比率監控資本，該資產負債比率為淨債項除以資本加淨債項。淨債項包括計息銀行貸款及其他借款、應付貿易賬款、其他應付款項及應計費用，減現金及現金等價物。資本乃母公司擁有人應佔權益。於各報告期末的資產負債比率如下：

### 39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

### 39. 本公司之財務狀況表

於報告期末有關本公司財務狀況表之資料如下：

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
<b>Non-current assets</b>	<b>非流動資產</b>		
Investments in subsidiaries	於附屬公司的投資	1,326,803	1,326,803
Property and equipment	物業及設備	14	-
Total non-current assets	總非流動資產	1,326,817	1,326,803
<b>Current assets</b>	<b>流動資產</b>		
Prepayments, deposits and other receivables	預付款、按金及其他應收款項	7,809	287
Equity investment at fair value through profit or loss	按公允價值計入損益之股本投資	71,504	-
Amounts due from subsidiaries	應收附屬公司款項	1,696,506	1,719,375
Inventories	存貨	103	108
Cash and cash equivalents	現金及現金等價物	13,033	8,766
Total current assets	總流動資產	1,788,955	1,728,536
<b>Current liabilities</b>	<b>流動負債</b>		
Amounts due to subsidiaries	應付附屬公司款項	1,157,312	1,178,419
Other payables and accruals	其他應付款項及應計費用	4,047	4,330
Total current liabilities	總流動負債	1,161,359	1,182,749
<b>Net current assets</b>	<b>流動資產淨值</b>	627,596	545,787
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>	1,954,413	1,872,590
<b>Net assets</b>	<b>淨資產</b>	1,954,413	1,872,590
<b>Equity</b>	<b>權益</b>		
Equity attributable to owners of the parent	母公司擁有人應佔權益		
Share capital	股本	147,503	138,034
Reserves (note a)	儲備(附註a)	1,806,910	1,734,556
<b>Total equity</b>	<b>總權益</b>	1,954,413	1,872,590

### 39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

Note a:

A summary of the Company's reserves is as follows:

### 39. 本公司之財務狀況表 (續)

附註a:

本公司儲備概述如下:

		Share premium account	Exchange fluctuation reserve	Accumulated losses	Capital reserve	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
1 January 2016	於2016年1月1日	432,533	43,046	(41,385)	1,235,872	1,670,066
Total comprehensive income for the year	年內全面收益總額	(6,514)	75,591	(4,587)	-	64,490
At 31 December 2016 and 1 January 2017	於2016年12月31日及 2017年1月1日	426,019	118,637	(45,972)	1,235,872	1,734,556
Issue of shares	發行股份	157,817	-	-	-	157,817
Total comprehensive income for the year	年內全面收益總額	-	(80,300)	(5,163)	-	(85,463)
At 31 December 2017	於2017年12月31日	583,836	38,337	(51,135)	1,235,872	1,806,910

### 40. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 21 March 2018.

### 40. 批准財務報表

財務報表已經於2018年3月21日獲董事會批准及授權刊發。

# Summary of Consolidated Financial Information

## 綜合財務資料概要

A summary of the results and of the assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the published audited financial statements and the prospectus of the Company dated 17 June 2014, is set out below.

本集團摘錄自己公佈的經審核財務報表及日期為2014年6月17日的本公司招股章程的最近五個財政年度業績及資產、負債及非控股權益的概要載列如下。

### RESULTS

### 業績

Year ended 31 December

截至12月31日止年度

		2017	2016	2015	2014	2013
		2017年	2016年	2015年	2014年	2013年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Revenue	收入	<b>295,986</b>	858,371	503,986	208,853	875,842
Profit before tax	除稅前利潤	<b>752,090</b>	265,707	1,075,435	655,779	608,016
Income Tax	所得稅	<b>(285,732)</b>	(128,642)	(324,265)	(193,275)	(212,232)
Profit for the year	年內利潤	<b>466,358</b>	137,065	751,170	462,504	395,784
Attributable to:	以下應佔：					
Equity holders of the Company	本公司權益持有人	<b>488,505</b>	147,042	740,337	476,504	364,623
Non-controlling interests	非控股權益	<b>(22,147)</b>	(9,977)	10,833	(14,000)	31,161
		<b>466,358</b>	137,065	751,170	462,504	395,784

### ASSETS, LIABILITIES AND NON-CONTROLLING INTERESTS

### 資產、負債及非控股權益

31 December

12月31日

		2017	2016	2015	2014	2013
		2017年	2016年	2015年	2014年	2013年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Total Assets	總資產	<b>13,254,174</b>	11,288,945	11,293,164	10,043,821	9,000,465
Total Liabilities	總負債	<b>(7,245,818)</b>	(5,946,886)	(6,073,322)	(5,586,397)	(6,459,183)
Non-controlling Interests	非控股權益	<b>(171,234)</b>	(170,406)	(180,383)	(169,550)	(214,875)
		<b>5,837,122</b>	5,171,653	5,039,459	4,287,874	2,326,407



中國新城市商業發展有限公司

China New City Commercial Development Limited