

# China South City Holdings Limited 華南城控股有限公司

(incorporated in Hong Kong with limited liability)  
(於香港註冊成立的有限公司)

Stock Code 股份代號 : 1668

INTERIM REPORT 中期報告

## 2018/19



- Rental
- Outlet
- E-Commerce
- Trade Centers
- Financial Services
- Property Management
- Logistics & Warehouse
- Wholesale & Retail
- Residential Projects
- Conventions & Exhibitions



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# CORPORATE INFORMATION

## 公司資料

### Board of Directors Executive Directors

Mr. Cheng Chung Hing (*Chairman*)<sup>(2)(3)</sup>  
Mr. Fung Sing Hong Stephen (*Vice Chairman*) (*FCPA*)  
Mr. Song Chuan (*Chief Executive Officer*)  
Ms. Cheng Ka Man Carman

### Non-Executive Directors

Dr. Ma Kai Cheung *SBS, BBS*  
Mr. Cheng Tai Po  
Mr. Lin Ching Hua

### Independent Non-Executive Directors

Mr. Leung Kwan Yuen Andrew *GBS, SBS, JP* <sup>(1)(2)(3)</sup>  
Mr. Li Wai Keung <sup>(1)(2)(3)</sup>  
Mr. Hui Chiu Chung *JP* <sup>(1)</sup>  
Mr. Yung Wing Ki Samuel *SBS, MH, JP* <sup>(1)</sup>

### Chief Financial Officer

Mr. Hui Chun Yip (*CPA*)

### Company Secretary

Ms. Tse Man Yu Michelle (*FCPA*)

### Auditor

Ernst & Young

### Legal Advisors

*As to Hong Kong law*  
Linklaters  
Reed Smith Richards Butler

*As to China law*

Commerce & Finance Law Offices

### 董事會 執行董事

鄭松興先生(*主席*)<sup>(2)(3)</sup>  
馮星航先生(*副主席*)(*FCPA*)  
宋川先生(*行政總裁*)  
鄭嘉汶女士

### 非執行董事

馬介璋博士*銀紫荊星章、銅紫荊星章*  
鄭大報先生  
林璟驊先生

### 獨立非執行董事

梁君彥先生*金紫荊星章、銀紫荊星章、太平紳士*<sup>(1)(2)(3)</sup>  
李偉強先生<sup>(1)(2)(3)</sup>  
許照中先生*太平紳士*<sup>(1)</sup>  
容永祺先生*銀紫荊星章、榮譽勳章、太平紳士*<sup>(1)</sup>

### 集團首席財務總監

許進業先生(*CPA*)

### 公司秘書

謝文瑜女士(*FCPA*)

### 核數師

安永會計師事務所

### 法律顧問

*香港法律*  
年利達律師事務所  
禮德齊伯禮律師行

*中國法律*

通商律師事務所

<sup>(1)</sup> Member of Audit Committee  
<sup>(2)</sup> Member of Remuneration Committee  
<sup>(3)</sup> Member of Nomination Committee

<sup>(1)</sup> 審核委員會成員  
<sup>(2)</sup> 薪酬委員會成員  
<sup>(3)</sup> 提名委員會成員

### Principal Bankers

Agricultural Bank of China Limited  
Bank of China Limited  
Bank of Communications Co., Ltd.  
China CITIC Bank Corporation Limited  
China Construction Bank Corporation  
Industrial and Commercial Bank of China Limited  
Industrial Bank Co., Ltd.  
Shanghai Pudong Development Bank Co., Ltd.  
The Export-Import Bank of China  
The Hongkong and Shanghai Banking Corporation Limited

### Registered Office

Room 2205, Sun Life Tower  
The Gateway, 15 Canton Road  
Tsimshatsui  
Kowloon  
Hong Kong

### Share Registrar

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

### Listing Information

#### Share Listing

The Stock Exchange of Hong Kong Limited  
Stock code: 1668

### Senior Notes Listing

The Company's 5.75% 3 years senior notes due 2020  
The Company's 10.875% 2 ¼ years senior notes due 2020  
The Company's 6.75% 5 years senior notes due 2021  
The Company's 7.25% 3 years senior notes due 2021  
The Company's 7.25% 5 years senior notes due 2022  
The Singapore Exchange Securities Trading Limited

### Website

www.chinasouthcity.com

### Investor Relations

Telephone: (852) 3188-3111  
Fax: (852) 3188-1323  
Email: ir@chinasouthcity.com

### 主要往來銀行

中國農業銀行股份有限公司  
中國銀行有限公司  
交通銀行股份有限公司  
中信銀行股份有限公司  
中國建設銀行股份有限公司  
中國工商銀行股份有限公司  
興業銀行股份有限公司  
上海浦東發展銀行股份有限公司  
中國進出口銀行  
香港上海滙豐銀行有限公司

### 註冊辦事處

香港  
九龍  
尖沙咀  
廣東道15號港威大廈  
永明金融大樓2205室

### 證券登記處

香港中央證券登記有限公司  
香港  
灣仔  
皇后大道東183號  
合和中心17樓1712–1716室

### 上市資料

#### 股份上市

香港聯合交易所有限公司  
股份代號：1668

### 優先票據上市

本公司於2020年到期的5.75% 3年期優先票據  
本公司於2020年到期的10.875% 2 ¼年期優先票據  
本公司於2021年到期的6.75% 5年期優先票據  
本公司於2021年到期的7.25% 3年期優先票據  
本公司於2022年到期的7.25% 5年期優先票據  
新加坡證券交易所有限公司

### 網站

www.chinasouthcity.com

### 投資者關係

電話：(852) 3188-3111  
傳真：(852) 3188-1323  
電郵：ir@chinasouthcity.com



# 華南城

CHINA SOUTH CITY

## SHENZHEN

### 深圳



HOBA Furnishing's store in CSC Shenzhen  
於深圳華南城的好百年家居店



Integrated logistics area  
in CSC Shenzhen  
於深圳華南城的綜合物流園區



China South Development  
Tower in CSC Shenzhen  
於深圳華南城的華南發展大廈

Birdview – CSC Shenzhen  
深圳華南城鳥瞰圖





# 華南城

CHINA SOUTH CITY

## NANCHANG

### 南昌



Plaza 1 in CSC Nanchang  
於南昌華南城的1號交易廣場



Residential properties  
in CSC Nanchang  
於南昌華南城的住宅物業



E-commerce center in CSC  
Nanchang  
於南昌華南城的電商基地

Plaza 5 in CSC Nanchang  
於南昌華南城的5號交易廣場





# 華南城

CHINA SOUTH CITY

## NANNING

### 南寧



Plaza 2 in CSC Nanning  
於南寧華南城的2號廣場



CSC Nanning in operation  
營運中的南寧華南城



1668 Square in CSC Nanning  
於南寧華南城的1668廣場

Residential properties in CSC Nanning  
於南寧華南城的住宅物業





# 華南城

CHINA SOUTH CITY

## XI'AN

### 西安



Plaza 2 in CSC Xi'an  
於西安華南城的2號交易廣場



Hardware and machinery  
products trade center  
in CSC Xi'an  
於西安華南城的五金機電交易中心



Hardware and machinery  
products trade center zone A  
in CSC Xi'an  
於西安華南城的五金機電交易  
中心A區

Subway line 3 passing through CSC Xi'an  
地鐵3號線已於西安華南城開通





# 華南城

CHINA SOUTH CITY

## HARBIN

### 哈爾濱



China-Russia trade building in CSC Harbin, 5A intelligent office  
於哈爾濱華南城的中俄貿易大廈·5A智能寫字樓



Residential properties in CSC Harbin  
於哈爾濱華南城的住宅物業



Huasheng outlet mall in CSC Harbin  
於哈爾濱華南城的  
華盛奧特萊斯商城

Birdview – CSC Harbin  
哈爾濱華南城鳥瞰圖





# 華南城

CHINA SOUTH CITY

## ZHENGZHOU

### 鄭州



Zhongyuan E-commerce building in CSC Zhengzhou  
於鄭州華南城的中原電商大廈



Residential ancillary under construction in CSC Zhengzhou  
於鄭州華南城的在建住宅配套



Automobile and parts trade center in CSC Zhengzhou  
於鄭州華南城的汽摩配件交易中心

Birdview – CSC Zhengzhou  
鄭州華南城鳥瞰圖





# 華南城

CHINA SOUTH CITY

## HEFEI

### 合肥



Residential properties in CSC Hefei  
於合肥華南城的住宅物業



Huasheng outlet mall in CSC Hefei  
於合肥華南城的奧特萊斯商場



Birdview – CSC Hefei  
合肥華南城鳥瞰圖



Birdview – CSC Hefei  
合肥華南城鳥瞰圖



# 華南城

CHINA SOUTH CITY

## CHONGQING

### 重慶



Textile and apparel trade center in CSC Chongqing  
於重慶華南城的紡織服飾城

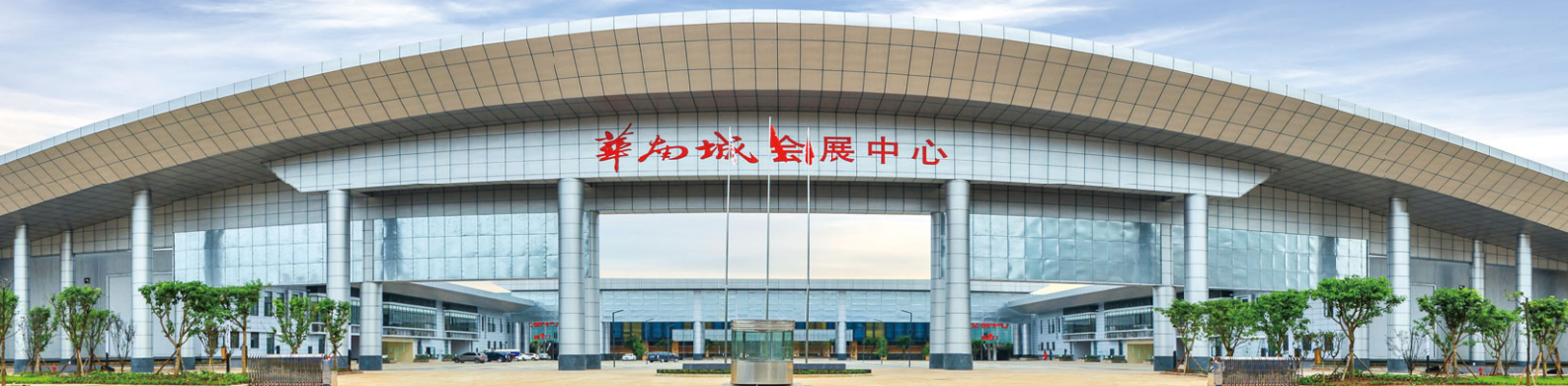


China South City Middle School of  
Southwest University in CSC Chongqing  
於重慶華南城的西南大學華南城中學



Building and decoration trade  
center in CSC Chongqing  
於重慶華南城的家居建材展示  
交易中心

Exhibition center in CSC Chongqing  
於重慶華南城的展覽中心



# CHAIRMAN'S STATEMENT

## 主席報告

On behalf of the board of directors (the "Board") of China South City Holdings Limited (the "Company"), together with its subsidiaries ("China South City" or the "Group"), I am pleased to report the unaudited consolidated interim results of the Group for the six months ended 30 September 2018 ("1H FY2018/19" or the "Reporting Period").

### Results and Dividends

During the first half of 2018, China intensively pushed forward supply-side structural reform and implemented the Five Key Objectives of addressing overcapacity, reducing inventory, deleveraging, lowering costs, and bolstering areas of weakness while domestic demand was moderately expanded. The Five Key Objectives, aiming at uplifting the quality and efficiency of the supply system, increasing the effectiveness of investment, accelerating the cultivation of new development momentums, transforming and upgrading comparative advantages of the country, and strengthening the continuous growth impetus, have achieved positive results. Gross domestic product ("GDP") for the first half of the year rose 6.8% year-on-year and the Chinese economy maintained stable growth with positive trend. The business environment has been continuously optimized with a view to further restoring market vitality and enhancing the quality of economic development. Although the Sino-US trade war has brought uncertainties to the overall economy, China's manufacturing Purchasing Manager's Index stood at 50.8% in September, well above the expansionary threshold of 50%. It indicated that the overall production and operating activities of enterprises remained stable.

Capitalizing on the maturing projects of China South City and in light of the increasing uncertainties in macro-economy, the Group strategically expedited the sales of its residential property and apartment, in order to strengthen the turnover and further improve liquidity, meanwhile enhancing the value-added ancillary services to vigorously tap the demand from the tenants of its integrated logistics and trade centers. During the Reporting Period, the Group achieved a notable contracted sales growth of 24.8% to HK\$6,803.0 million (1H FY2017/18: HK\$5,449.8 million), with revenue increased by 46.0% to reach HK\$5,212.4 million (1H FY2017/18: HK\$3,569.8 million), out of which recurring revenue grew by 19.2% to HK\$1,036.5 million (1H FY2017/18: HK\$869.9 million).

Net profit attributable to owners of the parent of the Group decreased by 14.4% to HK\$848.2 million (1H FY2017/18: HK\$990.5 million), while its core net profit attributable to owners of the parent (being net profit attributable to owners of the parent excluding fair value gains on investment properties and related tax effects, impairment of goodwill and loss on redemption of senior notes) increased by 26.6% to HK\$420.1 million (1H FY2017/18: HK\$331.9 million). Basic earnings per share decreased to HK10.59 cents (1H FY2017/18: HK12.37 cents).

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2018 (1H FY2017/18: Nil).

本人代表華南城控股有限公司(「本公司」)之董事會(「董事會」)及其附屬公司(「華南城」或「本集團」)，謹此欣然呈報本集團截至2018年9月30日止六個月(「2018/19財政年度上半年」或「本報告期間」)未經審核的綜合中期業績。

### 業績及股息

於2018年上半年，國家深入推進供給側結構性改革，實施「三去一降一補」五大任務，在適度擴大內需的同時，去產能、去庫存、去槓杆、降成本、補短板，旨在提高供給體系質量和效率、提高投資有效性、加快培育新的發展動能、改造提升本國的比較優勢，以及增強持續增長動力，取得了一定成效。上半年國內生產總值同比增長6.8%，國民經濟延續總體平穩、穩中向好的發展趨勢，不斷優化營商環境，進一步激發市場主體活力，提升經濟發展品質。儘管中美貿易戰為總體經濟帶來不確定因素，9月份的中國製造業採購經理指數仍然高於50%的榮枯線，達50.8%，顯示企業生產經營活動總體保持平穩。

隨著華南城多個項目日趨成熟，並鑒於宏觀經濟的不明朗因素增加，本集團策略性加快推出住宅及商務公寓，加強周轉，進一步改善流動性，同時提升增值配套服務，積極配合綜合物流及商品交易中心商戶的需求。於本報告期間，本集團的合約銷售額顯著同比增長24.8%至68.030億港元(2017/18財政年度上半年：54.498億港元)；收入增加46.0%至52.124億港元(2017/18財政年度上半年：35.698億港元)，其中持續性收入增長19.2%至10.365億港元(2017/18財政年度上半年：8.699億港元)。

本集團母公司擁有人應佔淨利潤減少14.4%至8.482億港元(2017/18財政年度上半年：9.905億港元)，而其母公司擁有人應佔核心淨利潤(即未計投資物業公平值收益及相關稅款影響、商譽減值和贖回優先票據之虧損的母公司擁有人應佔淨利潤)增加26.6%至4.201億港元(2017/18財政年度上半年：3.319億港元)。每股基本盈利減少至10.59港仙(2017/18財政年度上半年：12.37港仙)。

董事會不建議派付截至2018年9月30日止六個月中期股息(2017/18財政年度上半年：無)。



## Review of the Market and Operations Insisting on Diversified and Unique Business Model to Improve Business Operation Capability Continuously

China South City is one of the leading developers and operators of large-scale integrated logistics and trade centers in China. Its portfolio of projects, covering integrated logistics and trade centers, supported by residential and commercial ancillary facilities, provides diversified value-added services to merchants and visitors in order to support industry upgrade and transformation of the traditional economy. China South City has replicated this business model to eight cities across China successfully, including a first-tier city, provincial capitals and a direct-administered municipality, serving tenants from a wide range of industries and various business categories. This unique business model enables the Group to tactically adjust its business focus according to the stage of development of the projects and market demand in different localities, further enhance its resilience to mitigate the impacts of cyclical fluctuations caused by the external environment, and ensure its long-term business sustainability.

During the early stage of development, the Group acquired lands proactively for construction of integrated logistics and trade centers. As its projects became more mature and came into operation, tenants moved in gradually. Coupled with the improved accessibility with increasingly elaborated infrastructure, for example, the high-speed rail or subway stations around the projects being completed and putting into services, the Group strategically expedited the launch and sales of its residential ancillary to cope with the strong market demand, while strengthening its cash flow and liquidity to adapt to market uncertainties caused by the intensified Sino-US trade war in the external environment. In 1H FY2018/19, the Group recorded total contracted sales of HK\$6,803.0 million, representing a year-on-year increase of 24.8%, of which residential properties sales recorded HK\$5,480.5 million, representing a year-on-year increase of 12.0%.

In addition, with the development of the E-commerce industry and growing demand for improving office conditions of tenants, the Group has allocated more resources to develop office buildings and apartments. Supported by the policy of "Tenants enjoy the same rights as home buyers", the Group gradually promoted the development of rental apartments to seize the opportunities brought by the rental housing market. Through the improvement of residential ancillary facilities, property management service, and logistics and warehousing services, the Group could enrich the user experience, attract more visitors as well as potential tenants, and subsequently stimulate market demands and facilitate the development of "China South City Ecosystem".

## 市場及運營回顧

堅持多元獨特的商業模式，持續提升業務運營能力

華南城是中國領先大型綜合物流及商品交易中心的開發商及運營商，其項目組合涵蓋綜合物流及商品交易中心，配合住宅及商業等配套設施，向商家及客戶提供多元化增值服務，支持產業升級及傳統經濟改造。華南城已成功複製此商業模式至中國八個城市包括一線城市、省會城市及直轄市，服務不同的業態及多樣化業務類型的商戶。此項獨特的商業模式可讓本集團因應各項目的發展階段及當地的市場需求靈活地調整業務重心，進一步增強抗禦能力，減低因外圍環境而產生的波動及週期性的影響，確保本集團業務的長遠可持續發展。

於發展初期，集團積極收購土地並建設綜合物流及商品交易中心，隨著多個項目日漸成熟，並開始進入運營階段，商戶陸續入駐，加上周邊的交通及基礎設施日益完善，包括項目毗鄰高鐵站或地鐵站等相繼落成及投入服務，本集團策略性地加快推售住宅配套以滿足市場的強勁需求，同時加強周轉和流動性以應對外圍環境因中美貿易戰加劇而產生的市場不確定性。2018/19財政年度上半年，集團合約銷售總額錄得68.030億港元，同比增長24.8%，當中住宅物業銷售錄得54.805億港元，同比增長12.0%。

另一方面，隨著電商產業的發展，商家的辦公條件改善需求增加，本集團劃撥更多資源發展寫字樓及商務公寓。在「租購同權」政策背景支持下，本集團逐步推進租賃型商務公寓發展，把握住房租市場帶來的機遇。同時完善住宅配套設施、物業管理服務、園區內倉儲與物流設施，豐富用戶體驗，吸引更多人流及商戶進駐，刺激需求，促進「華南城生態圈」發展。

### Formulating timely and flexible business strategies to promote stable growth of business

As one of the leading developers and operators of large-scale integrated logistics and trade centers in China, in addition to enhancing the value of commercial and residential properties, the Group continued to develop its five core businesses in rental, property management, logistics and warehousing, outlet operations and E-commerce, which served tenants from a wide range of industries and drove China South City to development of high quality and diversification.

Along with China South City's eight large-scale projects extending its operations, the value-added services of property management have become a stable and growing revenue stream for the Group. At the same time, the property management services provided by the Group also continue to be more enriched and diversified to offer remarkable property management services for different types of properties of China South City projects including trade centers, office buildings, residential ancillaries, etc.. As the Group's business continues to expand and services continues to upgrade, this business segment is expected to maintain a steady growth in the future.

The performance of outlet operations continued to achieve a satisfactory result. Driven by the increasing income of urban and rural residents, the demand for discounted branded products has increased significantly. In order to optimize resource allocation and improve operational efficiency, the Group integrated its respective outlet business resources during the Reporting Period to meet new consumer trends. As at 30 September 2018, the eight outlet malls in the Group's projects in Shenzhen, Nanning, Nanchang, Xi'an, Harbin, Zhengzhou, Hefei and Chongqing, operating with a total GFA of approximately 437,000 sq. m., housed up to about 700 brands and merchants on board. In addition, save its self-operated online and mobile platform, Aolaigo.com, the Group has also set up stores on mega online platforms to cater to different consumption patterns and offer a rich array of consumer choice.

"Internet Plus" remains a core strategy of China South City's fourth generation integrated logistics and trading platform. The Group strives to help its on-site tenants to improve their business with the use of E-commerce, and to develop its online and offline ecosystem.

### 因時制宜制定靈活經營策略 促進業務保持穩定增長

作為中國領先的大型綜合物流及商品交易中心的開發商及運營商，除了提升商業和住宅物業價值外，集團持續發展租賃業務、物業管理、倉儲與物流服務、奧特萊斯運營以及電子商貿等五大核心業務，服務不同業態的商戶，助推華南城邁向高質量的多元化發展。

隨著華南城八個大型項目的運營不斷擴大，物業管理增值服務為本集團帶來穩定增長的收入來源。與此同時，本集團的物業管理也伴隨著更加豐富多元起來，為華南城項目各類物業，包括不同業態的商品交易中心、寫字樓及住宅配套設施等提供卓越的物業管理服務。隨著業務的擴展和服務的升級，預計此業務分部未來能保持穩定增長。

奧特萊斯的運營表現持續取得理想的成績。隨著城鄉居民收入持續增長，對折扣品牌產品需求大幅增加。為優化資源分配，並提升運營效率，本集團於報告期內整合奧特萊斯各自營業務資源，以滿足新消費趨勢。於2018年9月30日，本集團於深圳、南寧、南昌、西安、哈爾濱、鄭州、合肥及重慶項目運營八間奧特萊斯商城的總開業建築面積約437,000平方米，加盟運營的品牌及商戶約700個。此外，除自行運營的「奧萊購」線上及手機平台外，本集團亦於多個大型線上平台設有門店，迎合不同客群的消費模式，提供多元化的消費體驗。

「互聯網+」繼續是華南城第四代綜合商貿物流及商品交易平台的核心理念，致力協助項目內商戶運用電子商貿優化業務，打造結合線上線下的商貿生態圈。

In addition, online consumption has become the major driver for the development of logistics and warehousing facilities with the rise of China's E-commerce. According to the National Bureau of Statistics of China, in the first half of 2018, domestic online retail sales reached RMB4,081 billion, representing a significant year-on-year increase of 30.1%, which indicated a strong market demand for the logistics and warehousing facilities and services. In addition to continuous expansion of warehousing facilities, the Group has also set up E-commerce parks on our projects, which converge outstanding E-commerce enterprises and promote cultivation and cluster of start-ups. Through the model of "Internet + Business Cluster", combined with on-site operation, warehousing and diversified distribution channels, the service level of supply chain integration is strengthened to enhance user experience and cater to the needs of high-end enterprises, which in turn increase economic benefits.

### Sound Financial Management

Looking ahead to the second half of this fiscal year, the Group will maintain a prudent yet proactive attitude to consolidate existing resources to keep the growth potential of the projects based on extensive and diversified financing channels, including both onshore and offshore. Besides traditional banking facilities, the Group consistently pursues financial strategy of diversifying its funding channels with various onshore and offshore capital and inter-bank market instruments, in order to optimize its capital structure and debt maturity profile, and ensure the Group's smooth funding channels. In addition, the Group proactively and tactically adjusts its pace of land acquisition and other capital expenditure, while accelerating sales and enhancing cash flow management in order to preserve liquidity as well as its growth momentum. The goal is to maximizing shareholder value in the long run by building a strong and stable capital base to sustain future business development. The Group will continue to adopt sound financial management strategy and endeavor to achieve better capital management to balance business development and financial stability, thereby creating the maximum value for its shareholders.

### Prospects

Looking ahead to the second half of this fiscal year, there is no sign of easing Sino-US trade war, and the market expects that the negative impacts on the Chinese economy will gradually emerge. The downward pressure on the Chinese economy in the fourth quarter and the first half next year will notably increase. However, China is still one of the most vibrant economies in today's world. The PRC government will continue to focus on supply-side structural reforms, and the overall macro-economy will remain stable.

另外，中國電子商貿的崛起，使網上消費成為倉儲與物流設施發展的主要驅動力。據國家統計局數據，2018年上半年，國內網上零售額達到人民幣40,810億元，同比大幅增長30.1%，顯示市場對倉儲與物流設施租賃需求強勁。除了不斷拓展倉儲設施，本集團亦在於多個項目設立電商產業園，整合聚集優秀電商企業，及促進初創企業的培育及聚集。透過「互聯網+產業園」的運營模式，結合園區運營、倉儲服務及多元化配送渠道，強化供應鏈一體化的服務水平，增強用戶體驗，迎合高端商家使用需要，以增強經濟效益。

### 穩健的財務管理

展望本財政年度下半年，本集團將保持審慎積極的態度，在廣泛及多元化的境內外融資管道的基礎上，整合公司資源，保持項目穩定發展。除傳統的銀行融資外，本集團一貫奉行通過各項境內外資本及銀行間市場工具拓寬融資管道的財務策略，優化資本結構及債務到期組合，確保集團融資渠道暢通。此外，本集團積極調整土地收購戰略及其他資本開支的步伐，加快銷售，加強現金流管理，從而維持流動性及保持增長勢頭，通過建立堅實穩定的資本基礎以維持未來的業務發展，長遠而言實現股東價值的最大化。本集團將繼續採取穩健的財務管理策略，並致力實現最佳的資本管理，務求在業務發展及財務穩定上取得平衡，為股東創造最大價值。

### 前景

展望本財政年度下半年，中美貿易戰暫無緩和跡象，市場預期對中國經濟的負面影響將慢慢浮現，第四季和明年上半年中國經濟面臨的下行壓力將明顯增加。然而，中國仍然是當今世界最具活力的經濟體之一，國家仍將以供給側結構性改革為主調，宏觀經濟總體保持平穩。



The Group will maintain a prudent yet optimistic approach and strictly adhere to the general direction to promote industry upgrade and transformation and ensure stable and sustainable growth. The Group is committed to achieve China South City's new positioning of "a livable community good for business and leisure" through reasonable resources allocation for an optimized industry-mix, to increase the supply of various ancillary facilities, and in particular, the development of commercial complexes featuring office buildings, apartments and hotels, which are expected to attract more E-commerce or internet companies to move in, and facilitate the maturity of the ecosystem among the projects.

The management expects the Group's annual sales target as HK\$16 billion this fiscal year. As at 30 September 2018, the Group achieved sales mission of approximately HK\$6.8 billion in the first half of the fiscal year. Regarding recurring business, the Group will strive to keep its growth momentum and develop diversified and stable revenue streams.

Finally, on behalf of the Board, I wish to express my deepest gratitude to our shareholders, customers and business partners for their trust and continued support to the Group. I would also like to thank the management and staff for their dedication and wholehearted commitment, which have helped China South City grow from strength to strength.

**Cheng Chung Hing**  
*Chairman and Executive Director*

Hong Kong, 28 November 2018

本集團將繼續採取審慎樂觀的態度，堅持大方向不動搖，促進產業升級轉型，確保穩定及可持續增長。本集團將合理分配資源，通過優化產業，致力實現華南城「宜商」、「宜居」、「宜業」的新定位，增加多種配套設施的供給，尤其商業物業的開發—以寫字樓、商務公寓或酒店為標誌的商業綜合體，預期將吸引更多電商企業的加入，並促進本集團項目生態圈的不斷成熟。

管理層預期本集團於本財政年度的銷售目標為160億港元。截至2018年9月30日，本集團已完成本財政年度上半年銷售任務，實現68億港元的合約銷售。在持續性業務方面，本集團將致力保持其增長動力，繼續拓展多元化且穩定的收入來源。

最後，本人謹代表董事會，向本集團的股東、客戶以及業務夥伴一直以來對本集團的信任及支持致以最誠懇的感謝，同時亦感謝管理層及員工對協助華南城日益壯大所作的貢獻及全心投入。

**主席兼執行董事**  
**鄭松興**

香港，2018年11月28日

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Business Review

#### Supporting sustainable development by a unique business model

Founded in 2002, the Group successfully rolled out the first China South City project with a total GFA of 2.64 million sq. m. in Pinghu Logistics Development Base, Longgang District, Shenzhen the same year. Since then, based on the successful development and operation experience of China South City Shenzhen (“CSC Shenzhen”), the Group has copied its unique business model to other cities. Up to now, the Group has developed large-scale, integrated logistics and trade centers projects in such eight important cities in China as Shenzhen, Nanchang, Nanning, Xi’an, Harbin, Zhengzhou, Hefei and Chongqing. These projects are at different stages of development. The Group is committed to build a unique ecosystem in each project of China South City, in which an extensive trading platform containing vertical markets of various industries, supplementary with ancillary services including residential properties, offices, property management, outlet operation, as well as logistics and warehousing, is developed.

During 1H FY2018/19, the Group’s total revenue increased by 46.0% to HK\$5,212.4 million (1H FY2017/18: HK\$3,569.8 million). Its recurring income grew by 19.2% year-on-year to HK\$1,036.5 million from HK\$869.9 million in 1H FY2017/18, accounting for 19.9% of the total revenue (1H FY2017/18: 24.4%). Gross profit margin was 41% (1H FY2017/18: 42%). Net profit attributable to owners of the parent was HK\$848.2 million (1H FY2017/18: HK\$990.5 million). Basic earnings per share amounted to HK10.59 cents (1H FY2017/18: HK12.37 cents).

For the final dividend for fiscal year 2017/18, Mr. Cheng Chung Hing, together with his wholly owned subsidiary, Accurate Gain Developments Limited, and THL H Limited, a wholly owned subsidiary of Tencent Holdings Limited (“Tencent”), selected to receive such dividend in form of the Company’s new shares in lieu of cash. This reflected the support of Mr. Cheng Chung Hing and Tencent to the Company and their recognition of the Company’s business and prospects.

#### Unlocking the Potential of the Ever-growing Recurring Businesses

Following years of development and expansion, China South City projects have gradually entered into phase of operation and been growing into mature. In 1H FY2018/19, the Group recorded a growth in its total recurring income of HK\$1,036.5 million (1H FY2017/18: HK\$869.9 million), representing an increase of 19.2%. Revenue generated from rental, property management, logistics and warehousing services, outlet operations and E-commerce reached HK\$377.6 million, HK\$204.8 million, HK\$134.9 million, HK\$168.6 million and HK\$97.4 million respectively (1H FY2017/18: HK\$361.5 million, HK\$196.6 million, HK\$86.1 million, HK\$130.6 million and HK\$85.4 million respectively).

### 業務回顧

#### 獨特的業務模式支援可持續發展

本集團於2002年成立，並同年首先於深圳龍崗區平湖物流基地成功開展總建築面積約為264萬平方米的深圳華南城項目，此後，根據深圳華南城成功運營的經驗，本集團已將其獨特的業務模式複製至其他城市。迄今，本集團已於中國八個重要城市（分別是深圳、南昌、南寧、西安、哈爾濱、鄭州、合肥、重慶）發展大型綜合商貿物流及商品交易中心項目，該等項目處於不同發展階段。本集團致力於在每個華南城項目內建立一個有特色的華南城生態圈，在每個項目中，發展覆蓋多項產業上、下游的交易平台，輔以包括住宅、寫字樓、物業管理、奧特萊斯運營、倉儲與物流等配套服務。

於2018/19財政年度上半年，本集團總收入增加46.0%至52.124億港元（2017/18財政年度上半年：35.698億港元）。持續性收入由2017/18財政年度上半年的8.699億港元按年增加19.2%至10.365億港元，佔總收入的19.9%（2017/18財政年度上半年：24.4%）。毛利率為41%（2017/18財政年度上半年：42%）。母公司擁有人應佔淨利潤為8.482億港元（2017/18財政年度上半年：9.905億港元）。每股基本盈利為10.59港仙（2017/18財政年度上半年：12.37港仙）。

就本公司2017/18財政年度之末期股息，鄭松興先生及其全資擁有之公司Accurate Gain Developments Limited，與THL H Limited，騰訊控股有限公司（「騰訊」）之全資附屬公司，均選擇全數以本公司的新發行股份代替現金方式收取該末期股息，以增持於本公司的股權，充分顯示鄭松興先生及騰訊對本公司的支持及對本公司業務和前景的肯定。

#### 發揮持續性業務不斷增長的潛力

隨著多年的建設及擴展，華南城項目已逐步進入運營階段並漸趨成熟。於2018/19財政年度上半年，本集團錄得持續性收入總額10.365億港元（2017/18財政年度上半年：8.699億港元），增長19.2%。來自租金、物業管理、倉儲與物流服務、奧特萊斯運營以及電子商貿的收入分別為3.776億港元、2.048億港元、1.349億港元、1.686億港元及0.974億港元（2017/18財政年度上半年：分別為3.615億港元、1.966億港元、0.861億港元、1.306億港元及0.854億港元）。

## Property Management

In the past 15 years, in view of projects' growth and market demand, China South City has developed different types of properties, including trade centers, residential premises, office buildings, warehouses and other commercial complexes. All these properties, together with respective project spaces as a whole, are serviced by the Group's wholly-owned subsidiary, First Asia Pacific Group Company Limited ("First Asia Pacific"). The large business scale and diversified industries contained in China South City projects give First Asia Pacific an edge over its property management counterparts. First Asia Pacific is one of the very few capable of managing both trade center premises as well as residential properties, and has earned National First-class Property Management Qualification in China over years of development. It was awarded "2018 China Top 100 Property Management Companies" and "2018 China Leading Property Management Companies in terms of Characteristic Service" by China Index Academy.

Besides comprehensive property management services, First Asia Pacific also provides bespoke services such as event management and security, concierge service, on-site multimedia management. Following the technology trend, First Asia Pacific gradually has its service upgraded, going digitalized and mobile, including electronic management system and staff-end mobile App, as well as client-end WeChat public account, so as to improve effectiveness, reduce management costs and automate business procedures.

In 1H FY2018/19, revenue generated from property management reached HK\$204.8 million (1H FY2017/18: HK\$196.6 million), an increase of 4.2% year-on-year. With more projects commencing operations, the Group believes that recurring income will continue to increase, bringing a stable cash flow to the Group. In future, First Asia Pacific will pursue innovation and reform to keep abreast of the change of business environment and to provide more tailor-made services to different tenants.

## Logistics and Warehousing Services

The Group's logistics and warehousing segment is operated by Qianlong Logistics Group Limited (乾龍物流集團有限公司) ("Qianlong Logistics"), a wholly-owned subsidiary of the Group, currently developing its business along the projects of China South City, strategically located in first-tier cities, major provincial capitals and direct-administered municipality, and well-connected to key domestic logistics nodes in the PRC.

## 物業管理

在過去逾15年間，華南城因應項目的發展和需要，在其各地項目內發展了不同的物業類型，包括商品交易中心、住宅、寫字樓、倉儲和其他商業物業，這些物業及整個項目園區內主要由本集團的全資附屬公司—第一亞太集團有限公司(「第一亞太」)管理。華南城商圍規模大且業態多元，這豐富的環境造就了第一亞太在物業管理行業內的獨特，是國內少數兼具管理商品交易中心以及住宅物業能力的物業管理公司。多年來，第一亞太已經發展成為國家一級資質物業服務企業，並獲中國指數研究院頒發「2018中國物業服務百強企業」及「2018中國特色物業服務領先企業」。

除綜合物業管理外，第一亞太亦提供如大型活動策劃及保安、禮賓服務、戶外及建築物多媒體管理等的定制服務。隨著科技的發展，第一亞太逐漸實現其服務升級及數碼流動化，包括物業電子管理系統及員工端手機應用程式，客戶端微信公眾號等，以提高效率、降低管理成本及實現業務流程的自動化。

於2018/19財政年度上半年，物業管理產生的收入為2.048億港元(2017/18財政年度上半年：1.966億港元)，同比增加4.2%。隨著更多項目投入運營，本集團認為持續性收入將繼續增加，為本集團帶來穩定的現金流。在未來，第一亞太將隨著商業環境的變化，不斷創新改革、為不同的客戶提供更多更適切的服務。

## 倉儲與物流服務

本集團的倉儲與物流服務分部由本集團全資附屬公司—乾龍物流集團有限公司(「乾龍物流」)負責運營。目前主要沿著華南城項目發展，戰略性地佈局於一線城市、主要省會及直轄市，並連接國內的關鍵物流節點。



## Management Discussion and Analysis (Continued) 管理層討論及分析(續)

During the Reporting Period, business scope of Qianlong Logistics has gradually been shifted to comprehensive logistics services, instead of merely on-site warehouse leasing focused. Based on its operation in on-site warehouse leasing, it has proactively extended to comprehensive logistics services including warehousing, consignment and forwarder distribution with breakthroughs.

In June 2018, Qianlong Logistics passed the assessment of ISO9001 and ISO14001, and was accredited Quantity Management System and Environment Management System. Taking this opportunity, Qianlong Logistics will conduct quality management strictly in accordance with the audited international standard quality system, so as to establish a good corporate image and goodwill with enhanced efficiency, as well as quality, in a standardized and scientific way.

In 1H FY2018/19, revenue from logistics and warehousing services was HK\$134.9 million (1H FY2017/18: HK\$86.10 million), an increase of 56.7% year-on-year.

於本報告期間，乾龍物流的業務範圍由單以園區倉儲租賃業務為主逐步向綜合性物流服務轉型。在園區倉儲租賃業務運營的基礎上，積極拓展集倉儲服務、集運配送業務等綜合性物流業務，並在該業務領域取得了較大突破。

2018年6月，乾龍物流通過ISO9001、ISO14001評審，喜獲《質量管理體系》、《環境管理體系》認證。今後，乾龍物流將以此為契機，嚴格按照經過審核的國際標準化的品質體系進行品質管理，真正達到標準化及科學化，全面提高工作效率和品質，樹立良好的企業形象和信譽。

於2018/19財政年度上半年，來自倉儲與物流服務的收入為1.349億港元(2017/18財政年度上半年：0.861億港元)，同比增長56.7%。



Outlet mall in CSC Zhengzhou  
於鄭州華南城的奧特萊斯商場



The logistics and warehousing services in CSC Chongqing  
於重慶華南城的倉儲物流服務

## Outlet Operations

Shenzhen Huasheng Commercial Development Company Limited (“Huasheng Outlet”), a wholly-owned subsidiary under the Group, currently operates outlet malls on discounted goods in eight China South City projects across the country.

During the Reporting Period, Huasheng Outlet operated eight outlet malls which housed around 700 brands and merchants on board with a total GFA of approximately 437,000 sq. m.. In 1H FY2018/19, the business of Huasheng Outlet continue to maintain its trend of growth. This was attributable to the improved traffic condition nearby and sound management, including existing brands management, the introduction of more popular brandings and expansion of area in operation. Among the projects, Zhengzhou one showed an outstanding growth.

With the blurring boundary between online and offline shopping, a new retail model of click-and-mortar combination has become the mainstream. At present, apart from the offline outlet malls, Huasheng Outlet is also gradually strengthening its self-operated platform and third party platforms on JD, Tmall, NetEase Koala, to prepare ahead for the new retail trend.

In 1H FY2018/19, the Group’s outlet operation recorded a gross turnover of approximately RMB748.8 million (1H FY2017/18: RMB610.2 million), representing a year-on-year increase of approximately 22.7% and generated a recurring income of HK\$168.6 million (1H FY2017/18: HK\$130.6 million), a year-on-year increase of approximately 29.1%. In terms of sales turnover, Shenzhen project remained the largest contributor, followed by Zhengzhou project and Xi’an project.

## E-commerce Development

Shenzhen China South City E-Commerce Technology Company Limited (“CSC Net”) is a wholly-owned E-commerce services subsidiary under the Group. It is a key initiative for the Group to develop its online-offline ecosystem; while on one hand the E-commerce platform could be leveraged to optimize business of our on-site tenants, on the other hand its logistics and trade centers also provide brick-and-mortar space to online businesses to expand their offline presence. Since 2017, CSC Net has been accredited as a National High-tech Enterprise, and received government incentives in such field as technology research and development.

## 奧特萊斯運營

深圳華盛商業發展有限公司(「華盛奧特萊斯」)為本集團旗下全資附屬公司，目前在全國八個華南城項目內管理以銷售折扣商品為主的奧特萊斯商城。

於本報告期間，華盛奧特萊斯共運營八家奧特萊斯商城，建築面積共約437,000平方米，加盟運營的品牌及商戶約700個。於2018/19財政年度上半年，華盛奧特萊斯的業務繼續保持其增長勢頭，此乃得益於周邊交通情況的改善和良好的經營，包括對駐場品牌的管理，引入更多受歡迎品牌及增加在運營面積。在各項目中，鄭州項目的增長尤其突出。

隨著線上購物和線下購物的界限越來越模糊，線上線下相結合的新零售模式將會成為主流。目前，華盛奧特萊斯在發展線下實體購物之餘，也正在逐步加強其自營平台及與京東、天貓、網易考拉等第三方平台合作，進行新零售模式的提前佈局。

於2018/19財政年度上半年，本集團的奧特萊斯運營錄得商城銷售總額約人民幣7.488億元(2017/18財政年度上半年：人民幣6.102億元)，同比增長約22.7%，產生持續性收入1.686億港元(2017/18財政年度上半年：1.306億港元)，同比增長約29.1%。就銷售額而言，深圳項目仍為最大貢獻來源，其次是鄭州項目和西安項目。

## 電子商貿發展

深圳華南城網科技有限公司(「華南城網」)是本集團全資附屬電子商貿服務公司。發展線上線下生態圈是本集團的重要舉措，本集團在利用電子商貿優化駐場商戶業務的同時，也為運營線上業務的商戶提供實體空間，擴大其於本集團的綜合商貿物流及商品交易中心的線下使用。自2017年，華南城網已獲得國家高新技術企業認定，並在企業技術開發領域獲得政府獎勵金。

In addition, E-commerce parks have been successively established in projects in Shenzhen, Zhengzhou, Nanchang, Nanning and Harbin. These E-commerce parks on one hand provide E-commerce start-ups the base to cultivate, cluster and grow; on the other hand make room for their more mature peers to go offline to develop offline showcase and business, which become an important part of the Group's online-offline ecosystem.

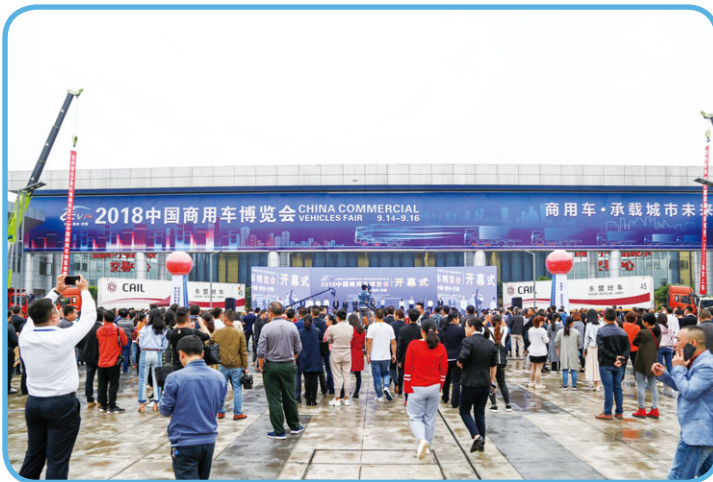
### Trade Fairs

In 1H FY2018/19, leveraging on the Group's large-scale trading platforms in major provincial capitals and direct-administered municipalities, the long-term relationship with local governments, as well as extensive experience in co-organizing trade fairs, its several projects have been selected to host important trade fairs and exhibitions organized by various local governments. These events, were well-received by international and local exhibitors as well as visitors, of which the success considerably raised the profile of the Group's projects and boosted visitor and business traffic, in turn creating more business opportunities for the on-site tenants.

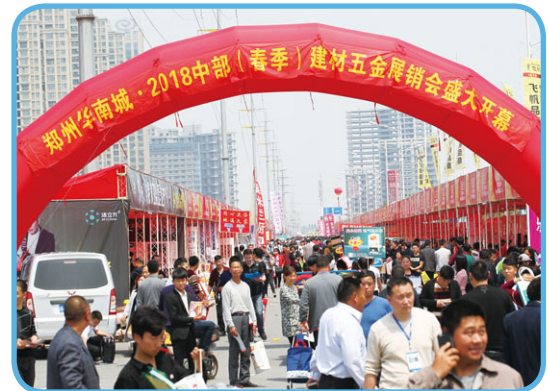
此外，本集團在深圳、鄭州、南昌、南寧、哈爾濱等項目陸續建立了電商產業園，為電商初創提供業務孵化、培育、發展的基地；又引入較成熟電商發展線下展示及業務，成為本集團線上線下生態圈中重要一環。

### 貿易博覽會

本集團憑藉著其佈局於主要省會及直轄市的大型商貿平台，配合與各當地政府長期合作關係，及合辦貿易博覽會的豐富經驗，於2018/19財政年度上半年，本集團多個項目均獲選舉辦由多個當地政府組織的重要貿易博覽會及展會。該等貿易博覽會及展會反應熱烈，吸引眾多國際及當地的參展商及訪客，而該等活動的成功亦大大提升了本集團項目的知名度，同時增加訪客及業務流量，為駐場商戶帶來更多商機。



China Commercial Vehicle Fair 2018  
2018中國商用車博覽會



CSC Zhengzhou — Central Region Building Materials & Hardware  
Trade Fair, (Spring) 2018  
鄭州華南城—2018中部(春季)建材五金展銷會



## Events at a Glance

### CSC Zhengzhou • Central Region Building Materials & Hardware Trade Fair, (Spring) 2018

CSC Zhengzhou • Central Region Building Materials & Hardware Trade Fair, (Spring) 2018 was launched together with Central Region Building Materials & Hardware Industry Summit in April 2018. The fair has become a remarkable and highly professional event in central China to exhibit a full range of product of the industry.

### China – Harbin International Economic and Trade Fair

The 29th Harbin International Economic and Trade Fair – China South City sub-venue cum Russian Culture Festival was held in CSC Harbin in June 2018. Harbin International Economic and Trade Fair has become the window of China to the world, laying the platform for economic and trade cooperation with Northeast Asia and the rest of the world. It has been regarded as a leading exhibition for China's economic and trade cooperation and received great attention from governments at all levels. Active participation by enterprises and institutions from home and abroad provides an important position for CSC Harbin in Northeast Asia economic region.

### The First CSC Hefei Hotel Supplies Fair

The three-day CSC Hefei Hotel Supplies Fair was firstly hosted in June 2018, on which the major hotel supplies operator in CSC Hefei gathered nationwide manufacturers to the fair. Mega sales were also held amongst tenants of various industries at the same time. The success of the fair brought visitor flow and business opportunities from various areas and strengthened the brand name of the Group.

### China-ASEAN Expo Light Industrial Exhibition

The 15th China-ASEAN Expo, co-hosted by Ministry of Commerce of the PRC, the Economic and Trade Departments of the ten ASEAN counterparts and the China-ASEAN Expo Secretariat, and organized by the Government of the Guangxi Zhuang Autonomous Region, successfully took place in CSC Nanning in September 2018. China-ASEAN Expo Light Industrial Exhibition was hosted by CSC Nanning for the 9th consecutive year, which has firmly established CSC Nanning as a hub for light industrial products trading between China and ASEAN countries, strengthened trade links and cultural exchanges between both sides, responded to the national policy of "The Belt and Road Initiative" and further enhanced branding of the Group.

## 活動回顧

### 鄭州華南城 • 2018中部(春季)建材五金展銷會

於2018年4月，鄭州華南城 • 2018中部(春季)建材五金展銷會盛大開幕，中部建材五金行業高峰論壇也於同日舉行，是中國中部地區規模盛大、專業度高、品類齊全的行業展會。

### 中國－哈爾濱國際經濟貿易洽談會

第二十九屆哈爾濱國際經濟貿易洽談會－華南城分會場暨俄羅斯風情文化節於2018年6月在哈爾濱華南城隆重舉辦。哈爾濱國際經濟貿易洽談會是中國對外開放的窗口和開展與東北亞及世界其他國家的經貿合作平台，是中國經貿合作的重要展會，得到了各級政府的重視。海內外企業和機構參展踴躍，為哈爾濱華南城奠定了在東北亞經濟區內的重要位置。

### 合肥華南城首屆酒店用品博覽會

於2018年6月，為期三天的合肥華南城酒店用品博覽會首次開辦。本次展會合肥華南城內的酒店用品主要運營商戶整合全國多家廠商舉辦展銷，並結合項目內其他異業商戶進行特賣。本次酒店用品博覽會的成功舉辦帶來了多方客流與機遇，加強了本集團的品牌性。

### 中國－東盟博覽會輕工展

第十五屆中國－東盟博覽會由中國商務部和東盟10國政府經貿主管部門及東盟秘書處共同主辦，並由廣西壯族自治區人民政府承辦。東盟博覽會輕工展於2018年9月在南寧華南城圓滿舉辦。中國－東盟博覽會輕工展已連續九年於南寧華南城舉辦，該展會使南寧華南城成為中國與東盟各國之間輕工產品商貿物流的重要平台，有力推動雙方貿易往來和人文互通，同時響應了國家的「一帶一路」政策，並進一步加強了本集團的品牌優勢性。

### China Commercial Vehicles Fair

China Commercial Vehicles Fair was held in CSC Chongqing in September 2018. Exhibitions related to commercial vehicles, logistics chains, new energy vehicles and passenger vehicles were held one after another. The success of the fair promoted not only the cooperation between commercial vehicles and various fields, but also the development of the commercial vehicle industry in Chongqing. It also brought continuous flow of business, logistics, capital and information to CSC Chongqing, thus generating more business opportunities for its on-site tenants.

### Land Bank

With its unique and flexible business model, the Group intends to retain commercial properties like logistics and warehousing facilities, hotels, as well as not less than 50% of the trade center units for self-use or long-term leasing purposes, while the remaining 50% of trade center units and residential properties will be sold progressively to generate cash flow for further development of the Group. During the Reporting Period, the Group acquired new plots of land with GFA of approximately 158,300 sq. m. at a consideration of approximately RMB246.7 million for Harbin project. The land was mainly for residential purpose.

Details of the land bank as at 30 September 2018 are as follows:

### 中國商用車博覽會

2018年9月，中國商用車博覽會在重慶華南城舉辦：商用車展、物流產業鏈展、新能源車展、乘用車展等活動紛紛亮相。博覽會的成功，不僅推動了商用車和各領域的合作，亦同時促進重慶商用車行業的發展；為重慶華南城帶來持續的商流、物流、資金流、信息流，以及為駐場商家帶來更多的商機。

### 土地儲備

按其獨特且富靈活性的商業模式，本集團將保留用作倉儲與物流服務、酒店等商業物業及不少於50%的商品交易中心商舖作為自營或長期出租用途，而餘下的約50%商品交易中心商舖及住宅物業，本集團將逐步出售，為本集團的後續發展提供所需的現金流。本集團於本報告期間以人民幣約2.467億元為哈爾濱項目增購約158,300平方米可建築面積的土地，該土地用途主要為住宅。

截至2018年9月30日的土地儲備詳情如下：

Project	Completed Properties <sup>(1)</sup>		Properties under Development	Properties to be Completed by FY2018/19 將於2018/19 財政年度 竣工的物業	Properties Planned for Future Development on GFA Acquired <sup>(2)</sup> 按已購土地建築 面積已規劃作 未來發展物業 <sup>(2)</sup>	Total Planned GFA <sup>(3)</sup>	Total Planned GFA for Acquired Land <sup>(4)</sup> (% to Total Planned GFA)		
	Sold 已售	Unsold 未出售							Estimated 估計
CSC Shenzhen	深圳華南城	823,000	1,569,300	185,000	-	66,700	2,644,000	2,644,000	100%
CSC Nanchang	南昌華南城	1,401,500	999,400	263,800	-	2,129,700	6,866,000	4,794,400	70%
CSC Nanning	南寧華南城	635,100	1,318,000	-	-	526,900	4,880,000	2,480,000	51%
CSC Xi'an	西安華南城	733,600	832,000	433,100	267,000	2,677,900	17,500,000	4,676,600	27%
CSC Harbin	哈爾濱華南城	545,300	981,900	968,700	301,500	2,860,500	12,000,000	5,356,400	45%
CSC Zhengzhou	鄭州華南城	1,267,800	1,683,300	2,340,100	374,800	3,613,300	12,000,000	8,904,500	74%
CSC Hefei	合肥華南城	1,370,500	1,059,200	1,280,900	61,200	2,282,400	12,000,000	5,993,000	50%
CSC Chongqing	重慶華南城	327,400	1,220,400	548,000	432,100	4,530,200	13,100,000	6,626,000	51%
Total	總計	7,104,200	9,663,500	6,019,600	1,436,600	18,687,600	80,990,000	41,474,900	51%



Notes:

- (1) Represents the GFA for which the construction of all various types of buildings had been completed, including properties held for sales, warehouses, offices, hotels and trade centers held for rental purpose as well as self-use properties.
- (2) Represents the remaining GFA after deducting the completed properties and properties under development from the total planned GFA for acquired land.
- (3) Represents the GFA planned upon establishment of the projects. The actual land and GFA to be acquired or built are subject to different factors and may vary subsequently.
- (4) Represents the planned GFA for the land acquired including completed properties and properties under development. The actual GFA to be built may vary subsequently according to needs of the Group.

附註：

- (1) 代表已完成建設的各類型物業的建築面積，包括持作銷售物業、倉儲、寫字樓、酒店及作出租的商品交易中心，以及自用物業。
- (2) 代表扣除已竣工物業及發展中物業後的已購土地的總規劃建築面積餘額。
- (3) 代表項目設立時的規劃建築面積，實際取得或建設的土地和建築面積可能會受多種因素影響而產生後續變更。
- (4) 代表已購得之土地的規劃建築面積包括已竣工物業及發展中物業，實際建築面積可能會因應本集團的需要而產生後續變更。

## China South City Shenzhen

China South City Shenzhen (“CSC Shenzhen”), the Group’s first project, is situated at the Pinghu Logistics Base in Longgang District, Shenzhen. Shenzhen City, one of the four first-tier cities in China, is located at the heart of Guangdong-Hong Kong-Macao Big Bay Area amid an extensive transportation network with about 12.52 million permanent resident population in 2017. In 2017, its total GDP ranked the third over the whole country. Located in the northeast of Shenzhen, Longgang District recorded a regional GDP of RMB385.862 billion in 2017 and ranked the second in the city. With the local government further developing Longgang District as an innovation center in the east of Shenzhen, its ancillary infrastructure such as logistics, health care and education will continue to advance, bringing more convenience to tenants of CSC Shenzhen. Transportation around the project has also been improving. CSC Shenzhen is only 2.6 kilometers away from the Pinghu Railway Station. According to Shenzhen Metro Planning, subway line 10 passing through CSC Shenzhen, is expected to be open for traffic by 2020. Upon completion, it will generate more business opportunities and uplift visitor traffic for CSC Shenzhen.

Currently, CSC Shenzhen contains industries including textile and clothing, leather and accessories, electronic parts, printing, paper products and packaging, metals and chemicals, plastic materials, hotel supplies, tea and teaware, cross-border products, E-commerce, home furnishing, children education, produce and flower market, etc., on its trade center premises. In addition, CSC Shenzhen provides micro-credit service for on-site small and medium-sized enterprises (“SMEs”), assisting them in resolving financing difficulties for business development.

## 深圳華南城

深圳華南城位於深圳市龍崗區平湖物流基地，為本集團旗下首個項目。深圳市是中國四個一線城市之一，位處粵港澳大灣區的核心地帶，擁有完善的交通網絡，2017年常住人口約為1,252萬，2017年GDP總量位居全國第三。龍崗區位於深圳市東北部，2017年地區生產總值人民幣3,858.62億元，居全市第二。隨著當地政府進一步推動龍崗區作為深圳東部創新中心的建設，區內包括物流、醫療、教育等配套設施將繼續完善，為深圳華南城商家的經營帶來更多便利。同時項目周邊的交通配套亦在進一步完善。深圳華南城距離平湖火車站僅2.6公里。根據深圳地鐵規劃，途經深圳華南城的地鐵10號線預計於2020年建成通車，屆時將為深圳華南城的運營帶來更多的商機及客流。

目前深圳華南城商品交易中心所涵蓋的業態包括紡織服裝、皮革皮具、電子配件、印刷、紙製品及包裝、五金化工、塑膠、酒店用品、茶葉茶具、跨境商品、電子商務、家居家品、兒童教育、水果及花卉市場等。此外，針對協助中小企解決運營上貸款困難的問題，深圳華南城為項目內中小企提供小額貸款服務。

CSC Shenzhen has a total land area of approximately 1.06 million sq. m. and a total planned GFA of approximately 2.64 million sq. m.. The project has been in operation. As at 30 September 2018, construction of GFA of approximately 2.39 million sq. m. was completed, including approximately 1.62 million sq. m. of trade center, approximately 412,000 sq. m. of residential and office ancillaries and approximately 356,200 sq. m. of warehousing and other ancillary facilities. Besides, construction of a GFA of approximately 185,000 sq. m. is underway.

In 1H FY2018/19, CSC Shenzhen recorded total contracted sales of HK\$12.3 million (1H FY2017/18: Nil), including a GFA of 200 sq. m. of residential ancillaries at an average selling price ("ASP") of HK\$13,100/sq. m. (1H FY2017/18: Nil), and a GFA of 600 sq. m. of office units at an ASP of HK\$16,100/sq. m. (1H FY2017/18: Nil).

### China South City Nanchang

China South City Nanchang ("CSC Nanchang") is located at Honggutan New District of Nanchang, the capital of Jiangxi Province. The project is readily accessible to suppliers, manufacturers and merchants via major highways, the largest port on the Gan River and a complete freight network which includes a cargo marshal yard, a container terminus and an international airport, coupled with Nanchang West Railway Station – a principal high-speed rail station located just 1.2 km from CSC Nanchang. As a new business center of Nanchang, Honggutan New District is becoming more influential in administrative, commercial and cultural aspects by the day. In addition, the gradual completion of local amenities is driving visitor traffic and generating business opportunities, laying a solid foundation for the development of CSC Nanchang.

Currently, CSC Nanchang contains industries including building and decoration materials, small commodities, textile and clothing, leather & accessories, healthy and green products, etc., on its trade center premises. In addition, there is a State-level University Students' E-commerce Business Incubator in the project, indicating the achievement of CSC Nanchang in cultivating E-commerce start-ups and assisting SMEs to transform and upgrade their business to online. During the Reporting Period, the project introduced offline showroom of Guazi Second-hand Car and a Comprehensive Space Technology Experiential Exhibition. Guazi Second-hand Car (guazi.com) is a famous online trading platform of second-hand cars in China, and the space hall provides a total experience of space technology, display of extracurricular education in science and technology interaction as a whole. Such introductions promoted consumption by attracting customer flow successfully. Together with other industries on-site, they form a complementary traffic to each other that attracts potential tenants of different industries to the project.

深圳華南城總佔地面積約為106萬平方米，總規劃建築面積約為264萬平方米。項目已處於運營階段，截至2018年9月30日，總建築面積約239萬平方米的建設已竣工，包括約162萬平方米的商品交易中心、約412,000平方米的住宅與辦公樓配套及約356,200平方米的倉儲及其他設施。此外，建築面積約185,000平方米的工程已展開建設。

於2018/19財政年度上半年，深圳華南城錄得合約銷售總額1,230萬港元(2017/18財政年度上半年：無)，包括以平均售價13,100港元/平方米售出建築面積200平方米的住宅配套(2017/18財政年度上半年：無)，及以平均售價16,100港元/平方米售出建築面積600平方米的辦公室單位(2017/18財政年度上半年：無)。

### 南昌華南城

南昌華南城位於江西省省會南昌市的紅谷灘新區，毗連主要高速公路及贛江的最大港口，並擁有完善的貨運網絡，包括鐵路編組站、鐵海聯運集裝箱堆場及國際機場，且距離主要高鐵車站—南昌西客站僅1.2公里，為供應商、生產商及商家提供方便的交通連接。紅谷灘新區作為南昌市新型商務中心，其行政、商業及文化功能日漸顯現，同時區內生活配套的逐步完善帶動了客流及商流的聚集，為南昌華南城的發展奠定基礎。

目前南昌華南城商品交易中心所涵蓋的經營業態包括家居建材、小商品、紡織服裝、皮革皮具、健康綠色食品等。此外，項目內的南昌市大學生電子商務創業孵化基地為國家級項目，標志著南昌華南城在培育電子商貿初創企業及協助中小企業在線上升級轉型的成績。於本報告期間項目引入了瓜子二手車線下展示店及綜合性太空科技體驗館，瓜子二手車直賣網是中國著名的線上二手車交易平台，而太空科技體驗館提供集航太科技展覽展示、課外科普教育、科技互動為一體的綜合性體驗。該等項目成功引流，拉動消費，與園區其他業態形成人流互補，促進了業態招商。

CSC Nanchang has a total planned land area of approximately 2.61 million sq. m. and a total planned GFA of approximately 6.87 million sq. m.. The development of CSC Nanchang is still underway. As at 30 September 2018, construction of CSC Nanchang with a total GFA of approximately 2.40 million sq. m. was completed, including approximately 1.07 million sq. m. of trade center, approximately 1.28 million sq. m. of residential ancillary and approximately 44,300 sq. m. of warehousing facilities. Besides, construction of a GFA of approximately 263,800 sq. m is underway.

In 1H FY2018/19, CSC Nanchang recorded total contracted sales of HK\$309.9 million (1H FY2017/18: HK\$810.7 million), including a GFA of 500 sq. m. of trade center (detached style) at an ASP of HK\$9,200/sq. m. (1H FY2017/18: a GFA of 1,100 sq. m. at an ASP of HK\$8,100/sq. m.), and a GFA of 37,300 sq. m. of residential ancillary at an ASP of HK\$8,200/sq. m. (1H FY2017/18: a GFA of 93,900 sq. m. at an ASP of HK\$8,500/sq. m.).

### China South City Nanning

China South City Nanning (“CSC Nanning”) is located at Jiangnan District of Nanning, the capital of the Guangxi Zhuang Autonomous Region, a critical gateway between China and the Association of Southeast Asian Nations (“ASEAN”) countries. The project is easily accessible by railway stations, highways and an international airport. Strategically located in close proximity to Southeast Asia and enjoying the advantage of a tariff waiver on cross-border trade activities within the China-ASEAN Free Trade Area, CSC Nanning endeavors to serve as a key hub for cross-border trade catering to the demand from the Northern Bay Region and Southeast Asia. CSC Nanning was conferred as “China-ASEAN Plaza” in 2011, aiming to forge a regional trade and logistics hub. CSC Nanning has been awarded as “National AAA Class Tourist Attraction” as well.

南昌華南城總規劃佔地面積約261萬平方米，總規劃建築面積約687萬平方米。南昌華南城仍處於開發建設階段，截至2018年9月30日，南昌華南城總建築面積約240萬平方米的建設已竣工，包括約107萬平方米的商品交易中心、約128萬平方米的住宅配套及約44,300平方米的倉儲設施。此外，建築面積約263,800平方米的工程已展開建設。

於2018/19財政年度上半年，南昌華南城錄得合約銷售總額3.099億港元(2017/18財政年度上半年：8.107億港元)，包括以平均售價9,200港元/平方米售出建築面積500平方米的商品交易中心(單幢式)(2017/18財政年度上半年：以平均售價8,100港元/平方米售出建築面積1,100平方米)，及以平均售價8,200港元/平方米售出建築面積37,300平方米的住宅配套(2017/18財政年度上半年：以平均售價8,500港元/平方米售出建築面積93,900平方米)。

### 南寧華南城

南寧華南城位於廣西壯族自治區省會南寧市江南區，是中國與東盟成員國之間的重要視窗，項目與火車站、高速公路及國際機場接連，交通便利。坐擁毗鄰東南亞的策略性地理優勢，受惠於中國—東盟自由貿易區於跨境貿易活動豁免關稅，南寧華南城致力成為重要的跨境貿易樞紐，以滿足北部灣及東南亞地區的需求。南寧華南城於2011年被授予「中國—東盟商品交易中心」，旨在打造成為區域性商貿物流基地。南寧華南城亦被評定為「國家AAA級旅遊景區」。



Currently, CSC Nanning contains industry including textile & clothing, small commodities, ASEAN products, home furnishing, tea & teaware, E-commerce, groceries, automobiles, eSports, etc., on its trade center premises. Through organizing a series of exhibitions, such as the China-ASEAN Expo and Light Industrial Exhibition, Ethnic and Cultural Festival, traffic flow to the project as well as regional brand recognition of the project were enhanced. As the Group's nationwide project network becoming more mature, together with further improvement of the ancillary facilities and services, CSC Nanning also proactively adopted measures to enrich tenant mix. In addition, the commercial complex, 1668 Square, launched by CSC Nanning, will start trial operation in the latter half of FY2018/19, so as to satisfy demands on entertainment, leisure and shopping from the residents of the community and, at the same time, enhance CSC Nanning's overall commercial attributes. CSC Nanning also provides micro-credit service for on-site SMEs, assisting them in resolving financing difficulties in business development.

China South City Nanning has a total planned land area of approximately 1.83 million sq. m. and a total planned GFA of approximately 4.88 million sq. m.. The development of CSC Nanning is still underway. As at 30 September 2018, construction of CSC Nanning with a total GFA of approximately 1.95 million sq. m. was completed, including approximately 896,600 sq. m. of trade centers, approximately 814,100 sq. m. of residential ancillary, approximately 205,600 sq. m. of office and approximately 36,800 sq. m. of warehousing facilities.

In 1H FY2018/19, CSC Nanning recorded total contracted sales of HK\$374.9 million (1H FY2017/18: HK\$425.8 million), including a GFA of 3,000 sq. m. of trade centers (mall style) at an ASP of HK\$10,800/sq. m. (1H FY2017/18: a GFA of 900 sq. m. at an ASP of HK\$9,000/sq. m.), a GFA of 29,800 sq. m. of residential ancillaries at an ASP of HK\$10,500/sq. m. (1H FY2017/18: a GFA of 49,000 sq. m. at an ASP of HK\$8,400/sq. m.), and a GFA of 2,900 sq. m. of office units at an ASP of HK\$9,800/sq. m. (1H FY2017/18: a GFA of 700 sq. m. at an ASP of HK\$9,700/sq. m.).

目前南寧華南城商品交易中心所涵蓋的經營業態包括紡織服裝、小商品、東盟產品、家居家品、茶葉茶具、電子商貿、綜合食品、汽車、電競等。通過舉辦中國—東盟博覽會輕工展、民俗文化商貿節等一系列展會活動帶旺項目人氣並提升品牌的區域知名度。隨著本集團在全國的項目網絡佈局日漸成熟，配套設施及服務得到進一步完善，南寧華南城亦採取了積極的措施，豐富其租戶組合。此外，南寧華南城推出的城市綜合體項目—1668廣場預計將於2018/19財年下半年度試運營，以滿足片區居民的娛樂、休閒及購物的需求，同時提升南寧華南城綜合商貿屬性。此外，為協助中小企解決運營上貸款困難的問題，南寧華南城為項目內中小企業提供小額貸款服務。

南寧華南城總規劃佔地面積約183萬平方米，總規劃建築面積約488萬平方米。南寧華南城仍處於開發建設階段，截至2018年9月30日，南寧華南城總建築面積約195萬平方米的建設已竣工，包括約896,600平方米的商品交易中心、約814,100平方米的住宅配套、約205,600平方米的寫字樓及約36,800平方米的倉儲設施。

於2018/19財政年度上半年，南寧華南城錄得合約銷售總額3.749億港元(2017/18財政年度上半年：4.258億港元)，包括以平均售價10,800港元/平方米售出建築面積3,000平方米的商品交易中心(商場形式)(2017/18財政年度上半年：以平均售價9,000港元/平方米售出建築面積900平方米)，以平均售價10,500港元/平方米售出建築面積29,800平方米的住宅配套設施(2017/18財政年度上半年：以平均售價8,400港元/平方米售出49,000平方米)，及以平均售價9,800港元/平方米售出建築面積2,900平方米的寫字樓單位(2017/18財政年度上半年：以平均售價9,700港元/平方米售出建築面積700平方米)。

## China South City Xi'an

China South City Xi'an ("CSC Xi'an") is located at the International Trade and Logistics Park ("the Park") of Xi'an, the capital of Shaanxi Province. As a local key project, the Park is an open economic pilot zone and a core area for modern service industry, aiming to become the largest international transit hub and logistics distribution center along the Silk Road Economic Belt and an important strategic platform for the "Belt and Road" initiative. In addition, the Park is one of the three large clusters of China (Shaanxi) Pilot Free Trade Zone. Benefitting from geographic advantage of the Park, CSC Xi'an is highly accessible via the Xi'an City Expressway and Beijing-Kunming Expressway, Lianyungang-Khorgos Expressway, Shaanxi-Shanghai Expressway, Baotou-Maoming Expressway and other national highways, forming an intricate spider network which opens to all directions. Besides, the strategic location of CSC Xi'an is connected to a railway container terminal and the largest bonded area in the north western region of China, along with two planned subway lines that cross the project site. According to Xi'an subway planning, subway line 3, which passes through CSC Xi'an, has commenced operation. In addition, a new stadium is slated to be built at the Park to host the 14th National Games of the People's Republic of China in 2021, together with the subway line connected to the venue have launched for development, it is expected visitor traffic will be boosted in the region. This subway line and the new stadium will generate more business opportunities and visitor traffic for CSC Xi'an.

Currently, CSC Xi'an contains industry including machinery and hardware, curtains and fabrics, textile and clothing, leather and fur, automobiles and parts, building and decoration materials, cross-border E-commerce, Central Asia and ASEAN product exhibition center, etc., on its trade center premises. Leveraging its geographical advantage in the starting point of the Silk Road Economic Belt, CSC Xi'an is actively poised to capture the immense opportunities arising from the "Belt and Road" initiative. In 1H FY2018/19, CSC Xi'an newly launched apartments to accommodate the housing demand in and around the project.

CSC Xi'an has a total planned land area of approximately 10.0 million sq. m. and a total planned GFA of approximately 17.5 million sq. m. The development of the project is still underway. As at 30 September 2018, construction of CSC Xi'an with a total GFA of approximately 1.57 million sq. m. was completed, including approximately 1.49 million sq. m. of trade centers, approximately 79,100 sq. m. of warehousing and other ancillary facilities. Besides, construction of a GFA of approximately 433,100 sq. m. is underway, of which approximately 267,000 sq. m. is expected to complete in FY2018/19.

## 西安華南城

西安華南城位於陝西省省會西安市港務區內。港務區是當地政府重點打造的開放型經濟先導區與現代服務業核心功能區，旨在成為絲綢之路經濟帶上最大國際中轉樞紐港與商貿物流集散地，是聯接「一帶一路」戰略的重要平台。同時，港務區為中國(陝西)自由貿易試驗區三大片區之一。受惠港務區的優越地理位置，西安華南城交通便利，通往區內的西安繞城高速公路與京昆高速、連霍高速、陝滬高速、包茂高速等全國高速公路網緊密相連，形成「米」字型高速公路網絡。此外，西安華南城位於接連通往鐵路集裝箱中心及中國西北地區最大保稅區的龐大交通網絡，並處於兩條已規劃地下鐵路項目的沿線。根據西安地鐵規劃，途經西安華南城的地鐵3號線已正式通車。此外，用於舉辦2021年第十四屆中華人民共和國全運會的新體育中心將於港務區落成，連接場館的地鐵線的項目建設已展開。預期屆時將能帶來巨大客流。此地鐵線路和體育中心將有利於西安華南城聚集更多客流與商機。

目前西安華南城商品交易中心所涵蓋的經營業態包括五金機電、窗簾布藝、紡織服裝、皮革皮草、汽摩汽配、家居建材、跨境電商、中亞與東盟產品展示中心等。憑藉作為絲綢之路經濟帶起點的地理位置優勢，西安華南城積極蓄勢，以把握「一帶一路」倡議帶來的龐大商機。於2018/19財政年度上半年，西安華南城新推出商務公寓以回應項目內及周邊的房屋需要。

西安華南城總規劃佔地面積約1,000萬平方米，總規劃建築面積約1,750萬平方米。西安華南城仍處於開發建設階段。截至2018年9月30日，西安華南城總建築面積約157萬平方米已竣工，包括約149萬平方米的商品交易中心、約79,100平方米的倉儲及其他配套設施。此外，建築面積約433,100平方米的工程已展開建設，其中約267,000平方米預期可於2018/19財政年度竣工。

In 1H FY2018/19, CSC Xi'an recorded total contracted sales of HK\$735.4 million (1H FY2017/18: HK\$327.6 million), including a GFA of 44,800 sq. m. of trade center units (detached style) at an ASP of HK\$7,100/sq. m. (1H FY2017/18: a GFA of 52,500 sq. m. at an ASP of HK\$6,200/sq. m.), and a GFA of 1,300 sq. m. of trade center (mall style) at an ASP of HK\$10,900/sq. m. (1H FY2017/18: Nil) and a GFA of 46,100 sq. m. of apartment units at an ASP of HK\$8,700/sq. m. (1H FY2017/18: Nil).

### China South City Harbin

Located at the Daowai District of Harbin, the capital of Heilongjiang Province, China South City Harbin ("CSC Harbin") fully utilizes its advantageous location in Northeast China, a premier hub for cross-border trade with countries in Northeast Asia. Its proximity to the China-Russia border helps to facilitate economic activities within the region. Leveraging the opportunities arising from the area's development potential, CSC Harbin endeavors to become the largest integrated logistics and trade center in Northeast China. Leveraging its own geographical location and advantages of local industries, CSC Harbin actively promotes the development of regional economy and trade, for example, the co-operation with Khabarovsk Russia, for the building of Northeast Asian green food exhibition and trading hub. In addition, *Xinxiangfang North Station of Harbin – Mudanjiang high speed rail* (哈牡高鐵路新香坊北站), only a couple of kilometers from CSC Harbin, is expected to commence operation by the end of 2018 and will bring more visitors and business opportunities to the project.

Currently, CSC Harbin contains industry including hardware and construction materials, green food, small commodities, hotel supplies, leather and fur, building and decoration materials, seed market, E-commerce, agricultural industry, cultural tourism, etc., on its trade center premises. Among these, *China Harbin Green Food International Expo City* (中國綠色食品(哈爾濱)國際博覽城) on the project, aimed to be a competitive and influential one-stop green food base with economies of scale advantage, has been certified and licensed by China Green Food Development Center.

於2018/19財政年度上半年，西安華南城錄得合約銷售總額7.354億港元(2017/18財政年度上半年：3.276億港元)，包括以平均售價7,100港元/平方米售出建築面積44,800平方米的商品交易中心單位(單幢式)(2017/18財政年度上半年：以平均售價6,200港元/平方米售出建築面積52,500平方米)，以平均售價10,900港元/平方米售出建築面積1,300平方米的商品易中心單位(商場形式)(2017/18財政年度上半年：無)，及以平均售價8,700港元/平方米售出建築面積46,100平方米的商務公寓單位(2017/18財政年度上半年：無)。

### 哈爾濱華南城

哈爾濱華南城位於黑龍江省省會哈爾濱市道外區，盡享中國東北部的地理優勢，是東北亞國家的跨境貿易主要樞紐。加上鄰近中俄邊界，配合該地區的經濟活動需要，哈爾濱華南城將充分把握該區發展潛力所帶來的機遇，致力成為中國東北部最大的綜合物流及商品交易中心。哈爾濱華南城利用自身地理位置及當地產業優勢，積極推進區域經濟貿易的發展，如與俄羅斯哈巴羅夫斯克市等商戶合作，積極打造成東北亞綠色食品展示交易的核心樞紐。此外，距哈爾濱華南城僅數公里的哈牡高鐵路新香坊北站預計將於2018年底通車，屆時將為園區帶來更多的客流及商機。

目前哈爾濱華南城商品交易中心所涵蓋的經營業態包括五金建材、綠色食品、小商品、酒店用品、皮革皮草、家居建材、種子市場、電子商務、農資產業、文化旅遊等。其中，項目內的中國綠色食品(哈爾濱)國際博覽城獲中國綠色食品發展中心認證授牌，旨在打造具競爭與影響力、規模效應的一站式綠色食品產業基地。



CSC Harbin has a total planned land area of approximately 10.0 million sq. m. and a total planned GFA of approximately 12.0 million sq. m.. The development of CSC Harbin is still underway. As at 30 September 2018, construction of CSC Harbin with a total GFA of approximately 1.53 million sq. m. was completed, including approximately 1.13 million sq. m. of trade centers, approximately 317,700 sq. m. of residential ancillary, approximately 81,700 sq. m. of warehousing and other ancillary facilities. Besides, construction of a GFA of approximately 968,700 sq. m. is underway, of which approximately 301,500 sq. m. is expected to complete in FY2018/19.

In 1H FY2018/19, CSC Harbin recorded total contracted sales of HK\$164.6 million (1H FY2017/18: HK\$88.9 million), including a GFA of approximately 14,200 sq. m. of trade center units (detached style) at an ASP of HK\$7,500/sq. m. (1H FY2017/18: a GFA of 1,700 sq. m. at an ASP of HK\$8,300/sq. m.), and a GFA of 10,600 sq. m. of residential ancillary at an ASP of HK\$5,500/sq. m. (1H FY2017/18: a GFA of 16,900 sq. m. at an ASP of HK\$4,400/sq. m.).

### China South City Zhengzhou

China South City Zhengzhou (“CSC Zhengzhou”) is located in Zhengzhou, the capital of Henan Province, adjacent to the Airport Economy Zone (“AEZ”) of Zhengzhou, the only state-level AEZ with a complete network which includes an international airport, high-speed train, intercity train, metro and highway and acts as an integrated transport hub providing seamless connectivity. The project is highly accessible and enjoys extensive transportation links – it is a mere 16 km away from Zhengzhou Xinzheng International Airport and only a couple of kilometers away from the Beijing-Guangzhou Railway Freight Station and the Beijing-Hong Kong-Macao Highway. The south extension of subway line 2, connecting downtown area to the airport and passing through CSC Zhengzhou with three stations, commenced operation, which will generate more business opportunities and visitor traffic for the project.

Currently, CSC Zhengzhou contains industries including building and decoration materials, small commodities, hardware and machinery, ancillary food and beverage facilities, automobiles and parts, nonstaple food, clothing, E-commerce, etc., on its trade center premises. CSC Zhengzhou will continue to expand its ancillary residential and commercial facilities such as exhibition center, office buildings, apartments, so as to meet the demand in and around the project. During the Reporting Period, Xinzheng City E-Commerce and Innovative Startups Complex (新鄭市電子商務創新創業綜合體), jointly developed by Xinzheng City government and CSC Zhengzhou, commenced operation to cater to demand of business platform from E-commerce start-ups in Central region.

哈爾濱華南城總規劃佔地面積約1,000萬平方米，總規劃建築面積約1,200萬平方米。哈爾濱華南城仍處於開發建設階段。截至2018年9月30日，哈爾濱華南城總建築面積約153萬平方米的建設已竣工，包括約113萬平方米的商品交易中心、約317,700平方米的住宅配套、約81,700平方米的倉儲及其他配套設施。此外，建築面積約968,700平方米的工程已展開建設，其中約301,500平方米可於2018/19財政年度竣工面積。

於2018/19財政年度上半年，哈爾濱華南城錄得合約銷售總額1.646億港元(2017/18財政年度上半年：0.889億港元)，包括以平均售價7,500港元/平方米售出建築面積約14,200平方米的商品交易中心單位(單幢式)(2017/18財政年度上半年：以平均售價8,300港元/平方米售出建築面積1,700平方米)，及以平均售價5,500港元/平方米售出建築面積10,600平方米的住宅配套(2017/18財政年度上半年：以平均售價4,400港元/平方米售出建築面積16,900平方米)。

### 鄭州華南城

鄭州華南城位於河南省省會鄭州市，毗鄰鄭州航空港經濟綜合實驗區。該實驗區乃目前全國唯一一個國家級航空港經濟綜合實驗區，是集國際航空、高鐵、城際鐵路、地鐵及高速公路於一體，可實現綜合樞紐的無縫銜接。項目享有廣闊的運輸網絡，四通八達，與鄭州新鄭國際機場相距僅16公里，與京廣鐵路貨運站及京港澳高速公路亦只有數公里之遙。沿鄭州華南城設有三個車站的地鐵2號線南延線已正式通車，為鄭州華南城聚集更多商流及客流。

目前鄭州華南城商品交易中心所涵蓋的經營態態包括建材、小商品、五金機電、配套餐飲、汽摩配件、副食品、服裝、電子商貿等。鄭州華南城將繼續加強其住宅及商業包括會展中心、寫字樓、商務公寓等配套設施方面的業務，進一步滿足華南城及周邊市場的需求。於本報告期間，由新鄭市政府與鄭州華南城共同打造以滿足中部地區電商創業平台需求的新鄭市電子商務創新創業綜合體投入運營。

CSC Zhengzhou has a total planned net land area of approximately 7.0 million sq. m. and a total planned GFA of approximately 12.0 million sq. m. The development of CSC Zhengzhou is underway. As at 30 September 2018, construction of CSC Zhengzhou with a total GFA of approximately 2.95 million sq. m. was completed, including approximately 2.66 million sq. m. of trade centers, approximately 286,200 sq. m. of warehousing and other ancillary facilities. During the Reporting Period, construction of a GFA of approximately 88,600 sq. m. of trade centers was completed. As at 30 September 2018, construction of a GFA of approximately 2.34 million sq. m. is underway, of which approximately 374,800 sq. m. is expected to complete in FY2018/19.

In 1H FY2018/19, CSC Zhengzhou recorded total contracted sales of HK\$2,168.8 million (1H FY2017/18: HK\$997.7 million), including a GFA of 4,700 sq. m. of trade center units (mall style) at an ASP of HK\$12,200/sq. m. (1H FY2017/18: a GFA of 7,400 sq. m. at an ASP of HK\$12,000/sq. m.), a GFA of 22,500 sq. m. of trade center units (detached style) at an ASP of HK\$7,200/sq. m. (1H FY2017/18: a GFA of 3,200 sq. m. at an ASP of HK\$7,900/sq. m.), and a GFA of 193,200 sq. m. of residential ancillary at an ASP of HK\$10,100/sq. m. (1H FY2017/18: a GFA of 90,900 sq. m. at an ASP of HK\$9,700/sq. m.).

### China South City Hefei

China South City Hefei ("CSC Hefei") is located at Anhui Feixi Economic Development Zone of Hefei (formerly Anhui Taohua Industrial Park), the capital of Anhui Province, and the transport and economic hub at the heart of Eastern China. Leveraging the advantageous geographical location, CSC Hefei will enjoy more visitors and business opportunities. CSC Hefei benefits from its strategic location, which is equipped with well-developed infrastructure, together with a planned transportation system of railways, highways and river transportation across China.

Currently, CSC Hefei contains industries including automobiles and parts, hardware, building and decoration materials, textile and clothing, small commodities, non-staple food, etc., on its trade center premises. CSC Hefei will speed up the development of ancillary facilities, especially for residential, and logistics and warehousing aspects, in order to meet the local demands.

鄭州華南城總規劃淨佔地面積約700萬平方米，總規劃建築面積約為1,200萬平方米。鄭州華南城正在發展階段。截至2018年9月30日，鄭州華南城建築面積約295萬平方米的建設已竣工，包括約266萬平方米的商品交易中心、約286,200平方米的倉儲及其他配套設施。於本報告期間，建築面積約88,600平方米的商品交易中心已竣工。截至2018年9月30日，建築面積約234萬平方米的工程已展開建設，其中約374,800平方米預期可於2018/19財政年度竣工。

於2018/19財政年度上半年，鄭州華南城錄得合約銷售總額21.688億港元(2017/18財政年度上半年：9.977億港元)，包括以平均售價12,200港元/平方米售出建築面積4,700平方米的商品交易中心單位(商場形式)(2017/18財政年度上半年：以平均售價12,000港元/平方米售出建築面積7,400平方米)，以平均售價7,200港元/平方米售出建築面積22,500平方米的商品交易中心單位(單幢式)(2017/18財政年度上半年：以平均售價7,900港元/平方米售出建築面積3,200平方米)，及以平均售價10,100港元/平方米售出建築面積193,200平方米的住宅配套(2017/18財政年度上半年：以平均售價9,700港元/平方米售出建築面積90,900平方米)。

### 合肥華南城

合肥華南城位於安徽省省會合肥市安徽肥西經濟開發區(原名：安徽肥西桃花工業園)，為華東地區心臟地帶的交通及經濟樞紐。合肥華南城所處的優越的地理位置將為園區進一步帶來人流與商機。合肥華南城盡享完善基礎建設的策略地利，並配備規劃的鐵路、高速公路及河運運輸系統接連全中國。

目前，合肥華南城商品交易中心所涵蓋的經營業態包括汽摩汽配、五金、家居建材、紡織服裝、小商品及副食品等。合肥華南城將加快其配套設施，住宅配套及倉儲與物流等方面的業務，以滿足當地的需求。

CSC Hefei has a total planned net land area of approximately 10.0 million sq. m. and a total planned GFA of approximately 12.0 million sq. m.. The development of CSC Hefei is underway. As at 30 September 2018, construction of CSC Hefei with a total GFA of approximately 2.43 million sq. m. was completed, including approximately 1.59 million sq. m. of trade centers, approximately 820,600 sq. m. of residential ancillary and approximately 20,800 sq. m. of other ancillary facilities. During the Reporting Period, construction of a GFA of approximately 359,900 sq. m. of residential ancillary was completed. As at 30 September 2018, construction of a GFA of approximately 1.28 million sq. m. is underway, of which approximately 61,200 sq. m. is expected to complete in FY2018/19.

In 1H FY2018/19, CSC Hefei recorded total contracted sales of HK\$1,687.8 million (1H FY2017/18: HK\$2,038.7 million), including a GFA of 147,800 sq. m. of residential ancillary at an ASP of HK\$11,400/sq. m. (1H FY2017/18: a GFA of 218,000 sq. m. at an ASP of HK\$9,300/sq. m.) and no contracted sales in trade centers (detach styles) (1H FY2017/18: a GFA of 1,100 sq. m. at an ASP of HK\$10,400/sq. m.).

### China South City Chongqing

China South City Chongqing (“CSC Chongqing”) is strategically located at Banan District of Chongqing, the only direct-administered municipality in midwestern China as well as the Group’s first municipal projects. The project is highly accessible to the city center and other regions given its strategic location in the Chongqing Highway Logistics Base, the state-level transportation infrastructure and large highway base in the western region. The transportation network around the project has been developed rapidly, coupled with the growing maturity of business circles in Banan district, laying a good foundation for the future transportation convenience and commercial environment of the project. Following Chongqing government’s announcement that the development of New Town in Southern District, where CSC Chongqing is located, it is expected the regional growth potential will on the rise.

Currently, CSC Chongqing contains industries including small commodities, hardware and machinery, hotel supplies, building and decoration materials, textiles and clothing and automobiles and parts, lightings and lamps, metals, outlets, cultural tourism, etc., on its trade center premises. During the Reporting Period, China South City Primary School of Southwest University (西南大學華南城小學) and China South City Middle School of Southwest University (西南大學華南城中學), both located at CSC Chongqing, started school in September 2018.

合肥華南城總規劃淨佔地面積約1,000萬平方米，總規劃建築面積約1,200萬平方米。合肥華南城仍處於開發建設階段。截至2018年9月30日，合肥華南城總建築面積約243萬平方米的建設已竣工，包括約159萬平方米的商品交易中心、約820,600平方米的住宅配套及約20,800平方米的其他配套設施。於本報告期間，建築面積約359,900平方米的住宅配套設施已竣工。截至2018年9月30日，建築面積約128萬平方米的工程已展開建設，其中約61,200平方米預計可於2018/19財政年度竣工。

於2018/19財政年度上半年，合肥華南城錄得合約銷售總額16.878億港元(2017/18財政年度上半年：20.387億港元)，包括以平均售價11,400港元/平方米售出建築面積147,800平方米的住宅配套(2017/18財政年度上半年：以平均售價9,300港元/平方米售出建築面積218,000平方米)。於2018/19財政年度上半年無商品交易中心單位(單幢式)合約銷售(2017/18財政年度上半年：以平均售價10,400港元/平方米售出建築面積1,100平方米)。

### 重慶華南城

重慶華南城策略性地位於中國中西部唯一的直轄市重慶市的巴南區，為本集團首個落戶直轄市的項目。座擁西部國家級大型交通基建—重慶公路物流基地的地利，項目連接完善的高速公路網絡，可連接貫通市中心及全國其他地區。重慶華南城周邊的交通網絡建設發展快速，隨著巴南區商圈的發展漸趨成形，為項目未來的交通配套及商業環境奠定了良好的基礎。隨著重慶市政府宣布於重慶華南城所處核心地區建立南部新城，預期該地區發展潛力進一步增加。

目前，重慶華南城商品交易中心所涵蓋的經營業態包括小商品、五金機電、酒店用品、家居建材、紡織服裝、汽摩汽配、燈具燈飾、金屬材料、奧特萊斯及文化旅遊等。於本報告期間，坐落於重慶華南城的西南大學華南城小學、西南大學華南城中學均於2018年9月開學。



CSC Chongqing has a total planned net land area of approximately 5.94 million sq. m. and a total planned GFA of approximately 13.10 million sq. m.. The development of CSC Chongqing is underway. As at 30 September 2018, a total GFA of approximately 1.55 million sq. m. was completed, including approximately 1.26 million sq. m. of trade centers, approximately 104,100 sq. m. of residential ancillary, approximately 179,600 sq. m. of warehousing and other ancillary facilities. During the Reporting Period, construction of a GFA of approximately 104,100 sq. m. of residential ancillary was completed. As at 30 September 2018, construction of a GFA of approximately 548,000 sq. m. is underway, of which approximately 432,100 sq. m. is expected to complete in FY2018/19.

In FY2018/19, CSC Chongqing recorded total contracted sales of HK\$1,349.2 million (1H FY2017/18: HK\$760.4 million), including a GFA of 25,300 sq. m. of trade center units (detached style) at an ASP of HK\$7,400/sq. m. (1H FY2017/18: a GFA of 7,800 sq. m. at an ASP of HK\$8,500/sq. m.), and a GFA of 143,400 sq. m. of residential ancillary at an ASP of HK\$8,100/sq. m. (1H FY2017/18: a GFA of 104,800 sq. m. at an ASP of HK\$6,600/sq. m.).

## Financial Review

The main objective of the Group's financial management is to ensure its long-run sustainable growth with a strong and stable capital base while addressing financial health at the same time.

The Group proactively adjusts its business development strategies, together with the pace of land acquisition and other capital expenditures in concurrence with its cash flows from operating and financing activities, in order to preserve liquidity as well as to keep its growth momentum.

The Group actively manages its financing structure through onshore and offshore bank loans as well as inter-bank and capital market instruments, in order to achieve an optimal capital structure and maturity profile. During the Reporting Period, the satisfactory contracted sales and steady growth of its recurring income have helped optimize the debt structure of the Group. As at 30 September 2018, the total interest-bearing debts of the Group were HK\$33.8 billion, representing a decrease of HK\$5 billion compared to 31 March 2018. The net gearing ratio was 76.3%, representing a decrease of 1.1% compared to 31 March 2018. The interest-bearing debts due within one year amounted to HK\$13.3 billion, representing a decrease of HK\$2.8 billion compared to 31 March 2018. The diversified financing channels and a more optimized debt structure enable the Group to maintain good liquidity and sustain stable development in long run.

重慶華南城總規劃淨佔地面積約594萬平方米，總規劃建築面積約1,310萬平方米。重慶華南城仍處於開發建設階段。截至2018年9月30日，重慶華南城總建築面積約155萬平方米的建設已竣工，包括約126萬平方米的商品交易中心、約104,100平方米的住宅配套、約179,600平方米倉儲及其他配套設施。於本報告期間，建築面積約104,100平方米的住宅配套已竣工。截至2018年9月30日，建築面積約548,000平方米的工程已展開建設，其中約432,100平方米預計可於2018/19財政年度竣工。

於2018/19財政年度上半年，重慶華南城錄得合約銷售總額13.492億港元（2017/18財政年度上半年：7.604億港元），包括以平均售價7,400港元/平方米售出建築面積25,300平方米的商品交易中心單位（單幢式）（2017/18財政年度上半年：以平均售價8,500港元/平方米售出建築面積7,800平方米），及以平均售價8,100港元/平方米售出建築面積143,400平方米的住宅配套（2017/18財政年度上半年：以平均售價6,600港元/平方米售出建築面積104,800平方米）。

## 財務回顧

本集團的財務管理目標主要是通過堅實穩定的資本基礎，可確保其長遠可持續發展，並同時達至財務穩健。

本集團積極調整其業務發展戰略、配合土地收購及其他資本開支的步伐，整合運營及融資活動的現金流，從而維持流動性及保持增長勢頭。

本集團通過境內外銀行貸款和銀行間及資本市場工具積極管理融資結構，以實現最佳資本架構及債務到期組合。於本報告期間，理想的合約銷售及穩定增長的持續性收入協助本集團優化債務結構。截至2018年9月30日，本集團總計息債務為338億港元，相比較2018年3月31日減少50億港元；淨負債率為76.3%，相比較2018年3月31日減少1.1%；一年內到期債務為133億港元，相比較2018年3月31日下降28億港元。多元化的融資渠道及更優化的債務結構將幫助本集團維持良好的流動性，保持長遠穩定發展。

## Management Discussion and Analysis (Continued)

### 管理層討論及分析(續)

When compared with the same period last year, revenue of the Group increased 46.0% to HK\$5,212.4 million (1H FY2017/18: HK\$3,569.8 million) during the Reporting Period, and net profit attributable to owners of the parent decreased 14.4% to HK\$848.2 million (1H FY2017/18: HK\$990.5 million). Core net profit attributable to owners of the parent for the Reporting Period increased by 26.6% to HK\$420.1 million (1H FY2017/18: HK\$331.9 million). Basic earnings per share decreased to HK10.59 cents (1H FY2017/18: HK12.37 cents).

### Revenue

Revenue for the Reporting Period increased by 46.0% to HK\$5,212.4 million (1H FY2017/18: HK\$3,569.8 million) when compared to the same period last year. The increase was mainly attributable to more properties were sold and delivered in Hefei, Chongqing and Zhengzhou projects during the Reporting Period and the growing recurring revenue.

與去年同期比較，本報告期間，本集團的收入增加46.0%至52.124億港元(2017/18財政年度上半年：35.698億港元)；母公司擁有人應佔淨利潤減少14.4%至8.482億港元(2017/18財政年度上半年：9.905億港元)。本報告期間母公司擁有人應佔核心淨利潤增加26.6%至4.201億港元(2017/18財政年度上半年：3.319億港元)。每股基本盈利減少至10.59港仙(2017/18財政年度上半年：12.37港仙)。

### 收入

與去年同期比較，本報告期間的收入增加46.0%至52.124億港元(2017/18財政年度上半年：35.698億港元)，增加主要原因是由於本報告期間位於合肥、重慶及鄭州項目有較多的物業銷售及交付，以及持續性收入的增長。

#### For the six months ended

30 September

截至9月30日止六個月

		2018	2017	Change
		2018年	2017年	變幅
		HK\$'000	HK\$'000	%
		千港元	千港元	%
Sales of properties and finance lease income	物業銷售及融資租賃收入	4,175,933	2,699,895	54.7
<i>Sales of trade center units</i>	銷售交易中心商舖	820,744	760,375	7.9
<i>Sales of residential properties</i>	銷售住宅物業	3,304,202	1,928,020	71.4
<i>Sales of office units</i>	銷售辦公室單位	14,752	–	N/A 不適用
<i>Finance lease income</i>	融資租賃收入	36,235	11,500	215.1
Recurring income	持續性收入	1,036,514	869,917	19.2
<i>Rental income</i>	租金收入	377,609	361,484	4.5
<i>Property management service income</i>	物業管理服務收入	204,768	196,563	4.2
<i>E-commerce income</i>	電子商貿收入	97,417	85,395	14.1
<i>Other revenue</i>	其他收入	356,720	226,475	57.5
		5,212,447	3,569,812	46.0

### Sales of Properties and Finance Lease income

Revenue from sales of properties increased by 54.0% to HK\$4,139.7 million (1H FY2017/18: HK\$2,688.4 million). The increase was mainly attributable to more sales and delivery of properties in Hefei, Chongqing and Zhengzhou projects during the Reporting Period. The sales of properties for each project are as follows:

### 銷售物業及融資租賃收入

銷售物業收入增加54.0%至41.397億港元(2017/18財政年度上半年：26.884億港元)。增加主要原因是由於本報告期間位於合肥、重慶及鄭州項目有較多的物業銷售及交付。各項目的物業銷售情況如下：

		Average selling price (before deduction of sales tax*) (HK\$/sq. m.) 平均售價(扣除銷售稅前*) (港元/平方米)		GFA sold (sq. m.) 已售建築面積 (平方米)		Sales revenue (before deduction of sales tax*) HK\$ million 銷售收入(扣除銷售稅前*) (百萬港元)		Sales revenue (net of sales tax*) HK\$ million 銷售收入(扣除銷售稅後*) (百萬港元)	
		2018 2018年	2017 2017年	2018 2018年	2017 2017年	2018 2018年	2017 2017年	2018 2018年	2017 2017年
CSC Shenzhen	深圳華南城	-	-	-	-	-	-	-	-
CSC Nanchang	南昌華南城								
- Trade center units	- 交易中心商舖	21,700	8,400	1,100	300	25.1	2.4	23.8	2.3
- Residential properties	- 住宅物業	11,700	9,200	5,200	126,600	59.8	1,169.1	56.6	1,106.7
CSC Nanning	南寧華南城								
- Trade center units	- 交易中心商舖	13,800	8,800	4,200	1,000	58.0	9.7	54.5	9.6
- Residential properties	- 住宅物業	10,500	7,800	23,300	92,600	245.1	724.3	231.6	702.1
- Office units	- 辦公室單位	9,000	-	1,700	-	15.5	-	14.8	-
CSC Xi'an	西安華南城	8,100	5,500	13,000	27,700	105.0	152.9	97.2	151.9
CSC Harbin	哈爾濱華南城								
- Trade center units	- 交易中心商舖	8,400	7,900	11,000	30,500	92.5	242.2	81.8	234.2
- Residential properties	- 住宅物業	5,800	5,000	11,200	23,800	65.6	120.0	60.1	119.2
CSC Zhengzhou	鄭州華南城	8,500	10,200	66,200	28,600	563.7	291.3	513.9	285.8
CSC Hefei	合肥華南城								
- Trade center units	- 交易中心商舖	-	11,800	-	1,400	-	16.4	-	16.3
- Residential properties	- 住宅物業	9,700	-	284,300	-	2,754.9	-	2,498.0	-
CSC Chongqing	重慶華南城								
- Trade center units	- 交易中心商舖	15,300	8,400	3,500	7,500	54.0	62.6	49.5	60.3
- Residential properties	- 住宅物業	6,700	-	75,300	-	503.8	-	457.9	-
Total	總計	N/A 不適用	N/A 不適用	500,000	340,000	4,543.0	2,790.9	4,139.7	2,688.4

\* Sales tax represents business tax and surcharges on or before 30 April 2016 and value-added-tax and surcharges after 30 April 2016.

\* 銷售稅指在2016年4月30日或之前為營業稅及附加，2016年4月30日後為增值稅及附加。

Finance lease income derived from the leasing of office buildings increased by 215.1% to HK\$36.2 million (1H FY2017/18: HK\$11.5 million). The increase was primarily attributable to more finance lease on office building at CSC Shenzhen were made during the Reporting Period. During the Reporting Period, the Group entered into finance lease arrangements with tenants for approximately 2,000 sq. m. (1H FY2017/18: 800 sq. m.) at an average price of HK\$18,700/sq. m. (1H FY2017/18: HK\$15,500/sq. m.).

來自寫字樓的融資租賃收入增加215.1%至3,620萬港元(2017/18財政年度上半年：1,150萬港元)。上升的主因是於本報告期間增加深圳華南城寫字樓的融資租賃所致。於本報告期間，本集團與承租人訂立的融資租賃合同約為2,000平方米(2017/18財政年度上半年：800平方米)，平均單價為18,700港元/平方米(2017/18財政年度上半年：15,500港元/平方米)。



### Rental Income

The Group intends to retain not less than 50% of the trade center units for self-use or rental purposes. Therefore, rental income will be an important component of the recurring income in the long run. CSC Shenzhen, being the Group's more matured project in its portfolio, contributed substantial part of the rental income. As at 30 September 2018, the total occupancy rate of the launched rentable GFA of different phases of CSC Shenzhen's trade centers and shops were approximately 85% to 96% (As at 30 September 2017: 80% to 97%). Along with the gradual extension of the operations in other projects, these projects, start to contribute rental income and resulting in satisfactory growth in rental income. During the Reporting Period, rental income of the Group slightly increased by 4.5% to HK\$377.6 million (1H FY2017/18: HK\$361.5 million). Due to expiry of tenancy, government demolition and business condition, HOBA Furnishing closed five stores in last fiscal year. This resulted in perceptible drop in its revenue and affected the growth rate of the Groups revenue income. If the rental income of HOBA was excluded, rental income of the Group significantly increased by 20.5% to HK\$304.8 million (1H FY 2017/18: HK\$253.0 million).

### Property Management Service Income

Income from property management services increased by 4.2% to HK\$204.8 million (1H FY2017/18: HK\$196.6 million). The increase in property management service income was mainly attributable to the gradual increase in GFA of trade centers, shops and residential properties delivered and put into use during the Reporting Period.

### E-commerce Income

E-commerce income, derived from the E-commerce services provided to the Group's customers, increased by 14.1% to HK\$97.4 million (1H FY2017/18: HK\$85.4 million) during the Reporting Period.

### Other Revenue

Other revenue rose by 57.5% to HK\$356.7 million (1H FY2017/18: HK\$226.5 million). The increase was mainly attributable to the continuous growth of the outlet operations and logistics and warehousing services, with revenue from outlet operations increased 29.1% to HK\$168.6 million (1H FY2017/18: HK\$130.6 million) while that of logistics and warehousing services increased 56.7% to HK\$134.9 million (1H FY2017/18: HK\$86.1 million) respectively during the Reporting Period.

### 租金收入

本集團規劃保留不少於50%的商品交易中心商舖作為自營和出租用途。因此，長遠而言，租金收入將是本集團持續性收入的重要組成部分。深圳華南城是本集團項目組合中較成熟的項目，也是租金收入的主要貢獻單位。截至2018年9月30日，深圳華南城各期商品交易中心及商舖已推出面積的總佔用率大約介乎由85%至96%（截至2017年9月30日：80%至97%）。隨著其他項目陸續進入運營，這些項目也開始貢獻租金收入，並帶來不錯的租金收入增長。於本報告期間，本集團的租金收入與同期比較輕微增加4.5%至3.776億港元（2017/18財政年度上半年：3.615億港元）。好百年家居於上一個財政年度，因租約到期、政府拆遷及運營情況等因素關停了5家門店，這使其收入有較大的下調，同時也影響了本集團租金收入的增長率。若不包括好百年的租金收入，租金收入則上升20.5%至3.048億港元（2017/18財政年度上半年：2.530億港元）。

### 物業管理服務收入

物業管理服務收入增加4.2%至2.048億港元（2017/18財政年度上半年：1.966億港元）。物業管理服務收入增加主要是由於在本報告期間已交付及投入使用的交易中心、商舖及住宅項目的面積逐漸增加。

### 電子商貿收入

來自為集團客戶提供電子商貿服務的收入於本報告期間增加14.1%至9,740萬港元（2017/18財政年度上半年：8,540萬港元）。

### 其他收入

其他收入增加57.5%至3.567億港元（2017/18財政年度上半年：2.265億港元），增長的主要原因是由於本報告期間奧特萊斯運營和倉儲與物流服務的持續增長所致。奧特萊斯運營的收入增加29.1%至1.686億港元（2017/18財政年度上半年：1.306億港元），而倉儲與物流服務的收入增加56.7%至1.349億港元（2017/18財政年度上半年：8,610萬港元）。

Increase in income from outlet operations was mainly due to the growth of outlet business and the increase in operating areas of the outlets. During the Reporting Period, the gross mall sales turnover from the outlet business increased by 22.7% to RMB748.8 million (1H FY2017/18: RMB610.2 million). The increase in income from logistics and warehousing services was mainly due to the increase in rent rate and operating areas of the warehouse and the increase in third party logistics service income during the Reporting Period.

### Cost of Sales

The Group's cost of sales mainly includes construction costs of properties sold, construction costs of properties held for finance lease and operating costs of recurring business. During the Reporting Period, cost of sales increased by 48.5% to HK\$3,095.5 million (1H FY2017/18: HK\$2,084.3 million). The increase in cost of sales was basically in line with the increase in GFA of properties sold during the Reporting Period.

### Gross Profit

Gross profit increased by 42.5% to HK\$2,117.0 million (1H FY2017/18: HK\$1,485.5 million). During the Reporting Period, gross profit margin decreased slightly to 41% (1H FY2017/18: 42%) which was mainly due to a higher portion of residential properties in properties sales, whereas the gross profit margin of residential properties were lower than that of trade center properties.

### Other Income and Gains/(Losses)

Other income and gains/(losses) increased by 57.2% to HK\$393.0 million (1H FY2017/18: HK\$250.0 million), mainly attributable to government grants of HK\$240.1 million (1H FY2017/18: HK\$240.6 million) and gains on repurchase of senior notes of HK\$70.3 million.

### Fair Value Gains on Investment Properties

The fair value gains on investment properties decreased by 17.9% to HK\$876.0 million (1H FY2017/18: HK\$1,066.4 million). The decrease in fair value gains was mainly because the magnitude of increase of fair value gains during the Reporting Period was less than that of same period of last year.

For each of interim and annual financial reporting date, the Group appoints an independent professional qualified valuer to determine the fair value of our investment properties. The change in fair value of our investment properties may significantly affected by a variety of internal and external factors, such as rental rate, rental area, market prices of comparable properties.

奧特萊斯運營收入增加主要是歸因於其業務量增長及其運營面積增加。於本報告期間，奧特萊斯運營錄得商城銷售與去年同期比較增加22.7%至人民幣7.488億元(2017/18財政年度上半年：人民幣6.102億元)，另外，於本報告期間內，倉儲與物流服務收入增加主要是歸因於倉儲租金水平及面積上升以及第三方物流業務增長。

### 銷售成本

本集團的銷售成本主要包括已售物業建築成本、持作融資租賃物業建築成本及各持續性收入業務的運營成本。在本報告期間內，銷售成本增加48.5%至30.955億港元(2017/18財政年度上半年：20.843億港元)。銷售成本的增加與本報告期間已售物業的建築面積增加基本一致。

### 毛利

毛利增加42.5%至21.170億港元(2017/18財政年度上半年：14.855億港元)。於本報告期間，毛利率略為下降至41%(2017/18財政年度上半年：42%)，主要是由於住宅物業的銷售比例較高，而住宅物業的毛利率較商品交易中心為低。

### 其他收入及收益/(虧損)

其他收入及收益/(虧損)增加57.2%至3.930億港元(2017/18財政年度上半年：2.500億港元)，主要是由於來自政府的補貼合共2.401億港元(2017/18財政年度上半年：2.406億港元)及回購優先票據之收益共0.703億港元。

### 投資物業公平值收益

投資物業公平值收益減少17.9%至8.760億港元(2017/18財政年度上半年：10.664億港元)，收益減少主要是由於本報告期內投資物業增值幅度較上年同期減少。

於各中期及年度財務報告日，本集團均委聘一家獨立專業合資格估價師，以確定投資物業的公平值。投資物業公平值的改變，將受到各種內部和外部因素的重大影響，例如租金率、出租面積、可比物業的市場價格等。

Based on our business model, the Group may have new additions of investment properties every year and generate fair value gains. The fair value gains/(losses) may fluctuate with time due to the addition of the investment properties, the change in market conditions and different construction phrases of our projects. During the Reporting Period, the fair value gains was mainly due to the addition of new investment properties at the existing projects. Since our projects are in different construction phrases, the new addition of investment properties may fluctuate year by year. Therefore, the amount of fair value gains/(losses) will also fluctuate accordingly.

### Selling and Distribution Expenses

Selling and distribution expenses increased by 13.2% to HK\$348.0 million (1H FY2017/18: HK\$307.4 million). The increase was mainly due to the increase in promotion and marketing activities for presales of the Group's properties and the staff costs incurred by sales team during the Reporting Period.

### Administrative Expenses

Administrative expenses increased by 15.5% to HK\$598.4 million (1H FY2017/18: HK\$518.3 million). The increase was primarily due to the increase in operating expenses resulting from our business growth and development. During the Reporting Period, the Company granted in aggregate 25,500,000 share options to four independent non-executive directors and certain employees of the Group. Together with the share options granted in prior years, share options expenses of HK\$13.6 million (1H FY2017/18: HK\$27.9 million) were recorded.

### Other Expenses

Other expenses increased by 79.7% to HK\$218.2 million (1H FY2017/18: HK\$121.4 million). The increase in other expenses is mainly attributable to the impairment of goodwill of HK\$134.2 million.

### Finance Costs

Finance costs increased by 155.8% to HK\$302.1 million (1H FY2017/18: HK\$118.1 million), mainly attributable to an increase in bank and other borrowings for general operation purposes with interest expenses recorded through statement of profit or loss instead of. Due to change of capital market, as at the end of September 2018 following the increasing trend of market interest rate, the Group's weighted average financing cost slightly increase to 6.97%, compared to 6.68% as at the end of March 2018.

按照本集團的商業模式，每年可能會有新增的投資物業，並產生公平值收益。公平值收益/(虧損)可能會隨著投資物業的增加、市場條件的動態和不同施工項目的階段之時間影響而波動。於本報告期間，公平值收益主要由於現有項目中新增加的投資物業。由於各項目處於不同施工的階段，新增之投資物業亦會變動，因此，公平值收益/(虧損)亦將相應波動。

### 銷售及分銷開支

銷售及分銷開支增加13.2%至3.480億港元(2017/18財政年度上半年：3.074億港元)，主要由於本報告期間因預售本集團的物業而產生的銷售推廣市場活動和銷售團隊所產生的員工成本。

### 行政開支

行政開支增加15.5%至5.984億港元(2017/18財政年度上半年：5.183億港元)，主要是由於本集團業務增長和發展而增加運營成本。於本報告期間，本公司向4名獨立非執行董事及若干集團員工授出合共25,500,000份購股權。連同往年授出的購股權，購股權開支為1,360萬港元(2017/18財政年度上半年：2,790萬港元)。

### 其他開支

其他開支增加79.7%至2.182億港元(2017/18財政年度上半年：1.214億港元)，增加主要是由於對商譽減值，金額為1.342億港元。

### 融資成本

融資成本增加155.8%至3.021億港元(2017/18財政年度上半年：1.181億港元)，主要由於作為一般流動資金用途的銀行及其他借貸增加而其利息開支計入損益表所致。由於資本市場的變化，於2018年9月底，本集團的加權平均融資成本跟隨市場利率的上升增加至6.97%，較2018年3月底的加權平均融資成本6.68%略有增加。



## Tax

Tax expenses recorded an increase of 42.3% to HK\$1,070.2 million (1H FY2017/18: HK\$752.3 million). It was in line with the increase of revenue during the Reporting Period.

## Prepayments, Deposits and Other Receivables

During the Reporting Period, prepayments, deposits and other receivables increased by 1.6% in aggregate to HK\$1,639.2 million (31 March 2018: HK\$1,613.2 million), which was mainly due to the increase in deposits paid for construction of new projects and value-added-tax receivables.

## Trade and Other Payables

Trade and other payables decreased by 46.7% to HK\$12,163.7 million (31 March 2018: HK\$22,807.8 million), mainly due to the adoption of new accounting standard resulting in reclassification from advances received, which arise from our contracted sales, to contract liabilities during the Reporting Period. As at 30 September 2018, the balance of construction fees and retention payable, and deposits received and receipts in advance were HK\$5,319.8 million and HK\$1,573.2 million, respectively.

## Liquidity and Financial Resources

The Group finances its development and operations primarily through internally generated funds, bank and other borrowings, and the issuance of different notes on-shore and off-shore, which includes but not limited to senior notes, short-term notes, medium-term notes, corporate bonds and domestic company bonds. The Group will continue to explore different financing means and to extend its financing channels.

## Cash and Cash Equivalents and Restricted Cash

As at 30 September 2018, the Group had HK\$8,691.5 million cash and cash equivalents and restricted cash (31 March 2018: HK\$10,655.7 million), among which non-restricted cash and cash equivalents amounted to approximately HK\$5,141.3 million (31 March 2018: HK\$8,204.3 million). The Group's cash and cash equivalents and restricted cash were primarily denominated in Renminbi, HK dollars and US dollars.

## Borrowing and Charges on the Group's Assets

As at 30 September 2018, the total interest-bearing debts of the Group was HK\$33,800.6 million (31 March 2018: HK\$38,827.7 million) which decreased HK\$5,027.1 million, financing channel mainly included interest-bearing bank and other borrowings, senior notes, short-term notes, medium-term notes, corporate bonds and domestic company bonds.

## 稅項

稅項開支錄得增加42.3%至10.702億港元(2017/18財政年度上半年：7.523億港元)，這與本報告期間的收入增加幅度一致。

## 預付款項、按金及其他應收款項

本報告期間的預付款項、按金及其他應收款項合計增加1.6%至16.392億港元(2018年3月31日：16.132億港元)，主要歸因於新項目的工程按金及應收增值稅款的增加。

## 貿易及其他應付款項

貿易及其他應付款項減少46.7%至121.637億港元(2018年3月31日：228.078億港元)，主要歸因於本報告期間內因新會計準則的採納使由合約銷售產生的預收款項重分類至合約負債。於2018年9月30日，應付建築費用及保留金以及按金及預收款項分別為53.198億港元及15.732億港元。

## 流動資金及財務資源

本集團主要透過內部產生的資金、銀行及其他借貸、在境內和境外不同的票據發行，包括但不限於優先票據、短期融資券、中期票據、企業債券和境內公司債券等融資撥付其業務發展及運營所需資金。本集團將一如既往不斷探討不同的融資方式，並拓展其融資渠道。

## 現金及現金等價物及受限制現金

於2018年9月30日，本集團持有現金及現金等價物以及受限制現金86.915億港元(2018年3月31日：106.557億港元)，當中不受限制現金及現金等價物約為51.413億港元(2018年3月31日：82.043億港元)。本集團持有的現金及現金等價物以及受限制現金主要以人民幣、港元及美元為單位。

## 借貸及本集團資產抵押

於2018年9月30日，本集團的計息債務為338.006億港元，較2018年3月31日的388.277億港元減少50.271億港元，融資渠道主要包括計息銀行及其他借貸、優先票據、短期融資券、中期票據、企業債券以及境內公司債券。

### Interest-bearing bank and other borrowings

The Group had aggregated interest-bearing bank and other borrowings of HK\$15,404.2 million as at 30 September 2018 (31 March 2018: HK\$16,098.2 million), of which HK\$5,825.1 million will be repayable within one year or on demand, HK\$4,004.5 million will be repayable in the second year, HK\$4,768.1 million will be repayable in the third to fifth years and HK\$806.5 million will be repayable after five years. As at 30 September 2018, the Group's interest-bearing bank and other borrowings of approximately HK\$14,407.4 million were secured by certain buildings, investment properties, properties under development, properties held for finance lease, property held for sales and bank deposits with a total carrying value of approximately HK\$33,234.4 million.

Except for a bank loan with balance of HK\$400 million denominated in HK dollars and bears interest at floating rates of HIBOR+2.50% which was repaid in September 2018, all other interest-bearing bank and other borrowings of the Group were denominated in Renminbi with interest rates range from 4.35% to 12.35% (31 March 2018: 4.08% to 9.00%) per annum. Furthermore, as at 30 September 2018, the Group had unused banking facilities of approximately HK\$7,734.5 million. The Group will depend the needs of the project development and working capital status to deploy these banking facilities as appropriate.

### Insurance of Notes

#### Senior Notes

In September and October 2016, the Company issued senior notes due in September 2021 with a nominal value of US\$200 million (equivalents to approximately HK\$1,560 million) and US\$150 million (equivalents to approximately HK\$1,170 million) respectively, in a total of US\$350 million (equivalents to approximately HK\$2,730 million). These notes were consolidated and formed a single series of "2016 Notes" at a coupon rate of 6.75% per annum. The net proceed of the issue was mainly for the purpose of refinancing existing indebtedness and for general corporate purposes. The Company repurchased an aggregate principal amount of US\$4.5 million of the 2016 Notes and have then canceled in September 2018. After cancellation, the principal amount of the 2016 Notes outstanding is US\$345.5 million.

In March 2017, the Company issued senior notes due in March 2020 with a nominal value of US\$300 million (equivalents to approximately HK\$2,340 million) at a coupon rate of 5.75% per annum ("2017 March Notes"). The net proceed of the issue was mainly for the purpose of refinancing existing indebtedness and for general corporate purposes.

### 計息銀行及其他借貸

本集團於2018年9月30日的計息銀行及其他借貸合計為154.042億港元(2018年3月31日: 160.982億港元), 其中58.251億港元須於一年內或應要求償還、40.045億港元須於第二年償還、47.681億港元須於第三至第五年償還及8.065億港元須於五年後償還。於2018年9月30日, 本集團的計息銀行及其他借貸中約144.074億港元是以若干樓宇、投資物業、發展中物業、持作融資租賃物業、持作銷售物業及銀行存款作抵押, 其賬面總值約為332.344億港元。

除於2018年9月內償還的4億港元銀行貸款是按香港銀行同業拆息加2.5%利率計息及以港元為單位外, 本集團所有其他計息銀行及其他借貸均以人民幣為單位, 並按每年4.35%至12.35%的利率計息(2018年3月31日: 4.08%至9.00%)。此外, 於2018年9月30日, 本集團持有備用銀行融資約77.345億港元。本集團將視乎項目發展需要及運營資金狀況適時調配此等銀行額度。

### 票據之發行

#### 優先票據

於2016年9月及10月, 本公司分別發行於2021年9月到期面值2億美元(相當於約15.6億港元)及1.5億美元(相當於約11.7億港元)之優先票據, 合共3.5億美元(相當於約27.3億港元)。兩者合併並組成為單一系列「2016年票據」, 票據的票面年利率為6.75%。發行所得款淨額主要用作現有債務的再融資及一般企業運營用途。本公司已回購本金額為450萬美元之2016年票據, 該票據並於2018年9月被註銷。註銷後, 2016年票據尚未償還之本金金額為3.455億美元。

於2017年3月, 本公司發行於2020年3月到期面值3億美元(相等於約23.4億港元)之優先票據, 票據的票面年利率為5.75%([2017年3月票據])。發行所得款淨額主要用作現有債務的再融資及一般企業運營用途。

In November 2017, the Company issued senior notes due in November 2022 with a nominal value of US\$300 million (equivalents to approximately HK\$2,340 million) at a coupon rate of 7.25% per annum (“2017 November Notes”). The net proceed of the issue was mainly for the purpose of refinancing existing indebtedness in relation to construction and development of our projects and for general corporate purposes. The Company repurchased an aggregate principal amount of US\$13.5 million of the 2017 November Notes and have then canceled in September 2018. After cancellation, the principal amount of the 2017 November Notes outstanding is US\$286.5 million.

In January 2018, the Company issued senior notes due in January 2021 with a nominal value of US\$250 million (equivalents to approximately HK\$1,950 million) at a coupon rate of 7.25% per annum (“2018 January Notes”). The net proceed of the issue was mainly for the purpose of refinancing existing indebtedness in relation to construction and development of our projects and for general corporate purposes. The Company repurchased an aggregate principal amount of US\$12.0 million of the 2018 January Notes and have then canceled in September 2018. After cancellation, the principal amount of the 2018 January Notes outstanding is US\$238.0 million.

In May and June 2018, the Company issued senior notes due in August 2020 with a nominal value of US\$150 million (equivalents to approximately HK\$1,170 million) and US\$100 million (equivalents to approximately HK\$780 million) respectively, in a total of US\$250 million (equivalents to approximately HK\$1,950 million). These notes were consolidated and formed a single series of “2018 May Notes” at a coupon rate of 10.875% per annum. The net proceed of the issue was mainly for the purpose of refinancing existing indebtedness in relation to the construction and developing of our projects and for general corporate purposes. The Company repurchased an aggregate principal amount of US\$7.0 million of the 2018 May Notes and have then canceled in September 2018. After the cancellation, the principal amount of the 2018 May Notes outstanding is US\$243.0 million.

As at 30 September 2018, the carrying value of senior notes were HK\$10,907.7 million. The senior notes are jointly guaranteed by certain subsidiaries and secured by pledges of share of certain subsidiaries.

於2017年11月，本公司發行於2022年11月到期面值3億美元(相等於約23.4億港元)之優先票據，票據的票面年利率為7.25%([2017年11月票據])。發行所得款淨額主要用作項目開發及業務發展有關的現有債務再融資及一般企業運營用途。本公司已回購本金額1,350萬美元之2017年11月票據，該票據並於2018年9月被註銷。註銷後，2017年11月票據尚未償還之本金金額為2.865億美元。

於2018年1月，本公司發行於2021年1月到期面值2.5億美元(相等於約19.5億港元)之優先票據，票據的票面年利率為7.25%([2018年1月票據])。發行所得款淨額主要用作項目開發及業務發展有關的現有債務再融資及一般企業運營用途。本公司已回購本金額1,200萬美元之2018年1月票據，於2018年9月被註銷。註銷後，2018年1月票據尚未償還之本金金額為2.38億美元。

於2018年5月及6月，發行於2020年8月到期面值1.5億美元(相當於約11.7億港元)及1億美元(相當於約7.8億港元)之優先票據，合共2.5億美元(相當於19.5億港元)。兩者合併並組成為單一系類[2018年5月票據]，票據的票面年利率為10.875%。發行所得款淨額主要用作項目開發及業務發展有關的現有債務再融資及一般企業運營用途。本公司已回購本金額700萬美元之2018年5月票據，於2018年9月被註銷。註銷後，2018年5月票據尚未償還之本金金額為2.43億美元。

於2018年9月30日，優先票據的賬面值為109.077億港元。優先票據由若干附屬公司共同擔保，並由若干附屬公司之股份作抵押擔保。



### Short-Term Notes

In October 2016, China South International Industrial Materials City (Shenzhen) Company Limited ("China South International") obtained the relevant approval for issuing the short-term notes in the national inter-bank market in the PRC with a maximum principal amount of RMB6.0 billion. In June and August 2017, China South International issued the first tranche and the second tranche of the short-term notes of 2017 with a total principal amount of RMB500 million with a maturity period of 270 days and at an interest rate of 6.5% per annum for each tranche, respectively. The proceeds thereof were to be used for general corporate purpose and repaying part of bank loans of the Group. The first tranche and second tranche short-term notes of 2017 have been repaid in March and May 2018, respectively.

### Medium-Term Notes

In April 2014, China South International obtained the relevant approval for issuing the medium-term notes in the national inter-bank market in the PRC with a maximum principal amount of RMB4.0 billion. In May 2014, China South International issued the first tranche of the medium-term notes of 2014 with a total principal amount of RMB1.0 billion with a maturity period of 5 years and at an interest rate of 7.5% per annum. The proceeds thereof were to be used for repaying part of short-term bank loans of the Group. In September 2014, China South International issued the second tranche of the medium-term notes of 2014 with a total principal amount of RMB1.0 billion with a maturity period of 5 years and at an interest rate of 8.4% per annum. The proceeds thereof were to be used for repaying part of bank loans of the Group. In July 2015, China South International issued the first tranche of the medium-term notes of 2015 with a total principal amount of RMB2.0 billion with a maturity period of 3 years and at an interest rate of 7.0% per annum. The proceeds thereof were to be used for replacement of bank loans of the Group and the construction of CSC Nanning project. The first tranche of the medium-term notes of 2015 have been repaid in July 2018.

In April 2017, China South International obtained another approval for issuing the medium-term notes with a maximum principal amount of RMB3.0 billion. China South International may issue new medium notes when appropriate.

### 短期融資券

於2016年10月，華南國際工業原料城(深圳)有限公司(「華南國際」)取得於中國銀行間市場發行本金額最高為人民幣60億元之短期融資券的相關批准。於2017年6月及8月，華南國際分別發行2017年第一期及第二期短期融資券，本金總額各為人民幣5億元，期限為270天，年利率為6.5%，該等發行所得款項主要用作補充本集團的流動資金及償還本集團的部份銀行貸款。於2018年3月及5月，本公司已分別全數償還2017年第一期及第二期短期融資券。

### 中期票據

於2014年4月，華南國際取得於中國銀行間市場發行本金總額最高為人民幣40億元之中期票據的相關批准。於2014年5月，華南國際發行2014年第一期中期票據，本金總額為人民幣10億元，期限為5年，年利率為7.5%，該發行所得款項主要用作償還本集團的部份短期銀行貸款。於2014年9月，華南國際發行2014年第二期中期票據，本金總額為人民幣10億元，期限為5年，年利率為8.4%，該發行所得款項主要用作償還本集團的部份銀行貸款。於2015年7月，華南國際發行2015年第一期中期票據，本金總額為人民幣20億元，期限為3年，年利率為7.0%，該發行所得款項主要用作置換本集團的銀行貸款及南寧華南城項目之發展。於2018年7月，本公司已全數償還2015年第一期中期票據。

於2017年4月，華南國際取得另一個發行之中期票據的批准，最高發行額度為人民幣30億元。華南國際將於合適時機發行有關中期票據。

### Corporate Bonds

In March 2015, China South International obtained the relevant approval for issuing the corporate bonds in a maximum principal amount of RMB1.5 billion in the PRC. In April 2015, China South International issued the corporate bonds with a total principal amount of RMB1.5 billion with a term of up to 6 years in maximum and at an interest rate of 7.0% per annum. The proceeds thereof were to be used for funding the development of CSC Zhengzhou project. In April 2018, China South International repaid approximately RMB1.499 billion of corporate bonds, the remaining portion of RMB482,000 will be matured at April 2021 at an interest rate of 8.05% per annum.

### Domestic Company Bonds

In December 2015, China South International obtained the relevant approval for issuing the domestic company bonds in a maximum principal amount of RMB4.4 billion in the PRC. In January 2016, China South International issued the first tranche of the domestic company bonds of 2016 with a total principal amount of RMB3.0 billion with a term of 3 years and at an interest rate of 5.98% per annum. The proceeds thereof were to be used for repaying part of bank loans of the Group and for general working capital. In May 2016, China South International issued the second tranche of the domestic company bonds of 2016 with a total principal amount of RMB1.4 billion with a term of 3 years and at an interest rate of 6.85% per annum. The proceeds thereof were to be used for repaying part of bank loans of the Group and for general working capital.

As at 30 September 2018, the carrying value of China South International's medium-term notes were HK\$2,304.6 million, corporate bonds were HK\$548,000 and domestic company bonds were HK\$5,183.6 million respectively.

### Gearing Ratio

The Group's gearing ratio (net debt divided by total equity) was 76.3% as at 30 September 2018, 77.4% as at 31 March 2018 and 85.6% as at 30 September 2017 respectively. The total liabilities over total assets ratio was 68.1% as at 30 September 2018, 67.4% as at 31 March 2018 and 69.2% as at 30 September 2017, respectively.

The Group's business and assets are mainly denominated in Renminbi, while the consolidated financial statements of the Group were presented in Hong Kong dollar and the changes in the exchange rate of Hong Kong dollar against the Renminbi would affect foreign exchange differences upon currency revaluation. Since early 2018, the depreciation of Renminbi against Hong Kong dollar result in the decrease in the Group's net assets presented in Hong Kong dollar. If taking out the effect of foreign currency, the adjusted net gearing ratio was 67.8%, which represented a significant decrease when compared with that at same period of last year.

### 企業債券

於2015年3月，華南國際取得於中國發行本金總額最高為人民幣15億元之企業債券的相關批准。於2015年4月，華南國際發行該企業債券，本金總額為人民幣15億元，期限為最長6年，年利率為7.0%，該發行所得款項主要用作興建鄭州華南城項目之發展。於2018年4月，華南國際償還本金總額約為人民幣14.99億元之企業債券，剩餘本金總額為人民幣482,000元之企業債券將於2021年4月到期，年利率為8.05%。

### 境內公司債券

於2015年12月，華南國際取得於中國發行本金總額最高為人民幣44億元之境內公司債券的相關批准。於2016年1月，華南國際發行2016年第一期境內公司債券，本金總額為人民幣30億元，期限為3年，年利率為5.98%。該發行所得款項主要用作置換本集團的銀行貸款及一般運營資金。於2016年5月，華南國際發行2016年第二期境內公司債券，本金總額為人民幣14億元，期限為3年，年利率為6.85%。該發行所得款項主要用作置換本集團的銀行貸款及一般運營資金。

於2018年9月30日，華南國際中期票據的賬面值為23.046億港元、企業債券的賬面值為548,000港元及境內公司債券的賬面值為51.836億港元。

### 資本負債比率

本集團於2018年9月30日、2018年3月31日和2017年9月30日的資本負債比率(債務淨額除權益總額)分別為76.3%、77.4%及85.6%。於2018年9月30日、2018年3月31日和2017年9月30日的總負債對總資產比率分別為68.1%、67.4%及69.2%。

本集團的業務及資產主要以人民幣計價，而本集團的綜合財務報表以港元呈報，港元兌人民幣的變化將影響因貨幣重估產生的賬面匯兌差異。自2018年初以來，因人民幣兌港元貶值，導致本集團以港元呈報的資產淨值下降。如果撇除此外匯影響，調整後的淨資本負債比率為67.8%，均較上年同期有較大幅度的下降。

### Net Current Assets and Current Ratio

As at 30 September 2018, the Group had net current assets of HK\$5,288.1 million (31 March 2018: HK\$8,368.8 million) at a current ratio of 1.13 (31 March 2018: 1.19).

### Contingent Liabilities

The Group has provided guarantees with respect to banking facilities granted by certain banks in connection with mortgage loans entered into by purchasers of the Group's trade centers and residential properties and bank loans entered into by lessees of the Group's residential and commercial properties. The guarantees granted to purchasers of trade centers and residential properties will be released when the purchasers obtain building ownership certificates, which will then be pledged to the banks. For leased residential and commercial properties, the guarantees will be released accordingly when the lessees repaid the loan. As at 30 September 2018, the guarantees amounted to HK\$13,505.9 million (31 March 2018: HK\$12,574.5 million).

### Commitments

As at 30 September 2018, the Group had future capital expenditure contracted but not yet provided for amounted HK\$11,561.7 million (31 March 2018: HK\$10,725.3 million).

### Acquisition and Disposal of Subsidiary and Associated Companies

The Group had no material acquisitions and disposals of subsidiaries and associated companies during the Reporting Period.

### Foreign Exchange Risk

The Group conducts its business primarily in Renminbi. The income and bank deposits of the Group were substantially denominated in Renminbi to meet the Group's development and operation needs in the PRC. Other than the foreign currency denominated bank deposits, bank borrowings and senior notes, the Group does not have any other material exposure to foreign exchange risk. During the Reporting Period, the Group entered into certain forward currency contract and currency options with bank to hedge the amount of US\$100 million of the foreign exchange exposure.

The Group continues to adopt a proactive approach to closely monitor the foreign currency market, as well as explore the domestic capital market for financing opportunities and consider other hedging arrangement if such need arise.

### 流動資產淨值及流動比率

於2018年9月30日，本集團流動資產淨值為52.881億港元(2018年3月31日：83.688億港元)，流動比率為1.13(2018年3月31日：1.19)。

### 或然負債

本集團為其交易中心及住宅物業買家與銀行訂立的按揭貸款以及其住宅及商業物業承租人與銀行訂立的銀行貸款提供擔保。授予買家的擔保將於買家取得房地產所有權證，並於其後抵押予銀行時解除。就租賃住宅及商業物業而言，擔保將於承租人償還貸款時相應解除。於2018年9月30日，擔保金額為135.059億港元(2018年3月31日：125.745億港元)。

### 承擔

於2018年9月30日，本集團的已訂約但未計提撥備的未來資本開支金額為115.617億港元(2018年3月31日：107.253億港元)。

### 收購及出售附屬公司及聯營公司

本集團於本報告期間並無任何收購及出售附屬公司及聯營公司的重大項目。

### 外匯風險

本集團之業務主要以人民幣進行。本集團之收入及銀行存款大部分為人民幣，以滿足其在國內的發展和運營所需。除以外幣計值的銀行存款、銀行借貸、優先票據外，本集團並沒有其他重大的外匯風險。於本報告期間，本集團與銀行訂立若干份遠期外匯合約及外匯期權，以對沖約1.0億美元金額外匯敞口。

本集團繼續採納積極態度密切監察外幣市場，同時開拓國內資本市場以爭取融資機會，並在需要時適時作出匯率對沖之其他安排。



### Economic, Commercial and Other Risks

The Group may be exposed to the risk of negative developments in national and regional economies, property and financial markets. It may result in reductions in sales and selling prices of the properties, rental rates and occupancy rates of properties, and demand for ancillary services and facilities it provides. It may also result in recession, inflation, deflation and currency fluctuations as well as restrictions in the availability of credit, increases in financing and other operating costs. The development of the Group's projects may subject to market risks as it usually takes time to complete. Through the Group appoints quality partners for the development of its projects, it may still be subject to associated risk of the quality and safety of the products and services provided by the Group. The Group may also be subject to a number of regulatory environments in the territories in which it operates. Changes in the regulatory approach to such matters as ownership of assets and businesses, regulations related to development and operations, exchange controls, tax rules and employment legislation may impact the business of the Group. Changes in the political environment in such territories may also affect the Group. The management of the Group will keep abreast of the environment and policy changes and make the necessary adjustments in response to such changes, if any. Further steps taken by the Group to manage the financial risk can be read in conjunction with note 47 to the financial statements as set out in the Company's 2017/18 Annual Report.

### Land for Projects and Restriction on Sales

The Group signs project agreements with local governments prior to the development of all projects in order to outline the long term blueprints of relevant projects. These agreements generally set out the size and use of lands and the related development plans. However, the actual acquisition of lands, land area and terms and conditions of such acquisition are subject to the relevant regulations and local governments' requirements, the Group's development plans and the results of the relevant public tender, auction and listing. Since the development of each of these projects may last for more than ten years, the Group and the local government may discuss to adjust the details of these agreements to align with the actual needs of developments.

The progress of the land acquisition and project development depends on the progress of the Group's planning, as well as the procedural formalities as determined by the local government departments. As the procedures and requirements set by different local governments vary, the Group may adjust the development of each project according to relevant conditions. In view of its substantial land bank and flexibility in project planning, the Group believes such circumstances will not have material impact on its development as a whole.

### 經濟、商業及其他風險

本集團或會受到來自國家與區域經濟、房地產及金融市場負面發展風險的影響。該等風險或會導致物業銷售及其價格、物業租金及佔有率下降，以及對其提供的配套服務與設施需求的下降。其亦或會導致經濟衰退、通貨膨脹、通貨緊縮及匯價波動，以及信貸受限、融資及其他運營成本上升。由於本集團的項目開發需時，其或受到市場風險影響。儘管本集團委聘優質合作夥伴進行項目開發，但仍可能受其提供產品與服務之品質及安全性所帶來風險的影響。本集團於其運營的地區亦可能受一系列監管環境影響，包括資產及業務的擁有權、涉及開發及運營的法規、外匯管制、稅收規則及勞動法規等監管方式的變化或會影響本集團的業務。當地政策環境的變化亦可能會影響本集團的業務。本集團管理層將因應該等變化作出適時調整，以與市場環境及政策變化保持一致。本集團進一步管理財務風險的辦法可與載於本公司2017/18年報財務報表附註47一併閱讀。

### 項目土地及銷售限制

本集團在發展各項目前均與當地政府簽訂項目協議，以勾劃相關項目長遠的概要藍圖，該等協議一般會就項目土地規模、性質及發展作概要約定，但實質土地的取得、土地面積及取得之條款將按相關規定、當地政府要求、本集團的發展規劃及招拍掛的結果為準。由於各項目的發展期間可能超過十年，本集團及當地政府可能會因應項目發展的需要而協商調整協議內容。

本集團項目土地的取得及建設的進度，除視乎內部之規劃外，亦視乎項目當地政府部門各程序之手續。各地政府的程序和要求各異，因此，本集團對各項目的發展將視乎有關情況而作相應的調整和配合，但由於本集團的項目用地充裕，規劃上具較強的彈性，本集團認為有關情況對本集團的整體發展影響不大。

Pursuant to certain project and land related contracts and documents, some of the land acquired by the Group may have sales restrictions on properties built on it. These include the saleable area of trade centers of CSC Shenzhen is limited to 30% of the total buildable GFA of properties built on the relevant parcels of land. The saleable area of trade centers and warehousing facilities built on certain parcels of land acquired by CSC Nanchang and CSC Nanning in 2010 are limited to 60% of the relevant total buildable GFA. The saleable area of trade centers or commercial properties built by CSC Hefei and CSC Chongqing are limited to 50% of their relevant total buildable GFA. The saleable area of trade centers or commercial properties of phase I and future phases of CSC Zhengzhou are limited to 60% and 50% respectively of its relevant total buildable GFA. According to the Group's business model, the Group intends to hold not less than 50% of trade centers and commercial facilities for leasing and self-use, the related sales restrictions will not have significant impact to the Group.

### Human Resources

As at 30 September 2018, the Group had a workforce of approximately 5,930 people. The number of the Group's staff increased by approximately 5.1% from 5,640 people as at 31 March 2018. The Group aims to recruit, retain and develop competent individuals who are committed to the Group's long-term success and growth. Remunerations and other benefits of employees are reviewed annually in response to both market conditions and trends, and are based on qualifications, experience, responsibilities and performance. In addition to basic salaries and other staff benefits, discretionary bonuses and share options may be awarded to employees who display outstanding performance and contributions to the Group. During the Reporting Period, the Company granted in aggregate of 25,500,000 share options to four independent non-executive directors and certain employees of the Group.

根據若干項目及土地相關合同和文件，部分項目土地所建之物業存在銷售限制，包括深圳華南城相關地塊上的交易中心的可銷售面積限於總可建建築面積的30%；南昌華南城和南寧華南城於2010年取得的若干土地，其上建設的交易中心及倉儲設施的可銷售面積限於該等物業總可建建築面積的60%；合肥華南城及重慶華南城建設的交易中心或商業物業的可銷售面積限於該等物業總可建建築面積的50%；鄭州華南城建設的一期及以後各期的交易中心或商業物業的可銷售面積分別限於該等物業總可建建築面積的60%及50%。按本集團商業模式，本集團規劃持有不少於50%交易中心及商業配套設施作租賃和自用，有關銷售限制對本集團的影響不大。

### 人力資源

於2018年9月30日，本集團有僱員約5,930人。本集團僱員人數較2018年3月31日的5,640人增加約5.1%。本集團致力招聘、挽留及培訓該等致力於本集團長遠成功及增長的人員。僱員的薪酬及其他福利乃參考市況及市場趨勢，以及按彼等的資歷、經驗、職責及表現每年進行檢討。除基本薪金及其他員工福利外，表現優秀且為本集團作出貢獻的僱員亦可獲獎勵酌情花紅及購股權。於本報告期間，本公司向4名獨立非執行董事及若干集團員工授出合共25,500,000份購股權。

# DISCLOSURE OF INTERESTS

## 權益披露

### Directors' and Chief Executive's Interests in Securities

As at 30 September 2018, the interests and short positions of the Directors in the shares of the Company (the "Shares"), underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register maintained by the Company under section 352 of the SFO or as notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

### 董事及主要行政人員於證券的權益

於2018年9月30日，董事於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的本公司股份（「股份」）、相關股份及債權證中擁有載入本公司根據證券及期貨條例第352條須予存置的登記冊，或根據上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及香港聯交所的權益及淡倉如下：

### Long position in the Shares and Underlying Shares of the Company

### 於本公司股份及相關股份的好倉

Name of Directors	Class of Shares	Number of Shares held				Total	Approximate percentage of the Company's total number of issued Shares <sup>(5)</sup>
		Corporate interest	Personal interest	Family interest	Share Options		
董事姓名	股份類別	公司權益	個人權益	家族權益	購股權	總計	佔本公司已發行股份總數概約百分比 <sup>(5)</sup>
Cheng Chung Hing 鄭松興	Ordinary Shares 普通股	2,153,148,831 <sup>(1)</sup>	79,000,000	-	-	2,232,148,831 <sup>(1)</sup>	27.86%
Cheng Tai Po 鄭大報	Ordinary Shares 普通股	588,984,145 <sup>(2)</sup>	4,936,000	-	-	593,920,145	7.41%
Ma Kai Cheung 馬介璋	Ordinary Shares 普通股	138,966,649 <sup>(3)</sup>	-	-	-	138,966,649	1.73%
Fung Sing Hong Stephen 馮星航	Ordinary Shares/Share Options 普通股/購股權	-	9,200,000	-	227,990,000 <sup>(4)</sup>	237,190,000	2.96%
Song Chuan 宋川	Share Options 購股權	-	-	-	40,000,000 <sup>(4)</sup>	40,000,000	0.49%
Li Wai Keung 李偉強	Share Options 購股權	-	-	-	4,000,000 <sup>(4)</sup>	4,000,000	0.04%
Leung Kwan Yuen Andrew 梁君彥	Share Options 購股權	-	-	-	4,000,000 <sup>(4)</sup>	4,000,000	0.04%
Hui Chiu Chung 許照中	Share Options 購股權	-	-	-	4,000,000 <sup>(4)</sup>	4,000,000	0.04%
Yung Wing Ki Samuel 容永祺	Share Options 購股權	-	-	-	4,000,000 <sup>(4)</sup>	4,000,000	0.04%



## Disclosure of Interests (Continued)

### 權益披露(續)

#### Notes:

- (1) Mr. Cheng Chung Hing is interested in 100% of the issued share capital of Accurate Gain Developments Limited which in turn was deemed to have interests in 2,153,148,831 Shares. As informed by Mr. Cheng Chung Hing, he had voting rights and certain other rights over 1,400,000,000 Shares, pursuant to certain swap funding arrangements between Accurate Gain Developments Limited and PAG Holdings Limited.

Mr. Cheng Chung Hing is a director of Accurate Gain Developments Limited. He is the father of Ms. Cheng Ka Man Carman and the younger brother of Mr. Cheng Tai Po.

Mr. Cheng Chung Hing, Accurate Gain Developments Limited and PAG Holdings Limited elected to receive the final dividend of FY2017/18 in full in form of new shares of the Company under the scrip dividend scheme and were allotted 74,404,960 Shares in aggregate on 10 October 2018. Upon which, Mr. Cheng Chung Hing, Accurate Gain Developments Limited were deemed to have interest in aggregate of 2,306,553,791 Shares. The total issued shares of the Company was 8,117,130,848 Shares as at 10 October 2018.

- (2) Mr. Cheng Tai Po is interested in 100% of the issued share capital of Proficient Success Limited which in turn holds 588,984,145 Shares and is therefore deemed to be interested in the aforesaid 588,984,145 Shares. Mr. Cheng is a director of Proficient Success Limited. Mr. Cheng Tai Po is the elder brother of Mr. Cheng Chung Hing and the uncle of Ms. Cheng Ka Man Carman.
- (3) Dr. Ma Kai Cheung, as beneficial owner and beneficiary of trust and through the interest of his spouse, being interested in 42.23% of the issued share capital of Carrianna Group Holdings Company Limited which through a number of intermediaries, wholly owns Carrianna Development Limited, Dr. Ma Kai Cheung is therefore deemed to be interested and duplicated interests in an aggregate of 138,966,649 Shares held by Carrianna Development Limited via its holding company. Dr. Ma is a director of each of Carrianna Group Holdings Company Limited, Carrianna Development Limited, Sincere United Holdings Limited, Carrianna Holdings Limited, Gartrend Development Limited and Carrianna (BVI) Limited.
- (4) The relevant interests are share options granted to Mr. Fung Sing Hong Stephen, Mr. Song Chuan, Mr. Leung Kwan Yuen Andrew, Mr. Li Wai Keung, Mr. Hui Chiu Chung and Mr. Yung Wing Ki Samuel pursuant to the Company's share option scheme adopted on 4 September 2009. Further details of the share option scheme are set out in the section headed "Share Option Scheme" below.
- (5) Saved as stated above, the information provided above and the percentage calculated were based on information as at 30 September 2018, upon which, the total issued shares of the Company was 8,009,571,999 Shares.

#### 附註：

- (1) 鄭松興先生擁有Accurate Gain Developments Limited已發行股本的100%權益，而該公司被視為享有2,153,148,831股股份之權益。根據鄭松興先生之通知，按Accurate Gain Developments Limited與PAG Holdings Limited的若干調期融資安排，其就1,400,000,000股股份享有相關投票權及其他權利。

鄭松興先生為Accurate Gain Developments Limited之董事。鄭松興先生為鄭嘉汶女士之父親及鄭大報先生之胞弟。

鄭松興先生、Accurate Gain Developments Limited及PAG Holdings Limited根據以股代息計劃，選擇全數以本公司新股代替現金方式，於2018年10月10日收取2017/18財政年度末期股息共74,404,960股股份。概此，鄭松興先生及Accurate Gain Developments Limited被視為享有合共2,306,553,791股股份權益。本公司於2018年10月10日之已發行股份總數為8,117,130,848股股份。

- (2) 由於鄭大報先生分擁有Proficient Success Limited已發行股本的100%股份權益，而該公司持有588,984,145股股份，故鄭先生被視為持有上述588,984,145股股份的權益。鄭先生為Proficient Success Limited的董事。鄭大報先生為鄭松興先生之胞兄及鄭嘉汶女士之伯父。
- (3) 由於馬介璋博士為實益擁有人及信託受益人，並透過其配偶的權益，持有佳寧娜集團控股有限公司已發行股本中42.23%之股份權益，而佳寧娜集團控股有限公司透過若干中間控股公司全資擁有Carrianna Development Limited，馬介璋博士故被視為透過其控股公司於Carrianna Development Limited持有合共138,966,649股股份中擁有權益及權益重疊。馬博士為佳寧娜集團控股有限公司、Carrianna Development Limited、Sincere United Holdings Limited、佳寧娜集團有限公司、嘉堅發展有限公司及Carrianna (BVI) Limited的董事。
- (4) 有關之權益是指根據本公司於2009年9月4日採納之購股權計劃而授予馮星航先生、宋川先生、梁君彥先生、李偉強先生、許照中先生及容永祺先生之購股權。購股權計劃之進一步詳情載於下文「購股權計劃」一節內。
- (5) 除上文另有指明外，上述資訊及所計算之股本百分比乃根據於2018年9月30日之情況，本公司當時之已發行股份總數為8,009,571,999股。

## Disclosure of Interests (Continued) 權益披露(續)

Save as disclosed above, as at 30 September 2018, to the knowledge of the Directors, none of the Directors or chief executive of the Company had any interests or short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be: (i) notified to the Company and The Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executive were taken or deemed to have under such provisions of the SFO); (ii) entered in the register kept by the Company pursuant to Section 352 of the SFO; or (iii) notified to the Company and The Hong Kong Stock Exchange pursuant to the Model Code.

### Substantial Shareholders' Interests in Securities

As at 30 September 2018, to the knowledge of the Directors, the following persons (other than a Director or chief executive of the Company) had or were deemed or taken to have interests or short position in the Shares or underlying Shares which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register kept by the Company pursuant to Section 336 of the SFO:

### Long Position in the Shares

除上文披露者外，於2018年9月30日，據董事所知，概無董事或本公司主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債權證中擁有：(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及香港聯交所的權益或淡倉(包括董事及主要行政人員根據證券及期貨條例相關條文被當作或被視為擁有的權益及淡倉)；(ii)本公司根據證券及期貨條例第352條須記錄於登記冊的權益或淡倉；或(iii)根據標準守則須知會本公司及香港聯交所之任何權益或淡倉。

### 主要股東於證券的權益

於2018年9月30日，據董事所知，以下人士(董事或本公司主要行政人員除外)於股份或相關股份中擁有或被視為或被當作擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露，或載入本公司根據證券及期貨條例第336條須予存置的登記冊的權益或淡倉：

### 於股份中的好倉

Name	Nature of interest	Number of Shares or underlying Shares held	Approximate percentage of the Company's total number of issued Shares <sup>(4)</sup>
姓名／名稱	權益性質	所持股份或相關股份數目	佔本公司已發行股份總數概約百分比 <sup>(4)</sup>
Accurate Gain Developments Limited	Beneficial owner 實益擁有人	2,153,148,831 <sup>(1)</sup>	26.88%
Tencent Holdings Limited 騰訊控股有限公司	Deemed interest in controlled corporation 被視作受控制法團權益	925,100,000 <sup>(2)</sup>	11.55%
THL H Limited	Beneficial Owner 實益擁有人	925,100,000 <sup>(2)</sup>	11.55%
Proficient Success Limited	Beneficial owner 實益擁有人	588,984,145 <sup>(3)</sup>	7.35%

## Disclosure of Interests (Continued)

### 權益披露(續)

#### Notes:

- (1) As informed by Accurate Gain Developments Limited, it was interested in 753,148,831 Shares in the capacity of a beneficial owner and had 1,400,000,000 Shares in respect of derivative interests under certain swap funding agreements with PAG Holdings Limited. Therefore, Accurate Gain Developments Limited was deemed to have interests in 2,153,148,831 Shares.

As informed by PAG Holdings Limited, through its ultimately controlled corporations, Pacific Alliance Group Limited, Pacific Alliance Investment Management Limited, Pacific Alliance Group Asset Management Limited, Pacific Alliance Asia Opportunity Fund L.P. and PA Eminent Opportunity VII Limited, it was deemed to have interest in 1,400,000,000 Shares.

Mr. Cheng Chung Hing, Accurate Gain Developments Limited and PAG Holdings Limited elected to receive the final dividend of FY2017/18/ in full in form of new shares of the Company under the scrip dividend scheme and were allotted 74,404,960 Shares in aggregate on 10 October 2018. Upon which, Mr. Cheng Chung Hing, Accurate Gain Developments Limited were deemed to have interest in an aggregate of 2,306,553,791 Shares. The total issued shares of the Company was 8,117,130,848 Shares as at 10 October 2018.

- (2) THL H Limited is wholly owned by Tencent Holdings Limited.

THL H Limited elected to receive the final dividend of FY2017/18 in full in form of new shares of the Company under the scrip dividend scheme and was allotted 30,836,666 Shares on 10 October 2018. Thereafter, it is deemed to be interested in an aggregate 955,936,666 Shares. The total issued Shares of the Company was 8,117,130,848 Shares as at 10 October 2018.

- (3) Mr. Cheng Tai Po owns 100% of the issued share capital of Proficient Success Limited.

- (4) Saved as stated above, the information provided above and the percentage calculated were based on information as at 30 September 2018, upon which, the total issued shares of the Company was 8,009,571,999 Shares.

Save as disclosed above, as at 30 September 2018, to the knowledge of the Directors or chief executive of the Company, no other person (other than a Director or chief executive of the Company) had, or were deemed or taken to have interest or short position in the Shares or underlying Shares which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register kept by the Company pursuant to Section 336 of the SFO.

#### 附註：

- (1) 根據Accurate Gain Developments Limited之通知，其實益擁有753,148,831股股份，並按與PAG Holdings Limited的若干調期融資安排，就1,400,000,000股股份擁有衍生權益。概此，Accurate Gain Developments Limited被視為享有2,153,148,831股股份之權益。

根據PAG Holdings Limited之通知，通過由其最終控制的Pacific Alliance Group Limited, Pacific Alliance Investment Management Limited, Pacific Alliance Group Asset Management Limited, Pacific Alliance Asia Opportunity Fund L.P. 及 PA Eminent Opportunity VII Limited 等公司，其被視為擁有1,400,000,000股股份之權益。

鄭松興先生、Accurate Gain Developments Limited 及PAG Holdings Limited根據以股代息計劃，選擇全數以本公司新股代替現金方式，並於2018年10月10日收取2017/18財政年度末期股息共74,404,960股股份。概此，鄭松興先生及Accurate Gain Developments Limited 被視為享有合共2,306,553,791股股份權益。本公司於2018年10月10日之已發行股份總數為8,117,130,848股股份。

- (2) THL H Limited由騰訊控股有限公司全資擁有。

THL H Limited根據以股代息計劃選擇全數以本公司新股代替現金方式，於2018年10月10日收取2017/18財政年度之末期股息共30,836,666股股份，概此其被視為享有955,936,666股股份權益。於2018年10月10日，本公司之已發行股份總數為8,117,130,848股。

- (3) 鄭大報先生擁有Proficient Success Limited已發行股本的100%股份權益。

- (4) 除上文另有指明外，上述資訊及所計算之股本百分比乃根據於2018年9月30日之情況，本公司當時之已發行股份總數為8,009,571,999股。

除上文披露者外，於2018年9月30日，據董事或本公司主要行政人員所知，概無其他人士(董事或本公司主要行政人員除外)於股份或相關股份中擁有或被視為或被當作擁有根據證券及期貨條例第XV部第2及3分部之條文須向本公司披露，或根據證券及期貨條例第336條載入本公司存置的登記冊的權益或淡倉。



### Information on Share Options Share Option Scheme

The Company has adopted a share option scheme on 4 September 2009 (the "Share Option Scheme"). The major terms of the Share Option Scheme are summarized as follows:

1. The purpose of the Share Option Scheme is to provide incentives to eligible persons for their contribution to the Group and to enable the Group to recruit high-calibre employees and attract human resources that are valuable to the Group.
2. The Board may at its discretion grant options to Directors, employees, officers, agents, consultants or representatives of the Group.
3. The total number of Shares which may be issued upon exercise of all share options granted and yet to be exercised under the Share Option Scheme must not exceed 30% of the Shares in issue from time to time. The total number of Shares in respect of which options may be granted under the Share Option Scheme is not permitted to exceed 10% in nominal amount of the issued Shares as at the date of commencement of the listing of Shares on The Hong Kong Stock Exchange unless with the prior approval from the Shareholders. The Share Option Scheme limit was refreshed at the annual general meeting of the Company held on 21 August 2013, and hence the maximum number of the Shares available for issue upon exercise of all share options which may be granted under the Share Option Scheme is 227,632,400 Shares, representing approximately 2.84% of the total number of issued Shares of the Company as at 30 September 2018.
4. The total number of Shares issued and to be issued upon the exercise of share options granted under the Share Option Scheme (including exercised, canceled and outstanding share options) to each grantee in any 12-month period up to the date of grant shall not exceed 1% of the issued share capital of the Company as at the date of grant. Any further grant of share options in excess of this limit is subject to approval of the shareholders.
5. The period during which a share option may be exercised will be determined by the Directors at their absolute discretion, save that no share option may be exercised more than 10 years after grant.
6. The consideration paid by each grantee for each grant of options is HK\$1.

### 有關購股權的資料 購股權計劃

本公司已於2009年9月4日採納了一套購股權計劃(「購股權計劃」)。購股權計劃的主要條款摘錄如下：

1. 該購股權計劃旨在獎勵合資格人士對本集團所作貢獻，並使本集團得以招聘優秀員工及吸引人才。
2. 董事會有權酌情向本集團之董事、僱員、高級職員、代理、顧問或代表授出購股權。
3. 因購股權計劃項下已授出但尚未行使之所有購股權獲行使而可予發行的股份總數，不得超過不時已發行股份的30%。除獲本公司股東預先批准，否則根據購股權計劃可予授出的購股權所涉及股份總數，不得超過股份於香港聯交所上市之日期的已發行股份面值的10%。購股權上限已於2013年8月21日舉行之本公司股東周年大會上更新，因此根據購股權計劃項下可予授出的所有購股權獲行使而可供發行的股份總數為227,632,400股，相當於本公司於2018年9月30日已發行股份總數約2.84%。
4. 因購股權計劃項下已授出購股權(包括已行使、註銷及未行使之購股權)獲行使而於任何12個月期間起至授出日期止向各承授人發行及即將發行的股份總數，不得超過本公司於授出日期已發行股本的1%。如要進一步授出超過此限額的購股權，須獲股東批准。
5. 董事可全權酌情決定購股權的行使期，惟以購股權獲授出後10年為限。
6. 各承授人須支付1港元作為每次獲授購股權的代價。

Disclosure of Interests (Continued)  
權益披露(續)

7. The exercise price in relation to each share option will be determined by the Directors at their absolute discretion and shall not be less than the highest of: (i) the official closing price of the Shares as stated in the daily quotation sheet of The Hong Kong Stock Exchange on the date of grant; (ii) the average closing prices of the Shares as stated in the daily quotation sheets of The Hong Kong Stock Exchange for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Shares on the date of grant.
7. 董事可全權酌情決定各購股權的行使價，惟不得低於下列各項的最高者：(i)股份於授出日期在香港聯交所每日報價表所列官方收市價；(ii)股份於緊接授出日期前五個營業日在香港聯交所每日報價表所列平均收市價；及(iii)股份於授出日期的面值。
8. The Share Option Scheme will expire on 29 September 2019 after which no further options will be granted under the Share Option Scheme. In respect of the options granted and accepted prior to such expiration and not then exercised, they shall continue to be valid and exercisable subject to and in accordance with the Share Option Scheme.
8. 購股權計劃將於2019年9月29日終止，其後將不能根據購股權計劃進一步授出購股權。根據購股權計劃並在其規限下，於該終止前已授出並獲接納惟當時尚未行使之購股權將仍然有效及可行使。

The table below summarized the details of the movements in the share options granted pursuant to the Share Option Scheme during the Reporting Period:

於本報告期間內根據購股權計劃授出購股權的變動詳情摘錄於下表之內：

Name	Date of Grant	Number of Share Options					Exercise Price	Exercisable Period
		As at 1 April 2018 於2018年 4月1日	Granted 已授出	Exercised 已行使	Cancelled/ Lapsed 已註銷/失效	As at 30 September 2018 於2018年 9月30日		
<b>Directors</b>								
<b>董事</b>								
Fung Sing Hong Stephen	27/6/2013	8,000,000	-	-	(8,000,000)	-	1.69	27/6/2014-26/6/2018
馮星航	17/2/2014	19,000,000	-	-	-	19,000,000	4.14	17/2/2014-16/2/2019
		19,000,000	-	-	-	19,000,000	4.14	17/2/2015-16/2/2019
	30/6/2014	15,000,000	-	-	-	15,000,000	4.07	30/6/2014-29/6/2019
		15,000,000	-	-	-	15,000,000	4.07	30/6/2015-29/6/2019
	13/1/2016	39,995,000	-	-	-	39,995,000	1.528	13/1/2016-12/1/2021
		39,995,000	-	-	-	39,995,000	1.528	13/1/2017-12/1/2022
	3/7/2017	40,000,000	-	-	-	40,000,000	1.52	3/7/2017-2/7/2022
		40,000,000	-	-	-	40,000,000	1.52	3/7/2018-2/7/2023
Song Chuan	3/7/2017	20,000,000	-	-	-	20,000,000	1.52	3/7/2018-2/7/2023
宋川		10,000,000	-	-	-	10,000,000	1.52	3/7/2019-2/7/2024
		10,000,000	-	-	-	10,000,000	1.52	3/7/2020-2/7/2025
Leung Kwan Yuen Andrew	17/2/2014	1,000,000	-	-	-	1,000,000	4.14	17/2/2014-16/2/2019
梁君彥		1,000,000	-	-	-	1,000,000	4.14	17/2/2015-16/2/2019
	13/4/2018	-	1,000,000	-	-	1,000,000	1.81	13/4/2018-12/4/2023
		-	1,000,000	-	-	1,000,000	1.81	13/4/2019-12/4/2024

Disclosure of Interests (Continued)  
權益披露(續)

Name	Date of Grant	Number of Share Options 購股權數目				Cancelled/ Lapsed	As at 30 September 2018	Exercise Price	Exercisable Period
		As at 1 April 2018 於2018年 4月1日	Granted	Exercised					
名稱	授出日期	4月1日	已授出	已行使	已註銷/失效	9月30日	行使價 HK\$ 港元	行使期	
Li Wai Keung	17/2/2014	1,000,000	-	-	-	1,000,000	4.14	17/2/2014-16/2/2019	
李偉強		1,000,000	-	-	-	1,000,000	4.14	17/2/2015-16/2/2019	
	13/4/2018	-	1,000,000	-	-	1,000,000	1.81	13/4/2018-12/4/2023	
		-	1,000,000	-	-	1,000,000	1.81	13/4/2019-12/4/2024	
Hui Chiu Chung	17/2/2014	1,000,000	-	-	-	1,000,000	4.14	17/2/2014-16/2/2019	
許照中		1,000,000	-	-	-	1,000,000	4.14	17/2/2015-16/2/2019	
	13/4/2018	-	1,000,000	-	-	1,000,000	1.81	13/4/2018-12/4/2023	
		-	1,000,000	-	-	1,000,000	1.81	13/4/2019-12/4/2024	
Yung Wing Ki Samuel	17/2/2014	1,000,000	-	-	-	1,000,000	4.14	17/2/2015-16/2/2019	
容永祺		1,000,000	-	-	-	1,000,000	4.14	17/2/2016-16/2/2019	
	13/4/2018	-	1,000,000	-	-	1,000,000	1.81	13/4/2018-12/4/2023	
		-	1,000,000	-	-	1,000,000	1.81	13/4/2019-12/4/2024	
<b>Employees/Advisers</b>	27/6/2013	1,000,000	-	-	(1,000,000)	-	1.69	27/6/2013-26/6/2018	
僱員/顧問		1,500,000	-	-	(1,500,000)	-	1.69	27/6/2014-26/6/2018	
		1,000,000	-	-	(1,000,000)	-	1.69	27/6/2015-26/6/2018	
	17/2/2014	1,000,000	-	-	(1,000,000)	-	4.14	17/2/2015-16/2/2019	
		1,000,000	-	-	(1,000,000)	-	4.14	17/2/2016-16/2/2019	
	30/6/2014	34,650,000	-	-	-	34,650,000	4.07	30/6/2014-29/6/2019	
		34,650,000	-	-	-	34,650,000	4.07	30/6/2015-29/6/2019	
	22/8/2016	17,500,000	-	-	(3,250,000)	14,250,000	1.75	22/8/2016-21/8/2021	
		28,000,000	-	-	(9,250,000)	18,750,000	1.75	22/8/2017-21/8/2022	
		4,500,000	-	-	-	4,500,000	1.75	22/8/2018-21/8/2023	
	13/4/2018	-	1,250,000	-	-	1,250,000	1.81	13/4/2018-12/4/2023	
		-	8,750,000	-	-	8,750,000	1.81	13/4/2019-12/4/2024	
		-	7,500,000	-	-	7,500,000	1.81	13/4/2020-12/4/2025	
		<b>408,790,000</b>	<b>25,500,000</b>	<b>-</b>	<b>(26,000,000)</b>	<b>408,290,000</b>			

Notes:

- The closing price of the Share immediately before the date on which the share options granted on 13 April 2018 was HK\$1.83 per Share.
- Details of the Share Option Scheme is set out in note 26 to the financial statements.

附註：

- 緊接於2018年4月13日授出購股權日期前本公司股份收市價每股1.83港元。
- 購股權計劃的詳情載於財務報表附註26。



# CORPORATE GOVERNANCE AND OTHER INFORMATION

## 企業管治及其他資料

### Code on Corporate Governance Practices

During the Reporting Period, the Company has complied with the applicable code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the “Listing Rules”), save and except for the following deviation:

Code provision A.6.7 provides that independent non-executive Directors and other non-executive Directors, are equal board members, should attend general meetings of the Company. During the Reporting Period, two non-executive Directors and two independent non-executive Directors of the Company were unable to attend the last annual general meeting of the Company held on 21 August 2018 as they had other prior business engagement.

### Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of the Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules as the guidelines for the directors’ dealing in the securities of the Company. Upon specific enquiries of all the Directors, each of them confirmed that they have complied with the required standards set out in the Model Code throughout the six months ended 30 September 2018.

### Change in Information of Directors

The change in the information of directors since the publication of the 2017/18 annual report is set out below pursuant to Rule 13.51(B)(1) of the Listing Rules:

- Mr. Li Wai Keung re-designated as the Honorary President and remains as director, but ceased to act as the President of Hong Kong Business Accountants Association with effect from 2 August 2018.

### Audit Committee

The Audit Committee is responsible for the review and supervision of the Group’s financial reporting process, risk management and internal controls system and review of the Company’s financial statements. Their written terms of reference are in line with the provisions under the CG Code and the roles and responsibilities delegated to the Audit Committee by the Board.

The Audit Committee consists of Mr. Li Wai Keung as chairman, Mr. Leung Kwan Yuen Andrew, Mr. Hui Chiu Chung and Mr. Yung Wing Ki Samuel. All of the Audit Committee members are independent non-executive Directors.

### 企業管治守則

於本報告期間，本公司已遵守香港聯合交易所證券上市規則(「上市規則」)附錄14所載企業管治守則(「管治守則」)之適用守則條文，惟以下守則條文除外：

根據守則條文第A.6.7，獨立非執行董事及其他非執行董事作為與其他董事擁有同等地位的董事會成員，應出席本公司的股東大會。於本報告期間，本公司兩位非執行董事及兩位獨立非執行董事因有其他先前的事務在身而未能出席本公司於2018年8月21日舉行之股東周年大會。

### 董事進行證券交易的標準守則

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)，作為董事進行本公司證券交易的指引。經向全體董事作出具體查詢後，彼等各自確認於截至2018年9月30日止六個月內一直遵守標準守則所載的規定準則。

### 董事資料變動

根據上市規則第13.51(B)(1)條，於2017/18年報刊發後的董事資料變動載列如下：

- 李偉強先生已調任為香港商界會計師協會之榮譽會長，並繼續兼任董事，但不再擔任會長，由2018年8月2日起生效。

### 審核委員會

審核委員會負責檢討及監管本集團的財務申報程序、風險管理及內部監控系統及審閱本公司的財務報表，其書面職權範圍與企業管治守則項下條文及董事會指定審核委員會的職責及職務相符。

審核委員會由李偉強先生(主席)、梁君彥先生、許照中先生及容永祺先生組成。審核委員會全體成員均為獨立非執行董事。

### Review of Interim Results

The unaudited interim results of the Company and its subsidiaries for the six months ended 30 September 2018 have been reviewed by the Audit Committee and Ernst & Young, the Company's independent auditor, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

### Purchase, Sale or Redemption of Listed Securities

During the Reporting Period, the Company repurchased of part of the senior notes with an aggregated principal amount of US\$37.0 million and have been canceled in September 2018, details are set out in the section of senior notes.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

### Interim Dividend

The Board resolved not to declare any interim dividend for the six months ended 30 September 2018 (30 September 2017: Nil).

### 中期業績的審閱

審核委員會及本公司獨立核數師安永會計師事務所已根據香港會計師公會頒佈的香港審閱委聘準則第2410號「獨立核數師對實體中期財務資料的審閱」，審閱本公司及其附屬公司截至2018年9月30日止六個月的未經審核中期業績。

### 購買、出售或贖回上市證券

於本報告期間，本公司已回購的部份優先票據的本金額為3,700萬美元及於2018年9月被註銷，詳情載於優先票據一節內。

除上述披露者外，本公司及其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

### 中期股息

董事會已議決不宣派任何截至2018年9月30日止六個月中期股息(2017年9月30日：無)。

# REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 中期簡明綜合財務報表審閱報告



**Ernst & Young**  
22/F, CITIC Tower  
1 Tim Mei Avenue  
Central, Hong Kong

安永會計師事務所  
香港中環添美道1號  
中信大廈22樓

Tel 電話: +852 2846 9888  
Fax 傳真: +852 2868 4432  
ey.com

### To the members of China South City Holdings Limited

*(Incorporated in Hong Kong with limited liability)*

### 致華南城控股有限公司各股東

*(於香港註冊成立的有限公司)*

### Introduction

We have reviewed the accompanying interim condensed consolidated financial statements set out on pages 58 to 116 which comprises the condensed consolidated statement of financial position of China South City Holdings Limited (the “Company”) and its subsidiaries (together, the “Group”) as at 30 September 2018 and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### Scope of review

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

### 緒言

吾等已審閱第58至116頁所載的中期簡明綜合財務報表，當中包括華南城控股有限公司（「貴公司」）及其附屬公司（統稱「貴集團」）於2018年9月30日的簡明綜合財務狀況表，與截至該日止六個月期間的相關簡明綜合損益表、全面收益表、權益變動表及現金流量表，以及說明附註。香港聯合交易所有限公司主板證券上市規則規定，就中期財務資料編製報告須符合當中的相關條文，以及由香港會計師公會頒佈的香港會計準則第34號「中期財務報告」（「香港會計準則第34號」）。貴公司董事須負責根據香港會計準則第34號編製及呈報此中期簡明綜合財務報表。吾等的責任是根據吾等的審閱工作，對此中期簡明綜合財務報表作出結論，並按照雙方所協定的委聘書條款僅向閣下（作為整體）報告，除此之外本報告別無其他目的。吾等不會就本報告的內容向任何其他人士負上或承擔任何責任。

### 審閱範圍

吾等依據香港會計師公會頒佈的香港審閱委聘準則第2410號「實體的獨立核數師對中期財務資料的審閱」進行吾等的審閱工作。審閱中期財務資料包括主要向負責財務和會計事務的人員作出查詢，以及進行分析性和其他審閱程序。由於審閱的範圍遠較根據香港審計準則進行審核的範圍為小，故吾等不保證可知悉所有在審核中可能發現的重大事項。因此，吾等不會發表審核意見。

## Conclusion

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

**Ernst & Young**  
*Certified Public Accountants*  
Hong Kong  
28 November 2018

## 結論

根據吾等的審閱工作，並無發現任何事項令吾等相信中期簡明綜合財務報表在任何重大方面未有根據香港會計準則第34號編製。

安永會計師事務所  
執業會計師  
香港  
2018年11月28日



# INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

## 中期簡明綜合損益表

For the six months ended 30 September 2018 截至2018年9月30日止六個月

			For the six months ended 30 September 截至9月30日止六個月		
			2018	2017	
			2018年	2017年	
			HK\$'000	HK\$'000	
			千港元	千港元	
			(Unaudited)	(Unaudited)	
			(未經審核)	(未經審核)	
Notes		附註			
	<b>REVENUE</b>	收入	5	5,212,447	3,569,812
	Cost of sales	銷售成本		(3,095,492)	(2,084,270)
	Gross profit	毛利		2,116,955	1,485,542
	Other income and gains/(losses)	其他收入及收益/(虧損)	5	392,978	249,958
	Fair value gains on investment properties	投資物業公平值收益	5	875,971	1,066,390
	Selling and distribution expenses	銷售及分銷開支		(348,027)	(307,413)
	Administrative expenses	行政開支		(598,414)	(518,297)
	Other expenses	其他開支		(218,178)	(121,440)
	Finance costs	融資成本	6	(302,074)	(118,120)
	<b>PROFIT BEFORE TAX</b>	稅前利潤	7	1,919,211	1,736,620
	Income tax expenses	所得稅開支	8	(1,070,202)	(752,292)
	<b>PROFIT FOR THE PERIOD</b>	期內利潤		849,009	984,328
	Attributable to:	下列各方應佔：			
	Owners of the parent	母公司擁有人		848,179	990,544
	Non-controlling interests	非控股權益		830	(6,216)
				849,009	984,328
	<b>EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>	歸屬於母公司普通股權益 持有人的每股盈利	9		
	Basic	基本			
	– For profit for the period	一期內利潤		HK10.59 cents 港仙	HK12.37 cents 港仙
	Diluted	攤薄			
	– For profit for the period	一期內利潤		HK10.59 cents 港仙	HK12.37 cents 港仙

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## 中期簡明綜合全面收益表

For the six months ended 30 September 2018 截至2018年9月30日止六個月

		For the six months ended 30 September 截至9月30日止六個月	
		2018 2018年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 2017年 HK\$'000 千港元 (Unaudited) (未經審核)
<b>PROFIT FOR THE PERIOD</b>	期內利潤	<b>849,009</b>	984,328
<b>OTHER COMPREHENSIVE (LOSS)/INCOME</b>	其他全面(虧損)/收入		
Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods:	將於期後期間重分類至損益的 其他全面(虧損)/收入：		
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	<b>(4,124,995)</b>	1,256,350
<b>OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD, NET OF TAX</b>	期內除稅後其他全面(虧損)/收入	<b>(4,124,995)</b>	1,256,350
<b>TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD</b>	期內總全面(虧損)/收入	<b>(3,275,986)</b>	2,240,678
Attributable to:	下列各方應佔：		
Owners of the parent	母公司擁有人	<b>(3,259,566)</b>	2,241,843
Non-controlling interests	非控股權益	<b>(16,420)</b>	(1,165)
		<b>(3,275,986)</b>	2,240,678

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 中期簡明綜合財務狀況表

As at 30 September 2018 於2018年9月30日

			30 September 2018 2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2018 2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	11	1,542,271	1,749,787
Investment properties	投資物業	12	46,234,973	48,135,043
Properties under development	發展中物業	13	3,646,020	3,451,245
Prepaid land lease payments	預付土地出租金		1,285,853	1,449,228
Goodwill	商譽		49,111	34,128
Investments in associates	於聯營公司的投資		–	142,112
Financial assets at fair value through profit or loss	透過損益以公平值列賬之金融資產	16	12,627	–
Available-for-sale investments	可供出售金融投資		–	138
Other long-term receivables	其他長期應收款項		14,256	15,684
Deposits paid for purchase of land use rights and property	購買土地使用權及物業支付的按金		448,040	1,149,909
Deferred tax assets	遞延稅項資產		2,969,891	3,139,824
Total non-current assets	非流動資產總值		56,203,042	59,267,098
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Properties held for finance lease	持作融資租賃物業	14	293,373	333,514
Properties held for sale	持作銷售物業	14	35,126,535	38,108,017
Contract assets	合約資產		91,904	–
Inventories	存貨		157,563	177,095
Trade receivables	應收貿易賬款	15	728,618	1,185,378
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		1,639,236	1,613,206
Financial assets at fair value through profit or loss	透過損益以公平值列賬之金融資產	16	237,823	205,966
Cash and cash equivalents and restricted cash	現金及現金等價物及受限制現金	17	8,691,477	10,655,692
Total current assets	流動資產總值		46,966,529	52,278,868
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Trade and other payables	貿易及其他應付款項	18	12,163,694	22,807,754
Contract liabilities	合約負債		12,051,113	–
Interest-bearing bank and other borrowings	計息銀行及其他借貸	19	5,825,072	7,098,504
Short-term notes	短期融資券	20	–	625,100
Medium-term notes	中期票據	22	2,304,581	2,622,149
Corporate bonds	企業債券	23	548	1,978,294
Domestic company bonds	境內公司債券	24	5,183,621	3,789,933
Tax payables	應付稅項		4,149,819	4,988,314
Total current liabilities	流動負債總額		41,678,448	43,910,048
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>		5,288,081	8,368,820
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>資產總值減流動負債</b>		61,491,123	67,635,918

Interim Condensed Consolidated Statement of Financial Position (Continued)  
 中期簡明綜合財務狀況表(續)

As at 30 September 2018 於2018年9月30日

			<b>30 September 2018 2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)</b>	31 March 2018 2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
		Notes 附註		
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Interest-bearing bank and other borrowings	計息銀行及其他借貸	19	<b>9,579,092</b>	8,999,701
Senior notes	優先票據	21	<b>10,907,664</b>	9,230,272
Medium-term notes	中期票據	22	–	2,629,495
Domestic company bonds	境內公司債券	24	–	1,854,236
Deferred tax liabilities	遞延稅項負債		<b>8,105,318</b>	8,521,460
			<b>28,592,074</b>	31,235,164
Total non-current liabilities	非流動負債總額			
			<b>28,592,074</b>	31,235,164
Net assets	資產淨值		<b>32,899,049</b>	36,400,754
			<b>32,899,049</b>	36,400,754
<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	25	<b>7,060,973</b>	7,060,973
Other reserves	其他儲備		<b>25,678,487</b>	29,157,371
			<b>32,739,460</b>	36,218,344
Non-controlling interests	非控股權益		<b>159,589</b>	182,410
			<b>32,899,049</b>	36,400,754
<b>Total equity</b>	<b>權益總額</b>		<b>32,899,049</b>	36,400,754



# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 中期簡明綜合權益變動表

For the six months ended 30 September 2018 截至2018年9月30日止六個月

		Attributable to owners of the parent 母公司擁有人應佔									
		Share capital	Statutory surplus reserve	Share option reserve	Exchange fluctuation reserve	Capital reserve	Revaluation reserve	Retained profits	Total	Non-controlling interests	Total equity
		股本	盈餘儲備	購股權儲備	波動儲備	資本儲備	重估儲備	保留利潤	總計	權益	權益總額
Note		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
附註		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2017 (audited)	於2017年4月1日(經審核)	7,054,362	1,591,047	169,245	(1,466,215)	(275,841)	286,456	20,939,200	28,298,254	181,137	28,479,391
Profit for the period	期內利潤	-	-	-	-	-	-	990,544	990,544	(6,216)	984,328
Other comprehensive income for the period:	期內其他全面收入：										
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	-	-	-	1,251,299	-	-	-	1,251,299	5,051	1,256,350
Total comprehensive income	全面收入總額	-	-	-	1,251,299	-	-	990,544	2,241,843	(1,165)	2,240,678
Disposal of subsidiaries	出售附屬公司	-	(371)	-	1,587	-	-	-	1,216	(6,254)	(5,038)
Equity-settled share option arrangement	以權益結算的購股權安排	26	-	27,886	-	-	-	-	27,886	-	27,886
Lapse of share options	購股權失效	-	-	(4,836)	-	-	-	4,836	-	-	-
Final 2016/17 dividend paid	已付2016/17末期股息	-	-	-	-	-	-	(400,316)	(400,316)	-	(400,316)
Transfer from retained profits	轉撥自保留利潤	-	66,436	-	-	-	-	(66,436)	-	-	-
At 30 September 2017 (unaudited)	於2017年9月30日(未經審核)	7,054,362	1,657,112	192,295	(213,329)	(275,841)	286,456	21,467,828	30,168,883	173,718	30,342,601

## Interim Condensed Consolidated Statement of Changes in Equity (Continued) 中期簡明綜合權益變動表(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

		Attributable to owners of the parent 母公司擁有人應佔									
		Share capital	Statutory surplus reserve 法定盈餘儲備	Share option reserve 購股權儲備	Exchange fluctuation reserve 匯兌波動儲備	Capital reserve 資本儲備	Revaluation reserve 重估儲備	Retained profits 保留利潤	Total	Non-controlling interests 非控股權益	Total equity 權益總額
Notes 附註		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2018 (audited)	於2018年4月1日(經審核)	7,060,973	2,001,711	202,795	2,295,221	(275,841)	286,456	24,647,029	36,218,344	182,410	36,400,754
Opening adjustments from adoption of HKFRS 9 and HKFRS 15	採納香港財務報告準則第9條及香港財務報告準則第15號所產生之期初調整	-	-	-	-	-	-	13,916	13,916	-	13,916
Profit for the period	期內利潤	-	-	-	-	-	-	848,179	848,179	830	849,009
Other comprehensive income for the period:	期內其他全面收入：										
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	-	-	-	(4,107,745)	-	-	-	(4,107,745)	(17,250)	(4,124,995)
Total comprehensive income	全面收入總額	-	-	-	(4,107,745)	-	-	848,179	(3,259,566)	(16,420)	(3,275,986)
Disposal of subsidiaries	出售附屬公司	-	(1,543)	-	(6,119)	-	-	-	(7,662)	-	(7,662)
Acquisition of a subsidiary	收購一家附屬公司	27	-	-	-	-	-	-	-	(6,401)	(6,401)
Equity-settled share option arrangement	以權益結算的購股權安排	26	-	13,568	-	-	-	-	13,568	-	13,568
Lapse of share options	購股權失效	-	-	(9,250)	-	-	-	9,250	-	-	-
Final 2017/18 dividend	2017/18末期股息	10	-	-	-	-	-	(239,140)	(239,140)	-	(239,140)
Transfer from retained profits	轉撥自保留利潤	-	162,191	-	-	-	-	(162,191)	-	-	-
At 30 September 2018 (unaudited)	於2018年9月30日(未經審核)	7,060,973	2,162,359*	207,113*	(1,818,643)*	(275,841)*	286,456*	25,117,043*	32,739,460	159,589	32,899,049

\* These reserve accounts comprise the consolidated other reserves of HK\$25,678,487,000 (31 March 2018: HK\$29,157,371,000) in the interim condensed consolidated statement of financial position.

\* 該等其他儲備賬包括中期簡明綜合財務狀況表所載的綜合其他儲備25,678,487,000港元(2018年3月31日：29,157,371,000港元)。

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

## 中期簡明綜合現金流量表

For the six months ended 30 September 2018 截至2018年9月30日止六個月

		For the six months ended 30 September 截至9月30日止六個月	
		2018 2018年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 2017年 HK\$'000 千港元 (Unaudited) (未經審核)
	Notes 附註		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>經營活動現金流量</b>		
Profit before tax	稅前利潤	<b>1,919,211</b>	1,736,620
Adjustments for:	調整：		
Finance costs	融資成本	6 <b>302,074</b>	118,120
Interest income	利息收入	5 <b>(52,215)</b>	(31,215)
Loss/(gain) on disposal of items of property, plant and equipment	出售物業、廠房及設備項目虧損/(收益)	<b>365</b>	(23)
Depreciation	折舊	7 <b>70,858</b>	60,569
Amortization of prepaid land lease payments	預付土地出租金攤銷	7 <b>16,525</b>	11,120
Changes in fair value of investment properties	投資物業公平值變動	5 <b>(875,971)</b>	(1,066,390)
Provision for impairment of trade receivables	應收貿易賬款減值撥備	7 <b>26,277</b>	102,735
Provision for impairment of goodwill	商譽減值撥備	7 <b>134,228</b>	-
Fair value gain on financial assets at fair value through profit or loss, net	透過損益以公平值列賬之金融資產收益·淨值	5 <b>(1,206)</b>	(2,023)
Loss on disposal of financial assets at fair value through profit or loss, net	透過損益以公平值列賬之金融資產出售虧損·淨值	5 <b>16,043</b>	-
Gain on disposal of subsidiaries	處置附屬公司收益	7 <b>(24,515)</b>	(1,117)
Gain on repurchase of 2016 Notes, 2017 March Notes, 2017 November Notes, 2018 January Notes and 2018 May Notes	回購2016年票據、2017年3月票據、2017年11月票據、2018年1月票據及2018年5月票據收益	5 <b>(70,283)</b>	-
Loss on redemption of 2014 Notes	贖回2014年票據之虧損	5 <b>-</b>	89,876
Equity-settled share option expense	以權益結算的購股權開支	7 <b>13,568</b>	27,886
		<b>1,474,959</b>	1,046,158
Decrease in properties held for sale	持作銷售物業減少	<b>2,912,350</b>	460,393
Decrease in properties held for finance lease	持作融資租賃物業減少	<b>9,783</b>	130,088
Decrease/(increase) in inventories	存貨減少/(增加)	<b>2,888</b>	(36,984)
Increase in other long-term receivables	其他長期應收款項增加	<b>-</b>	(5,625)
Decrease/(increase) in trade receivables	應收貿易賬款減少/(增加)	<b>263,316</b>	(128,440)
Increase in contract assets	合約資產增加	<b>(14,083)</b>	-
Increase in prepayments, deposits and other receivables	預付款項、按金及其他應收款項增加	<b>(200,719)</b>	(254,629)
Increase in restricted cash	受限制現金增加	<b>(1,321,994)</b>	(240,644)
Increase in contract liabilities	合約負債增加	<b>1,320,039</b>	-
Increase in trade and other payables	貿易及其他應付款項增加	<b>2,185,785</b>	2,608,459
Cash generated from operations	經營所得的現金	<b>6,632,324</b>	3,578,776
Mainland China taxes paid	已付中國大陸稅項	<b>(1,180,778)</b>	(1,127,965)
Net cash flows from operating activities	經營活動現金流入淨額	<b>5,451,546</b>	2,450,811

Interim Condensed Consolidated Statement of Cash Flows (Continued)  
 中期簡明綜合現金流量表(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

		For the six months ended 30 September 截至9月30日止六個月	
		2018 2018年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 2017年 HK\$'000 千港元 (Unaudited) (未經審核)
	Notes 附註		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b> 投資活動現金流量			
Purchases of items of property, plant and equipment	11	(28,468)	(24,059)
Proceeds from disposal of items of property, plant and equipment		7,304	19,055
Proceeds from disposal of financial assets at fair value through profit or loss		230,605	48,569
Purchases of financial assets at fair value through profit or loss		(289,789)	(78,275)
Increase in amount due from an associate		-	(8,758)
Acquisition of a subsidiary	27	1,855	-
Cash inflow/(outflow) from disposal of subsidiaries, net		25,000	(16,472)
Additions to investment properties		(389,480)	(166,793)
Additions to properties under development		(3,562,261)	(3,759,693)
Interests received		52,215	31,215
Net cash flows used in investing activities		(3,953,019)	(3,955,211)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b> 融資活動現金流量			
Issue of short-term notes		-	1,163,784
Issue of senior notes		1,964,754	-
Payment for interests on short-term notes		(28,388)	(67,791)
Payment for interests on senior notes		(312,575)	(159,412)
Payment for interests on medium-term notes		(353,059)	(344,717)
Payment for interests on corporate bonds		(123,984)	(121,055)
Payment for interests on domestic company bonds		(113,238)	(110,563)
Repayment for medium-term notes		(2,352,443)	-
Repayment for short-term notes		(614,885)	(1,398,227)
Payment for redemption of 2014 Notes		-	(1,568,994)
Payment for repurchase of 2016 Notes, 2017 March Notes, 2017 November Notes, 2018 January Notes and 2018 May Notes	21	(318,847)	-
Redemption of corporate bonds		(1,866,186)	-
New bank and other borrowings		4,744,583	6,516,517
Repayment of bank and other borrowings		(4,020,670)	(3,244,779)
Dividends paid		-	(400,316)
Payment of interests on bank and other borrowings		(567,010)	(485,285)
Net cash flows used in financing activities		(3,961,948)	(220,838)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b> 現金及現金等價物減少淨額			
Cash and cash equivalents at beginning of period		(2,463,421)	(1,725,238)
Effect of foreign exchange rate changes, net		8,204,333	8,022,020
		(599,652)	177,533
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	17	<b>5,141,260</b>	6,474,315
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b> 現金及現金等價物結餘分析			
Cash and cash equivalents	17	5,141,260	6,474,315



# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 中期簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

### 1. Corporate Information

China South City Holdings Limited (the “Company”) is a limited liability company incorporated in Hong Kong. The registered office of the Company is located at Room 2205, 22/F, Sun Life Tower, The Gateway, 15 Canton Road, Tsimshatsui, Kowloon, Hong Kong. The principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) are described in note 4.

### 2. Basis of Preparation and Other Information

#### Basis of Preparation

The interim condensed consolidated financial statements for the six months ended 30 September 2018 have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements for the year ended 31 March 2018.

#### Other Information

The financial information relating to the year ended 31 March 2018 that is included in the interim condensed consolidated financial statements for the six months ended 30 September 2018 as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 31 March 2018 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

The Company’s auditor has reported on those financial statements. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

### 1. 公司資料

華南城控股有限公司(「本公司」)在香港註冊成立為有限公司。本公司註冊辦事處位於香港九龍尖沙咀廣東道15號港威大廈永明金融大樓22樓2205室。本公司及其附屬公司(統稱為「本集團」)之主要業務描述於附註4。

### 2. 編製基準及其他資料

#### 編製基準

截至2018年9月30日止六個月的中期簡明綜合財務報表乃根據香港會計師公會頒佈的香港會計準則(「香港會計準則」)第34號「中期財務報告」編製。

中期簡明綜合財務報表不包括年度財務報表規定的所有資料及披露，並應與本集團截至2018年3月31日止年度的年度財務報表一併閱讀。

#### 其他資料

與截至2018年3月31日止年度有關並包括在截至2018年9月30日止六個月的中期簡明綜合財務報表內作為比較資料的財務資料，並不構成本公司該年度的法定年度合併財務報表，但摘錄自該等財務報表。根據香港《公司條例》第436條須披露與此等法定財務報表有關的進一步資料如下：

本公司已根據香港《公司條例》第662(3)條及附表6第3部分的規定，向公司註冊處呈交截至2018年3月31日止年度的財務報表。

本公司核數師已就該財務報表作出報告。核數師報告為無保留意見，不包括對某些事項的參照而核數師透過強調事項籲請關注而無對其報告作出保留意見；以及不包含香港《公司條例》第406(2)條、407(2)或(3)條規定的聲明。

## Notes to Interim Condensed Consolidated Financial Statements (Continued) 中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

### 3. Impact of New and Revised Hong Kong Financial Reporting Standards

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2018, except for the adoption of new and revised standards effective as of 1 April 2018. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

In the period, the Group has applied, for the first time, the following new and amendments to Hong Kong Financial Reporting Standards ("HKFRSs") and HKAS issued by the HKICPA that are mandatorily effective for the period.

HKFRS 9	<i>Financial instruments</i>
HKFRS 15	<i>Revenue from contracts with customers and related amendments</i>
HK(IFRIC) – Int 22	<i>Foreign currency transactions and advance consideration</i>
Amendments to HKFRS 2	<i>Classification and measurement of share-based payment transactions</i>
Amendments to HKFRS 4	<i>Applying HKFRS 9 Financial instruments with HKFRS 4 Insurance contracts</i>
<i>Annual Improvements 2014-2016 Cycle</i>	Amendments to HKFRS 1 and HKAS 28
Amendments to HKAS 40	<i>Transfers of investment property</i>

Other than as further explained below, the directors do not anticipate that the application of the new and revised HKFRSs above will have a material effect on the Group's interim condensed consolidated financial statements and the disclosure.

### 3. 新訂及經修訂香港財務報告準則的影響

除於2018年4月1日採納下列所披露之新訂及經修訂準則外，編製此等中期簡明綜合財務報表採納的會計政策與編製本集團截至2018年3月31日止年度的年度財務報表沿用者相符一致。本集團並無提早採納已頒佈但尚未生效的任何其他準則、詮釋或修訂。

於本期間，本集團已首次採納以下由香港會計師公會頒佈並於本期間強制生效之新訂及經修訂香港財務報告準則（「香港財務報告準則」）及香港會計準則。

香港財務報告準則第9號	金融工具
香港財務報告準則第15號	來自客戶合同之收入及相關修訂本
香港（國際財務報告詮釋委員會）－詮釋第22號	外幣交易及預付代價
香港財務報告準則第2號（修訂本）	以股份為基礎付款之交易的分類及計量
香港財務報告準則第4號（修訂本）	採用香港財務報告準則第4號保險合約時一併應用香港財務報告準則第9號金融工具
2014年至2016年週期之年度改進	香港財務報告準則第1號及香港會計準則第28號之修訂本
香港會計準則第40號（修訂本）	轉移投資物業

除下文進一步闡述者外，董事預期應用上述新訂及經修訂香港財務報告準則將不會對本集團之中期簡明綜合財務報表及披露造成重大影響。

For the six months ended 30 September 2018 截至2018年9月30日止六個月

### 3. Impact of New and Revised Hong Kong Financial Reporting Standards (Continued) HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 supersedes HKAS 11 *Construction Contracts*, HKAS 18 *Revenue* and related Interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognized 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 standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

The Group adopted HKFRS 15 using the modified retrospective method of adoption. The Group elected to apply the practical expedient for completed contracts and did not restate the contracts completed before 1 April 2018, thus the comparative figures have not been restated.

The Group mainly engages in the development and operation of large-scale integrated logistics and trade centers, development of residential and commercial ancillary facilities, property management and the provision of E-commerce, outlet operations, logistics and warehousing services. The effects of the adoption of HKFRS 15 are further explained as follows:

### 3. 新訂及經修訂香港財務報告準則的影響(續) 香港財務報告準則第15號來自客戶合同之收入

香港財務報告準則第15號代替香港會計準則第11號建築合約及香港會計準則第18號收入及相關詮釋，適用於所有因與客戶簽訂合約而產生的收入，除非這些合約適用於其他準則。該項新準則建立一個五步模式，以確認客戶合約收入。根據香港財務報告準則第15號，收入按能反映實體預期就向客戶轉讓貨物或服務作交換而有權獲得的代價金額確認。

該準則要求實體在應用模式的每個步驟於與客戶簽訂的合約時考慮到所有相關事實及情況後作出判斷。該準則亦訂明獲取合約的增量成本及與履行合約直接相關的成本的會計處理。

本集團透過採用修改後的追溯調整法採納香港財務報告準則第15號。本集團選擇了適用於已完成合約的簡化處理辦法，沒有對在2018年4月1日前已完成的合約進行重述，因此本集團未重述比較期間數據。

本集團主要從事發展及經營大型綜合物流及商品交易中心、開發商住配套設施、物業管理以及提供電子商貿、奧特萊斯運營、倉儲與物流服務。採納香港財務報告準則第15號之影響於下文進一步闡述。

## Notes to Interim Condensed Consolidated Financial Statements (Continued) 中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

### 3. Impact of New and Revised Hong Kong Financial Reporting Standards (Continued) HKFRS 15 Revenue from Contracts with Customers (Continued)

#### (a) Accounting for sales of properties

In prior reporting periods, the Group accounted for sales of properties when significant risk and rewards of ownership has been transferred to the customers on delivery in its entirety at a single time upon vacant possession and not continuously as construction progresses.

Under HKFRS 15, the Group's contracts with customers for the sale of properties generally include one performance obligation and the Group has concluded that revenue from sale of properties should be recognized at the point in time when control of the asset is transferred to the customer, generally on delivery based on the contract terms of existing sales contracts. Therefore, the adoption of HKFRS15 did not have an impact on the timing of revenue recognition.

In prior reporting periods, proceeds received from customers for pre-sold properties were presented as advances received from pre-sale of properties and no interests were accrued on the advances received.

Under HKFRS 15, for contracts where the period between the payments by the customer differs from the transfer of the promised goods or service, the transaction price and the amount of revenue from the sales is adjusted for the effects of a financing component, if significant. The Group concluded that there is a significant financing component considering the length of time between the customers' payment and the transfer of properties to customers and the prevailing interest rates in the market. The transaction price is discounted to take into consideration the significant financing component. The Group recognized contract liabilities for the interest on the advances received from customers with a significant financing component. In addition, reclassifications have been made from advances received from pre-sale of properties to contract liabilities for the outstanding balance of advances from customers.

### 3. 新訂及經修訂香港財務報告準則的影響(續) 香港財務報告準則第15號來自客戶合同之收入(續)

#### (a) 物業銷售的會計處理

於過往報告期間，當銷售合約的重要風險及報酬在交付物業所有權的特定時點全部轉移給客戶時，本集團確認物業銷售產生的收入，而非按建造進度陸續轉移進行確認。

根據香港財務報告準則第15號，本集團與客戶的物業銷售合約一般包含一項履約責任及本集團基於現有買賣協議所載條款，認為物業銷售所得收益應於資產控制權轉移至客戶(通常為交付)時確認。因此，採納香港財務報告準則第15號對收益確認的時間沒有任何影響。

於過往報告期間，就預售物業收取客戶的所得款項按預售物業已收墊款呈列及不會就已收墊款累計利息。

根據香港財務報告準則第15號，倘合約下客戶付款期間與轉移承諾商品或服務的期間不同，則交易價格及銷售所得收益金額就融資部分的影響(如重大)作出調整。本集團認為，考慮到客戶付款及向客戶轉移物業之間的時差及市場當下利率，融資部分屬重大。交易價會貼現，以計及重大融資部分。本集團就自客戶所收取包含重大融資部分的墊款利息確認合約負債。此外，客戶墊款的尚未結付結餘已從已收預售物業墊款重新分類至合約負債。



For the six months ended 30 September 2018 截至2018年9月30日止六個月

### 3. Impact of New and Revised Hong Kong Financial Reporting Standards (Continued) HKFRS 15 Revenue from Contracts with Customers (Continued)

#### (a) Accounting for sales of properties (Continued)

The statement of financial position as at 1 April 2018 was restated, resulting in recognition of contract liabilities, increase in property held for sale and decrease in advances received from pre-sale of properties amounting to HK\$10,731,075,000, HK\$133,705,000 and HK\$10,597,370,000, respectively.

#### (b) Accounting for the incremental costs of obtaining a contract

Following the adoption of HKFRS 15, sales commissions directly attributable to obtaining a contract, if recoverable, are capitalized as contract assets.

The statement of financial position as at 1 April 2018 was restated, resulting in recognition of contract assets and increases in retained earnings and deferred tax liabilities amounting to HK\$77,821,000, HK\$58,366,000 and HK\$19,455,000, respectively.

### HKFRS 9 Financial Instruments

HKFRS 9 *Financial Instruments* replaces HKAS 39 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment and hedge accounting.

The Group adopted HKFRS 9 retrospectively with the initial application date of 1 April 2018. The Group selected not to adjust the comparative information for the period beginning 1 April 2017.

### 3. 新訂及經修訂香港財務報告準則的影響(續) 香港財務報告準則第15號來自客戶合同之收入(續)

#### (a) 物業銷售的會計處理(續)

於2018年4月1日的財務狀況表已經重列，導致確認合約負債、持作銷售物業增加及預售物業已收墊款分別減少10,731,075,000港元、133,705,000港元及10,597,370,000港元。

#### (b) 獲取合約的增量成本的會計處理

於採納香港財務報告準則第15號後，直接源於獲取合約的銷售佣金(倘可收回)，資本化為「合約資產」。

於2018年4月1日的財務狀況表已經重列，導致確認合約資產及保留盈利及遞延稅項負債分別增加77,821,000港元、58,366,000港元及19,455,000港元。

### 香港財務報告準則第9號金融工具

於2018年1月1日或之後開始的年度期間，香港財務報告準則第9號金融工具取代香港會計準則第39號金融工具：確認及計量，結集金融工具會計處理的所有三個方面：分類及計量、減值及對沖會計。

本集團追溯性採納香港財務報告準則第9號，初次採納日期為2018年4月1日。本集團選擇不對2017年4月1日開始的期間的比較資料進行調整。

For the six months ended 30 September 2018 截至2018年9月30日止六個月

### 3. Impact of New and Revised Hong Kong Financial Reporting Standards (Continued) HKFRS 9 *Financial Instruments* (Continued)

#### (a) Classification and measurement

HKFRS 9 largely retains the existing requirements in HKAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous HKAS 39 categories for financial assets of held to maturity, loans and receivables and available-for-sale.

Under HKFRS 9, debt financial instruments are subsequently measured at fair value through profit or loss (“FVPL”), amortized cost, or fair value through other comprehensive income (“FVOCI”). The classification is based on two criteria: the Group’s business model for managing the assets; and whether the instruments’ contractual cash flows represent “solely payments of principal and interest” on the principal amount outstanding (the “SPPI criterion”).

The new classification and measurement of the Group’s financial assets are as follows:

Debt instruments at amortized cost that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the SPPI criterion. This category includes the Group’s trade receivables, financial assets included in prepayments, deposits and other receivables and contract assets.

### 3. 新訂及經修訂香港財務報告準則的影響(續) 香港財務報告準則第9號金融工具(續)

#### (a) 分類及計量

香港財務報告準則第9號大致上保留香港會計準則第39號就金融負債分類及計量的現有規定。然而，其消除先前香港會計準則第39號就持至到期金融資產、貸款及應收款項及可供出售的類別。

根據香港財務報告準則第9號，債務金融工具其後透過損益以公平值列賬(「透過損益以公平值列賬」)，按攤銷成本或透過其他全面收益以公平值列賬(「透過其他全面收益以公平值列賬」)計量。分類乃基於兩個標準作出：本集團管理資產的業務模式；及工具的合同現金流量是否只代表就未償還本金的「純粹支付本金及利息」(「SPPI」條件)。

本集團金融資產的新分類及計量如下：

按攤銷成本計量的債務工具為在業務模式內以持有金融資產以收取符合SPPI條件的合同現金流量為目的金融資產。此類別包括本集團的應收貿易賬款、計入預付款項、按金及其他應收賬項的金融資產及合約資產。

For the six months ended 30 September 2018 截至2018年9月30日止六個月

### 3. Impact of New and Revised Hong Kong Financial Reporting Standards (Continued) HKFRS 9 Financial Instruments (Continued)

#### (a) Classification and measurement (Continued)

Financial assets at FVPL comprise derivative instruments, quoted and unquoted equity instruments which the Group had not irrevocably elected, at initial recognition or transition, to classify at FVOCI. This category would also include debt instruments whose cash flow characteristics fail the SPPI criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell. This category includes the Group's structured bank deposits with floating interest rate, derivative financial instruments, listed and unlisted investments.

Under HKAS 39, the Group's structured bank deposits with floating interest rate were classified as available-for-sale investments. Under HKAS 39, the Group's structured bank deposits with floating interest rate with a carrying amount of HK\$138,000 were measured at cost as at 31 March 2018. These structured bank deposits with floating interest rate are classified as financial assets at FVPL under HKFRS 9 by the Group as at 1 April 2018, resulting in an increase in financial assets at FVPL amounting to HK\$138,000.

The assessment of the Group's business model was made as of initial application, 1 April 2018, and then applied retrospectively to those financial assets that were not derecognized before 1 April 2018. The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The change in classification of the Group's financial instruments did not have significant impact on the retained earnings as at 1 April 2018.

The accounting for the Group's financial liabilities remains largely the same as it was under HKAS 39.

### 3. 新訂及經修訂香港財務報告準則的影響(續) 香港財務報告準則第9號金融工具(續)

#### (a) 分類及計量(續)

透過損益以公平值列賬之金融資產包括衍生工具，上市及非上市股權投資，本集團於初步確認或過渡期間並無不可撤銷地選擇透過其他全面收益以公平值列賬進行分類。此分類亦包括其現金流量特徵不符合SPPI標準或不在業務模式中持有的債務工具，其目的是收取合約現金流量，或同時收取合約現金流量及出售。本集團的浮動利率的結構性銀行存款、衍生金融工具及上市與非上市投資亦分類為透過損益以公平值列賬。

根據香港會計準則第39號，本集團的浮動利率的結構性銀行存款分類為可供出售金融投資。於2018年3月31日，根據香港會計準則第39號，本集團的浮動利率的結構性銀行存款之賬面值為138,000港元是以成本計量。於2018年4月1日，根據香港財務報告準則第9號，該等浮動利率的結構性銀行存款被分類為透過損益以公平值列賬之金融資產，導致透過損益以公平值列賬之金融資產增加138,000港元。

本集團的業務模式評估乃於初步應用日期(即2018年4月1日)進行，且其後追溯應用於並未於2018年4月1日前終止確認的金融資產。債務工具的合約現金流量是否僅包括本金及利息乃根據於初步確認資產時的事實及情況進行。

於2018年4月1日的經重列的財務狀況表並無對保留盈利有任何重大影響。

本集團金融負債的會計處理與香港會計準則第39號下的方式大致相同。

For the six months ended 30 September 2018 截至2018年9月30日止六個月

**3. Impact of New and Revised Hong Kong Financial Reporting Standards (Continued)**  
**HKFRS 9 Financial Instruments (Continued)**

**(b) Impairment**

The adoption of HKFRS 9 has fundamentally changed the Group's accounting for impairment losses for financial assets by replacing HKAS 39's incurred loss approach with a forward-looking expected credit loss ("ECL") approach.

HKFRS 9 requires the Group to record an allowance for ECLs for all loans and other debt financial assets not held at FVPL.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

For trade receivables, other receivables and contract assets, the Group has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

**3. 新訂及經修訂香港財務報告準則的影響(續)**  
**香港財務報告準則第9號金融工具(續)**

**(b) 減值**

香港財務報告準則第9號透過以前瞻性預期信貸虧損(「預期信貸虧損」)法取代香港會計準則第39號之產生虧損法，故採納香港財務報告準則第9號已基本上改變本集團金融資產減值虧損的會計處理。

香港財務報告準則第9號要求本集團就所有貸款及並非透過損益以公平值列賬的其他債務金融資產記錄預期信貸虧損撥備。

預期信貸虧損乃基於根據合約應付的合約現金流量與本集團預期收取的所有現金流量之間的差額計算。該差額其後按接近資產原有的實際利率貼現。

就應收賬款、其他應收款項及合約資產而言，本集團已應用標準簡化計算法及已根據整個存續期預期信貸虧損計量預期信貸虧損。本集團已設立根據本集團過往信貸虧損經驗計算的撥備矩陣，並按與債務人相關之前瞻性因素及經濟環境調整。



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### 3. Impact of New and Revised Hong Kong Financial Reporting Standards (Continued) HKFRS 9 *Financial Instruments* (Continued)

#### (b) Impairment (Continued)

The Group considers a financial asset in default when contractual payment are one year past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

The adoption of the ECL requirements of HKFRS 9 resulted in increases in impairment allowances of the Group's debt financial assets. The increase in allowance resulted in adjustment to retained earnings.

The statement of financial position as at 1 April 2018 was restated, resulting in decrease in trade receivables, increase in deferred tax assets and decrease in retained earnings amounting to HK\$59,267,000, HK\$14,817,000 and HK\$44,450,000, respectively.

#### HK(IFRIC) Interpretation 22 *Foreign Currency Transactions and Advance Considerations*

The Interpretation clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine a date of the transactions for each payment or receipt of advance consideration. This Interpretation does not have any impact on the Group's interim condensed consolidated financial statements.

### 3. 新訂及經修訂香港財務報告準則的影響(續) 香港財務報告準則第9號金融工具(續)

#### (b) 減值(續)

倘合約還款已逾期超過一年，則本集團認為金融資產違約。然而，在若干情況下，倘內部或外部資料反映，在沒有計及任何現有信貸提升措施前，本集團不大可能悉數收到未償還合約款項，則本集團亦可認為金融資產違約。

採納香港財務報告準則第9號之預期信貸虧損規定導致本集團債務金融資產的減值撥備增加。撥備增加導致對保留溢利進行調整。

於2018年4月1日的財務狀況表已經重列，導致應收賬款減少、遞延稅項資產增加及保留溢利減少分別59,267,000港元、14,817,000港元及44,450,000港元。

#### 香港(國際財務報告詮釋委員會)－詮釋第22號外幣交易及預付代價

該詮釋釐清，就終止確認與預付代價相關的非貨幣資產或非貨幣負債，釐定初次確認相關資產、開支或收入(或其中部分)所用的現貨匯率時，交易日期為實體初次確認預付代價所產生的非貨幣資產或非貨幣負債之日。倘有多筆付款或預收款項，則該實體必須就每筆付款或預收代價釐定一個交易日期。該詮釋不會對本集團的中期簡明綜合財務報表產生任何影響。

For the six months ended 30 September 2018 截至2018年9月30日止六個月

**3. Impact of New and Revised Hong Kong Financial Reporting Standards (Continued)**  
**Amendments to HKAS 40 Transfers of Investment Property**

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. These amendments do not have any impact on the Group's interim condensed consolidated financial statements.

**Amendments to HKFRS 2 Classification and Measurement of Share-based Payment Transactions**

The HKICPA issued amendments to HKFRS 2 *Share-based Payment* 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 tax obligations; 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. On adoption, entities are required to apply the amendments without restating prior periods, but retrospective application is permitted if elected for all three amendments and other criteria are met. The Group's accounting policy for cash-settled share based payments is consistent with the approach clarified in the amendments. In addition, the Group has no share-based payment transaction with net settlement features for withholding tax obligations and had not made any modifications to the terms and conditions of its share-based payment transaction. Therefore, these amendments do not have any impact on the Group's interim condensed consolidated financial statements.

**3. 新訂及經修訂香港財務報告準則的影響(續)**  
**香港會計準則第40號(修訂本)轉移投資物業**

該修訂本釐清實體何時應將物業(包括在建物業或發展中物業)轉入或轉出投資物業。該修訂本說明,倘物業符合或不再符合投資物業定義及存在用途改變的憑據時,即視作發生用途改變。僅管理層對物業用途的意向變動不足以作為用途改變的憑據。該等修訂不會對本集團的中期簡明綜合財務報表產生任何影響。

**香港財務報告準則第2號的修訂本以股份為基礎的付款交易的分類及計量**

香港會計師公會頒佈的香港財務報告準則第2號的修訂本以股份為基礎的付款涉及三個主要方面:歸屬條件對以現金結算以股份為基礎的付款交易計量的影響;對就預扣稅項責任進行的具淨額結算特徵的以股份為基礎的付款交易的分類;及對以股份為基礎的付款交易中條款及條件的修訂導致其分類從現金結算變更為權益結算的會計處理。於採納時,該等實體須應用該等修訂而無需重列過往期間,惟倘選擇採納所有三項修訂並滿足其他標準,則允許追溯應用。本集團有關以現金結算以股份為基礎的付款的會計政策與該等修訂中所澄清的方法一致。此外,本集團並無就預扣稅項責任進行具淨額結算特徵的以股份為基礎的付款交易,亦無對其以股份為基礎的付款交易的條款及條件作出任何修改。因此,該等修訂對本集團的中期綜合財務報表並無任何影響。

For the six months ended 30 September 2018 截至2018年9月30日止六個月

**3. Impact of New and Revised Hong Kong Financial Reporting Standards (Continued)**  
**Amendments to HKFRS 4 Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts**

The amendments address concerns arising from implementing the new financial instruments standard, HKFRS 9, before implementing HKFRS 17 *Insurance Contracts*, which replaces HKFRS 4. The amendments introduce two options for entities issuing insurance contracts: a temporary exemption from applying HKFRS 9 and an overlay approach. These amendments are not relevant to the Group.

**Amendments to HKAS 28 Investments in Associates and Joint Ventures – Clarification that measuring investees at fair value through profit or loss is an investment-by-investment choice**

The amendments clarify that an entity that is a venture capital organization, or other qualifying entity, may elect, at initial recognition on an investment-by-investment basis, to measure its investments in associates and joint ventures at fair value through profit or loss. If an entity, that is not itself an investment entity, has an interest in an associate or joint venture that is an investment entity, the entity may, when applying the equity method, elect to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture, at the later of the date on which: (a) the investment entity associate or joint venture is initially recognized; (b) the associate or joint venture becomes an investment entity; and (c) the investment entity associate or joint venture first becomes a parent. These amendments do not have any impact on the Group's interim condensed consolidated financial statements.

**3. 新訂及經修訂香港財務報告準則的影響(續)**  
**香港財務報告準則第4號的修訂本與香港財務報告準則第4號保險合約一併應用香港財務報告準則第9號金融工具**

在實施取代香港財務報告準則第4號的香港財務報告準則第17號保險合約之前，該等修訂處理實施金融工具新準則香港財務報告準則第9號引發的疑慮。該等修訂為實體發行保險合約引進兩種選擇：暫時豁免應用香港財務報告準則第9號及覆蓋法。該等修訂與本集團無關。

**香港會計準則第28號(修訂本)於聯營公司及合營企業之投資 – 澄清以透過損益以公平值列賬被投資方為基於個別投資的選擇**

修訂本釐清屬於風投機構或其他合資格機構的實體可選擇於初次確認時按個別投資基準以透過損益以公平值列賬的方式計量其於聯營公司及合營企業之投資。倘實體本身並非投資實體而於屬於投資實體的聯營公司或合營企業擁有權益，則該實體可於應用權益法時選擇保留該投資實體聯營公司或合營企業應用的公平值計量以計算投資實體聯營公司或合營企業於附屬公司的權益。這一選擇乃於(a)投資實體聯營公司或合營企業初次確認；(b)聯營公司或合營企業成為投資實體；及(c)投資實體聯營公司或合營企業首次成為母公司(以較遲者為準)當日，就各投資實體聯營公司或合營企業單獨作出。該等修訂不會對本集團的中期簡明綜合財務報表產生任何影響。

## Notes to Interim Condensed Consolidated Financial Statements (Continued)

### 中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

#### 4. Segment Information

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

- (a) the property development segment engages in the development of integrated logistics and trade centers and residential and commercial ancillary facilities;
- (b) the property investment segment invests in integrated logistics and trade centers and residential and commercial ancillary facilities;
- (c) the property management segment engages in the management of the Group's developed properties;
- (d) the E-commerce segment engages in the development, operations and maintenance of an E-commerce platform; and
- (e) the "others" segment comprises, principally, the provision of advertising, exhibition, logistics and warehousing services, outlet operations, micro-credit services and other services.

#### 4. 分部資料

就管理而言，本集團按其產品及服務劃分為不同的業務單位，並具備以下五個可申報營運分部：

- (a) 物業發展分部從事發展綜合物流及商品交易中心及住宅及商業配套設施；
- (b) 物業投資分部投資綜合物流及商品交易中心及住宅及商業配套設施；
- (c) 物業管理分部從事管理本集團的已建成物業；
- (d) 電子商貿分部從事發展、經營及維護電子商貿平台；及
- (e) 「其他」分部主要包括提供廣告、展覽、倉儲與物流服務、奧特萊斯運營、小額貸款服務及其他服務。



## Notes to Interim Condensed Consolidated Financial Statements (Continued) 中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

### 4. Segment Information (Continued)

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. The adjusted profit/(loss) before tax is measured consistently with the Group's profit before tax except that interest income, finance costs, gains/(losses) from the Group's financial instruments, head office, corporate expenses, unallocated income, gains and cost of sales are excluded from this measurement.

Segment assets exclude 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, senior notes, medium-term notes, corporate bonds, domestic company bonds, short-term notes, tax payables 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.

No geographical segment analysis is presented as the majority of the assets and operations of the Group are located in the People's Republic of China ("PRC"), which is considered as one geographical location in an economic environment with similar risks and returns.

There were no sales to a single customer which amounted to 10% or more of the Group's revenue during the six months ended 30 September 2018 (six months ended 30 September 2017: Nil).

### 4. 分部資料(續)

管理層會獨立監察營運分部之業績而作出資源分配決定及評定其表現。分部表現乃根據可呈報分部利潤/(虧損)(即經調整稅前利潤/(虧損))來評估。經調整稅前利潤/(虧損)與本集團稅前利潤計量方式一致，惟利息收入、融資成本、本集團金融工具收入、收益/(虧損)、總辦事處、公司開支、未分配收入、收益及銷售成本均無計算在內。

分部資產不包括現金及現金等價物及其他未分配總辦事處及公司資產，原因為該等資產按集團整體管理。

分部負債不包括計息銀行及其他借貸、優先票據、中期票據、企業債券、境內公司債券、短期融資券、應付稅項及其他未分配總辦事處及公司負債，原因為該等負債按集團整體管理。

分部間銷售及轉讓乃參考當時向第三方按市價作出銷售的售價進行。

由於本集團的大部分資產及經營均位於中國(被視為處於具類似風險及回報的經濟環境的一個地理位置)，本集團並無呈列地理分部分析。

截至2018年9月30日止六個月，並無單一客戶的銷售為本集團收入貢獻10%或以上(截至2017年9月30日止六個月：無)。

Notes to Interim Condensed Consolidated Financial Statements (Continued)  
 中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

4. Segment Information (Continued)

4. 分部資料(續)

Six months ended 30 September 2018	截至2018年9月30日 止六個月	Property development 物業發展 HK\$'000 千港元 (Unaudited) (未經審核)	Property investment 物業投資 HK\$'000 千港元 (Unaudited) (未經審核)	Property management 物業管理 HK\$'000 千港元 (Unaudited) (未經審核)	E-commerce 電子商貿 HK\$'000 千港元 (Unaudited) (未經審核)	Others 其他 HK\$'000 千港元 (Unaudited) (未經審核)	Total 總計 HK\$'000 千港元 (Unaudited) (未經審核)
<b>Segment revenue:</b>	<b>分部收入:</b>						
Revenue from contracts with customers	來自客戶合約的收入						
– Recognized at a point in time	– 於某一時點確認	4,175,933	–	–	–	238,620	4,414,553
– Recognized over time	– 於一段時間內確認	–	–	375,558	158,629	22,004	556,191
Revenue from other sources	其他來源的收入						
– Rental income	– 租金收入	–	446,429	–	–	110,323	556,752
Segment revenue	分部收入	4,175,933	446,429	375,558	158,629	370,947	5,527,496
Elimination of intersegment sales	分部間銷售對銷						(315,049)
Revenue from external customers	來自外部客戶的收益	4,175,933	377,609	204,768	97,417	356,720	5,212,447
Segment results before increase in fair value of investment properties	投資物業公平值增加前 分部業績	1,669,970	336,905	53,908	93,199	151,726	2,305,708
Increase in fair value of investment properties	投資物業公平值增加	–	875,971	–	–	–	875,971
Segment results after increase in fair value of investment properties	投資物業公平值增加後 分部業績	1,669,970	1,212,876	53,908	93,199	151,726	3,181,679
Unallocated cost of sales	未分配銷售成本						(188,753)
Interest income	利息收入						52,215
Fair value gain on financial assets at fair value through profit or loss, net	透過損益以公平值列賬之金融 資產的公平值收益，淨額						1,206
Loss on disposal of financial assets at fair value through profit or loss, net	透過損益以公平值列賬之金融 資產出售虧損，淨額						(16,043)
Unallocated income and gains	未分配收入及收益						355,600
Unallocated expenses	未分配開支						(1,164,619)
Finance costs	融資成本						(302,074)
Profit before tax	稅前利潤						1,919,211
<b>As at 30 September 2018</b>	<b>於2018年9月30日</b>						
<b>Segment assets</b>	<b>分部資產</b>	<b>45,210,407</b>	<b>45,294,385</b>	<b>39,186</b>	<b>49,634</b>	<b>1,318,239</b>	<b>91,911,851</b>
Reconciliation:	對賬:						
Unallocated assets	未分配資產						11,257,720
Total assets	資產總值						103,169,571
<b>Segment liabilities</b>	<b>分部負債</b>	<b>17,934,240</b>	<b>8,036,156</b>	<b>127,887</b>	<b>150,640</b>	<b>431,283</b>	<b>26,680,206</b>
Reconciliation:	對賬:						
Unallocated liabilities	未分配負債						43,590,316
Total liabilities	負債總額						70,270,522

Notes to Interim Condensed Consolidated Financial Statements (Continued)  
 中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

4. Segment Information (Continued)

4. 分部資料(續)

Six months ended 30 September 2017	截至2017年9月30日 止六個月	Property development 物業發展 HK\$'000 千港元 (Unaudited) (未經審核)	Property investment 物業投資 HK\$'000 千港元 (Unaudited) (未經審核)	Property management 物業管理 HK\$'000 千港元 (Unaudited) (未經審核)	E-commerce 電子商貿 HK\$'000 千港元 (Unaudited) (未經審核)	Others 其他 HK\$'000 千港元 (Unaudited) (未經審核)	Total 總計 HK\$'000 千港元 (Unaudited) (未經審核)
<b>Segment revenue:</b>	<b>分部收入:</b>						
Sales to external customers	對外部客戶銷售	2,699,895	361,484	196,563	85,395	226,475	3,569,812
Intersegment sales	分部間銷售	-	71,322	44,063	66,199	15,480	197,064
		2,699,895	432,806	240,626	151,594	241,955	3,766,876
Elimination of intersegment sales	分部間銷售對銷						(197,064)
Revenue	收入						3,569,812
Segment results before increase in fair value of investment properties	投資物業公平值增加前 分部業績	1,168,351	233,874	(28,865)	84,569	157,653	1,615,582
Increase in fair value of investment properties	投資物業公平值增加	-	1,066,390	-	-	-	1,066,390
Segment results after increase in fair value of investment properties	投資物業公平值增加後 分部業績	1,168,351	1,300,264	(28,865)	84,569	157,653	2,681,972
Unallocated cost of sales	未分配銷售成本						(130,040)
Interest income	利息收入						31,215
Fair value gain on financial assets at fair value through profit or loss, net	透過損益以公平值列賬之金融 資產的公平值收益，淨額						2,023
Unallocated income and gains	未分配收入及收益						216,720
Unallocated expenses	未分配開支						(947,150)
Finance costs	融資成本						(118,120)
Profit before tax	稅前利潤						1,736,620
<b>As at 31 March 2018 (Audited)</b>	<b>於2018年3月31日(經審核)</b>						
<b>Segment assets</b>	<b>分部資產</b>	40,436,305	56,423,392	82,992	76,789	1,553,674	98,573,152
Reconciliation:	對賬:						
Investments in associates	於聯營公司的投資						142,112
Unallocated assets	未分配資產						12,830,702
Total assets	資產總值						111,545,966
<b>Segment liabilities</b>	<b>分部負債</b>	15,594,034	8,082,782	149,545	272,118	651,634	24,750,113
Reconciliation:	對賬:						
Unallocated liabilities	未分配負債						50,395,099
Total liabilities	負債總額						75,145,212

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5. Revenue, Other Income and Gains/(Losses), And Fair Value Gains on Investment Properties 5. 收入、其他收入及收益/(虧損)、及投資物業公平值收益

		For the six months ended 30 September 截至9月30日止六個月	
		2018 2018年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 2017年 HK\$'000 千港元 (Unaudited) (未經審核)
<b>Revenue</b>	<b>收入</b>		
Sales of properties	物業銷售	4,139,698	2,688,395
Finance lease income	融資租賃收入	36,235	11,500
Rental income	租金收入	377,609	361,484
Property management service income	物業管理服務收入	204,768	196,563
E-commerce income	電子商貿收入	97,417	85,395
Other revenue*	其他收入*	356,720	226,475
		<b>5,212,447</b>	3,569,812
<b>Other income</b>	<b>其他收入</b>		
Interest income	利息收入	52,215	31,215
Government grants**	政府補貼**	240,105	240,554
Gain on disposal of subsidiaries	處置附屬公司收入	24,515	1,117
Others	其他	32,944	10,303
		<b>349,779</b>	283,189
<b>Gains/(losses)</b>	<b>收益/(虧損)</b>		
Fair value gain on financial assets at fair value through profit or loss, net	透過損益以公平值列賬之金融資產的公平值收益，淨額	1,206	2,023
Loss on disposal of financial assets at fair value through profit or loss, net	透過損益以公平值列賬之金融資產出售虧損，淨額	(16,043)	-
Gain on repurchase of 2016 Notes, 2017 March Notes, 2017 November Notes, 2018 January Notes and 2018 May Notes	回購2016年票據、2017年3月票據、2017年11月票據、2018年1月票據及2018年5月票據的收益	70,283	-
Loss on redemption of the 2014 Notes	贖回2014年票據的虧損	-	(89,876)
Exchange (losses)/gains, net	匯兌(虧損)/收益，淨額	(12,247)	54,622
		<b>43,199</b>	(33,231)
		<b>392,978</b>	249,958
<b>Fair value gains on investment properties</b>	<b>投資物業公平值收益</b>	<b>875,971</b>	1,066,390

\* Other revenue includes amounts of HK\$168,596,000 (six months ended 30 September 2017: HK\$130,630,000) related to income from outlet operations and HK\$134,910,000 (six months ended 30 September 2017: HK\$86,105,000) related to income from logistics and warehousing services.

\*\* Various government grants have been received from the relevant government authorities to foster and support the development of the relevant projects of the Group in Mainland China. There are no unfulfilled conditions or contingencies relating to these grants.

\* 其他收入已包括奧特萊斯運營收入168,596,000港元(截至2017年9月30日止六個月: 130,630,000港元)及倉儲與物流服務收入134,910,000港元(截至2017年9月30日止六個月: 86,105,000港元)。

\*\* 若干政府補貼為相關政府部門給予本集團，以培育及扶持本集團於中國大陸項目的發展。該等補貼沒有未履行之條件或或然事件。



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**6. Finance Costs**

An analysis of finance costs is as follows:

		For the six months ended 30 September 截至9月30日止六個月	
		2018 2018年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 2017年 HK\$'000 千港元 (Unaudited) (未經審核)
Interest on bank and other borrowings (including senior notes, medium-term notes, corporate bonds, domestic company bonds and short-term notes)	銀行及其他借貸的利息 (包括優先票據、中期票據、 企業債券、境內公司債券及 短期融資券)	1,354,144	1,141,892
Less: Interest capitalized	減：資本化利息	(1,052,070)	(1,023,772)
Total	總計	302,074	118,120

**6. 融資成本**

融資成本之分析如下：

**7. Profit Before Tax**

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

		For the six months ended 30 September 截至9月30日止六個月	
		2018 2018年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 2017年 HK\$'000 千港元 (Unaudited) (未經審核)
Cost of properties sold	已售物業成本	2,494,128	1,527,767
Cost of properties held for finance lease	融資租賃物業成本	11,835	3,776
Depreciation	折舊	71,101	61,242
Less: Depreciation capitalized in respect of properties under development	減：就發展中物業 資本化折舊	(243)	(673)
		70,858	60,569
Amortization of prepaid land lease payments	預付土地出租金攤銷	16,525	11,120
Gain on disposal of subsidiaries	處置附屬公司收益	(24,515)	(1,117)
Provision for impairment of trade receivables*	應收貿易賬款減值撥備*	26,277	102,735
Equity-settled share option expense	以權益結算的購股權開支	13,568	27,886
Impairment of goodwill (note 27)*	商譽減值(附註27)*	134,228	–

\* Included in "Other expenses" in the interim condensed consolidated statement of profit or loss.

\* 計入中期簡明綜合損益表「其他開支」項內。

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For the six months ended 30 September 2018 截至2018年9月30日止六個月

### 8. Income Tax Expenses

Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 30 September 2017: 16.5%) on the estimated assessable profits arising in Hong Kong during the period. No provision for Hong Kong profits tax has been made as the Group had no assessable profits arising in Hong Kong during the period (six months ended 30 September 2017: Nil).

Taxes on profits assessable in Mainland China are calculated at the rates of tax prevailing in the provinces in which the Group operates.

Under the relevant income tax law, the PRC subsidiaries are subject to corporate income tax at the statutory rate of 25% (six months ended 30 September 2017: 25%) on their respective taxable income during the period.

The PRC land appreciation tax ("LAT") is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from the sale of properties less deductible expenditures including land cost, borrowing costs and all property development expenditures.

### 8. 所得稅開支

於本期間，於香港產生的估計應課稅溢利乃按16.5% (截至2017年9月30日止六個月：16.5%) 的稅率計提。於本期間，由於本集團概無源自香港的應課稅利潤，故並無計提香港利得稅撥備 (截至2017年9月30日止六個月：無)。

中國大陸的應課稅溢利稅項乃按本集團運營所在省份的現行稅率計提。

根據相關所得稅法，於本期間中國附屬公司須就各自應課稅收入按法定稅率25% (截至2017年9月30日止六個月：25%) 繳納企業所得稅。

中國土地增值稅按30%至60%不等的累進稅率就土地價值增值 (即物業銷售所得款項減包括土地成本、借貸成本及所有物業發展開支在內的可扣減開支) 徵收。

		For the six months ended 30 September 截至9月30日止六個月	
		2018 2018年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 2017年 HK\$'000 千港元 (Unaudited) (未經審核)
Current:	即期：		
Mainland China corporate income tax	中國大陸企業所得稅	447,058	521,709
LAT in Mainland China	中國大陸土地增值稅	348,736	223,039
Deferred:	遞延：		
Mainland China corporate income tax	中國大陸企業所得稅	353,017	52,930
LAT in Mainland China	中國大陸土地增值稅	(87,184)	(55,760)
Withholding tax on dividends	股息預扣稅	8,575	10,374
Total tax charged for the period	期內稅項支出總額	1,070,202	752,292

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 中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

**9. Earnings Per Share Attributable to Ordinary Equity Holders of the Parent**

The calculation of the basic earnings per share is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares in issue during the period.

The calculation of diluted earnings per share for the six months ended 30 September 2017 is based on the profit for the period attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the six months ended 30 September 2017, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

No adjustment has been made to the basic earnings per share amount presented for the six months ended 30 September 2018 in respect of a dilution as the impact of the share options outstanding had an anti-dilutive effect on the basic earnings per share amounts presented.

The calculations of basic and diluted earnings per share are based on:

**9. 歸屬於母公司普通股權益持有人的每股盈利**

每股基本盈利乃根據母公司普通股權益持有人應佔期內利潤及期內已發行股普通股的加權平均數計算。

截至2017年9月30日止六個月的每股攤薄盈利乃根據母公司普通股權益持有人應佔期內利潤計算。計算所用的普通股加權平均數乃為計算每股基本盈利所用的截至2017年9月30日止六個月內已發行普通股股數，而加權平均普通股數目乃假設行使或轉換所有具潛在攤薄性的普通股為普通股按無償發行。

由於尚未行使之購股權具反攤薄影響，故並無就攤薄對截至2018年9月30止六個月所呈列之每股基本盈利金額作出調整。

每股基本及攤薄盈利的計算乃基於：

		<b>For the six months ended</b>	
		<b>30 September</b>	
		<b>截至9月30日止六個月</b>	
		<b>2018</b>	2017
		<b>2018年</b>	2017年
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
		<b>(Unaudited)</b>	(Unaudited)
		<b>(未經審核)</b>	(未經審核)
<b>Earnings</b>	<b>盈利</b>		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculation	用於計算每股基本及攤薄盈利之母公司普通股權益持有人應佔利潤	<b>848,179</b>	990,544

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For the six months ended 30 September 2018 截至2018年9月30日止六個月

9. Earnings Per Share Attributable to Ordinary Equity Holders of the Parent (Continued)

9. 歸屬於母公司普通股權益持有人的每股盈利(續)

		Number of shares 股數	
		2018 2018年	2017 2017年
<b>Shares</b>	<b>股份</b>		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	用於計算每股基本盈利之期內已發行普通股的加權平均數	8,009,571,999	8,006,321,999
Effect of dilution – weighted average number of ordinary shares: Share options	攤薄影響 – 加權平均數 普通股： 購股權	–	3,130,802
		<b>8,009,571,999</b>	<b>8,009,452,801</b>

10. Dividends

The final dividend (with scrip option) of HK5.0 cents per share amounting to HK\$400,479,000 for financial year ended 31 March 2018 was approved on 21 August 2018. The final dividend paid in cash was HK\$239,140,000, and paid in allotment and issuance of shares was HK\$161,339,000, which was settled or dispatched to shareholders on 10 October 2018.

At a meeting of the Board held on 28 November 2018, the directors resolved not to pay an interim dividend to shareholders (six months ended 30 September 2017: Nil).

11. Property, Plant and Equipment

During the six months ended 30 September 2018, the Group acquired items of property, plant and equipment with an aggregate cost of approximately HK\$28,468,000 (six months ended 30 September 2017: HK\$24,059,000).

Certain of the Group's buildings with an aggregate carrying value of approximately HK\$763,962,000 as at 30 September 2018 (31 March 2018: HK\$732,660,000) were pledged to secure general banking facilities granted to the Group (note 19).

At 30 September 2018, certificates of ownership in respect of certain buildings of the Group in the PRC with an aggregate carrying value of approximately HK\$1,029,042,000 had not been issued by the relevant PRC authorities (31 March 2018: HK\$1,235,520,000). The Group is in the process of obtaining the relevant certificates of ownership.

10. 股息

截至2018年3月31日之財政年度每股5.0港仙的末期股息(附有以股代息選擇權)已於2018年8月21日批准,總金額為400,479,000港元。以現金支付的末期股息239,140,000港元及以配發及發行股份的末期股息161,339,000港元已於2018年10月10日支付或派發給股東。

本公司於2018年11月28日舉行的董事會會議上,董事議決不向股東派付中期股息(截至2017年9月30日止六個月:無)。

11. 物業、廠房及設備

截至2018年9月30日止六個月,本集團購入物業、廠房及設備項目,總成本約為28,468,000港元(截至2017年9月30日止六個月:24,059,000港元)。

於2018年9月30日,本集團賬面總值約763,962,000港元(2018年3月31日:732,660,000港元)的若干樓宇已抵押作為本集團獲授一般銀行融資的擔保(附註19)。

於2018年9月30日,本集團於中國賬面總值合共約1,029,042,000港元(2018年3月31日:1,235,520,000港元)的若干樓宇未獲相關中國機關發出所有權證。本集團現正辦理領取相關所有權證的手續。



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12. Investment Properties

12. 投資物業

		30 September 2018 2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2018 2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Carrying amount at the beginning of period/year	期/年初的賬面值	48,135,043	42,191,542
Additions	添置	405,232	266,742
Transfer from properties under development	轉撥自發展中物業	124,020	3,149,463
Transfer from completed properties held for sale	轉撥自持作銷售竣工物業	1,112,020	1,046,404
Transfer to completed properties held for sale	轉撥至持作銷售竣工物業	-	(7,752,240)
Net gain from a fair value adjustment	公平值調整淨收益	875,971	4,378,474
Exchange realignment	匯兌調整	(4,417,313)	4,854,658
Carrying amount at the end of period/year	期/年末的賬面值	46,234,973	48,135,043

The Group's investment properties with an aggregate carrying value of approximately HK\$23,203,446,000 as at 30 September 2018 (31 March 2018: HK\$22,399,725,000) were pledged to secure general banking facilities granted to the Group (note 19).

於2018年9月30日，本集團賬面總值約23,203,446,000港元(2018年3月31日：22,399,725,000港元)的投資物業已抵押作為本集團獲授一般銀行融資的擔保(附註19)。

The Group's investment properties with an aggregate carrying value of approximately HK\$40,810,936,000 as at 30 September 2018 (31 March 2018: HK\$42,381,123,000), are subject to sales restrictions.

於2018年9月30日，本集團賬面總值約40,810,936,000港元(2018年3月31日：42,381,123,000港元)的投資物業受到銷售限制。

The Group's investment properties consist of trade centers, commercial and other ancillary facilities in Mainland China. The Group's investment properties were revalued on 30 September 2018 based on valuations performed by Savills Valuation and Professional Services Limited, an independent professional qualified valuer, at HK\$46,234,973,000 on an open market, existing use basis. Each year, the Group's management decides to appoint which external valuer to be responsible for the external valuations of the Group's properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Group's finance department has discussions with the valuer on the valuation assumptions and valuation results twice a year when the valuation is performed for interim and annual financial reporting.

本集團的投資物業包括在中國大陸的交易中心、商業及其他配套設施。根據一家獨立專業合資格估值師第一太平戴維斯估值及專業顧問有限公司進行的估值，本集團的投資物業於2018年9月30日按公開市場現有用途基準重估價值達46,234,973,000港元。本集團的管理層每年決定委任負責對本集團物業進行外部估值的外聘估值師人選。篩選準則包括市場知識、聲譽、獨立性，以及是否維持專業水平。就中期及年度財務報告進行估值時，本集團的財務部與估值師就估值假設及估值結果每年進行兩次討論。

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**12. Investment Properties** (Continued)  
**Fair value hierarchy**

The following table illustrates the fair value measurement hierarchy of the Group's investment properties:

**12. 投資物業(續)**  
**公平值層級**

本集團投資物業的公平值計量層級載於下表：

**Fair value measurement  
 as at 30 September  
 2018 using significant  
 unobservable inputs  
 (Level 3)**  
 於2018年9月30日  
 使用重大不可觀察  
 元素的公平值計量  
 (第3級)  
**HK\$'000**  
 千港元  
**(Unaudited)**  
 (未經審核)

Recurring fair value measurement for: Trade centers, commercial and other ancillary facilities	就以下各項的經常性公平值計量： 交易中心、商業及其他配套設施	<b>46,234,973</b>
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During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3.

期內，第1級與第2級之間概無發生公平值計量的轉移，第3級亦無公平值計量轉入或轉出。

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### 12. Investment Properties (Continued) Fair value hierarchy (Continued)

Below is a summary of the valuation technique used and the key inputs to the valuation of investment properties:

	Valuation technique 估值技術	Significant unobservable inputs 重大不可觀察元素	Range 範圍
			As at 30 September 2018 於2018年9月30日
Trade centers, commercial and other ancillary facilities 交易中心、商業及其他配套設施	Income capitalization method 收入資本化法	Market unit rental rate (RMB/sq. m./month) 市場單位租金 (人民幣/平方米/月)	14-154
		Capitalization rate 資本化率	3.00%-8.25%

The fair values of investment properties are determined principally using the income capitalization method by capitalizing the rental income derived from the existing tenancies with due provisions for the reversionary income potential of the properties. The fair value measurement is positively correlated to the market unit rental rate and negatively correlated to the capitalization rate. For the portions which were under construction, the expended construction costs and the costs that are expected to be expended to complete the properties have also been taken into account in arriving at their fair values.

### 12. 投資物業(續) 公平值層級(續)

以下為投資物業估值所用的估值技術及主要元素的概要：

投資物業公平值主要按收入資本化法釐定，方法是將現有租賃所得的租金收入資本化，並就物業的潛在可復歸收入計提適當撥備。公平值計量與市場租金成正比且與資本化率成反比。就正在建造之部分，在確定公平值時，已支銷的建築成本及完成開發項目預計將支銷的成本亦已考慮在內。

### 13. Properties under Development

Certain of the Group's properties under development with an aggregate carrying value of approximately HK\$3,461,333,000 as at 30 September 2018 (31 March 2018: HK\$2,251,941,000) were pledged to secure general banking facilities granted to the Group (note 19).

The government grants of approximately RMB28,352,000 (equivalent to HK\$33,478,000) (six months ended 30 September 2017: RMB48,078,000 (equivalent to HK\$55,429,000)), which were provided by the local government authorities to support infrastructure construction and development activities in connection with the Group's property development projects and were previously deducted from the additions of properties under development, have been credited to the cost of properties sold during the current period.

### 13. 發展中物業

於2018年9月30日，本集團賬面總值約3,461,333,000港元(2018年3月31日：2,251,941,000港元)的若干發展中物業已抵押作為本集團獲授一般銀行融資的擔保(附註19)。

政府補貼約人民幣28,352,000元(相等於33,478,000港元)(截至2017年9月30日止六個月：人民幣48,078,000元(相等於55,429,000港元))是由地方政府機關提供，旨在為集團物業發展項目中有關於基礎建設工程及發展活動提供支持。此金額已在之前的添置發展中物業中扣除並在本期內於已售物業成本扣除。

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14. Properties Held for Finance Lease and Sale

14. 持作融資租賃及銷售物業

		30 September 2018 2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2018 2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Completed properties held for finance lease	持作融資租賃物業	293,373	333,514
Completed properties held for sale	持作銷售竣工物業	17,833,082	20,831,313
Properties under development expected to be completed within the normal operating cycle	預期於正常營運週期內竣工的發展中物業	17,293,453	17,276,704
Total	總計	35,126,535	38,108,017

		30 September 2018 2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2018 2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Properties under development expected to be completed and ready for sale	預期竣工及可作銷售的發展中物業		
Within one year	一年內	7,218,570	6,954,970
Beyond one year	一年後	10,074,883	10,321,734
Total	總計	17,293,453	17,276,704

Certain of the Group's properties held for finance lease and properties held for sale with aggregate carrying values of HK\$36,486,000 (31 March 2018: HK\$40,778,000) and HK\$5,364,300,000 (31 March 2018: HK\$6,352,132,000) at the end of the reporting period, respectively, were pledged to secure general banking facilities granted to the Group (note 19).

於報告期末，本集團的若干持作融資租賃物業及持作銷售物業賬面總值分別為36,486,000港元（2018年3月31日：40,778,000港元）及5,364,300,000港元（2018年3月31日：6,352,132,000港元）已抵押作為本集團獲授一般銀行融資的擔保（附註19）。



Notes to Interim Condensed Consolidated Financial Statements (Continued)  
 中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

### 15. Trade Receivables

Trade receivables represent sales income, rental receivables and service income receivables from customers which are payable on issuance of invoices or in accordance with the terms of the related sale and purchase agreements. The Group generally allows a credit period of not exceeding 60 days to its customers. Overdue balances are reviewed regularly by senior management. In view of this and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing. The carrying amounts of the trade receivables approximate to their fair values.

An aged analysis of the trade receivables, based on the payment due date as at the end of the reporting period, net of provision, is as follows:

		<b>30 September 2018 2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)</b>	31 March 2018 2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Within 1 month	1個月以內	<b>333,096</b>	716,256
1 to 2 months	1至2個月	<b>51,226</b>	37,059
2 to 3 months	2至3個月	<b>26,904</b>	28,940
Over 3 months	逾3個月	<b>317,392</b>	403,123
<b>Total</b>	<b>總計</b>	<b>728,618</b>	1,185,378

Receivables that were neither past due nor impaired and past due but not impaired relate to a large number of diversified customers for whom there was no recent history of default. The Group would not release the property ownership certificates to the buyers before the buyers fully settle the payment.

### 15. 應收貿易賬款

應收貿易賬款指於出具發票時或根據相關買賣協議條款客戶應付的銷售收入、應收租金及應收服務收入。本集團一般提供不超過60天信貸期予客戶。高級管理層定期審閱逾期結餘。有鑑於此及本集團的應收貿易賬款與大量不同客戶有關，故並無重大集中信貸風險。應收貿易賬款為免息。應收貿易賬款賬面值與其公平值相若。

於報告期末時，根據付款到期日，應收貿易賬款扣除撥備後的賬齡分析如下：

未逾期及未減值以及已逾期但未減值的應收款項與大量不同客戶有關，而彼等最近並無欠款記錄。在買家全數清償付款前，本集團不會向其發出房產證。

Notes to Interim Condensed Consolidated Financial Statements (Continued)  
 中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

**16. Financial Assets at Fair Value Through Profit or Loss**      **16. 透過損益以公平值列賬之金融資產**

		<b>30 September</b>	31 March
		<b>2018</b>	2018
		<b>2018年</b>	2018年
		<b>9月30日</b>	3月31日
		<b>HK\$'000</b>	HK\$'000
		<b>千港元</b>	千港元
		<b>(Unaudited)</b>	(Audited)
		<b>(未經審核)</b>	(經審核)
Listed investments	上市投資	<b>100,630</b>	205,966
Unlisted investment	非上市投資	<b>12,627</b>	–
Structured bank deposits with floating interest rate	浮動利率的結構性銀行存款	<b>114,327</b>	–
Derivative financial instruments	衍生金融工具	<b>22,866</b>	–
<b>Total</b>	<b>總計</b>	<b>250,450</b>	205,966
Current portion	即期部份	<b>(237,823)</b>	(205,966)
Non-current portion	非即期部份	<b>12,627</b>	–

**17. Cash and Cash Equivalents and Restricted Cash**      **17. 現金及現金等價物及受限制現金**

		<b>30 September</b>	31 March
		<b>2018</b>	2018
		<b>2018年</b>	2018年
		<b>9月30日</b>	3月31日
		<b>HK\$'000</b>	HK\$'000
		<b>千港元</b>	千港元
		<b>(Unaudited)</b>	(Audited)
		<b>(未經審核)</b>	(經審核)
Cash and bank balances	現金及銀行結餘	<b>8,691,477</b>	10,655,692
Less: Restricted cash*	減：受限制現金*	<b>(3,550,217)</b>	(2,451,359)
Cash and cash equivalents	現金及現金等價物	<b>5,141,260</b>	8,204,333

\* Restricted cash mainly comprises (i) guarantee deposits for the mortgage loan facilities granted by the banks to purchasers of the Group's properties; (ii) guarantee funds of construction projects to meet local authorities' requirements; (iii) certain amounts of presale proceeds from properties placed as guarantee deposits for the construction of related properties; (iv) certain amounts of proceeds from lease of properties which have been placed as guarantee deposits for the borrowings; and (v) pledged deposits to secured general banking facilities granted to the Group.

\* 受限制現金主要包括：(i)就購買本集團物業之買家獲銀行授予的按揭貸款融資的保證按金；(ii)建設項目的保證金以符合當地機關的要求；(iii)物業預售的若干所得款項金額，以作為相關物業建設的保證按金；(iv)租賃物業的若干出租所得款項金額以作為借貸的保證按金；及(v)已抵押存款作為本集團獲授一般銀行融資的擔保。

Notes to Interim Condensed Consolidated Financial Statements (Continued)  
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**17. Cash and Cash Equivalents and Restricted Cash**  
 (Continued)

At the end of the reporting period, the cash and cash equivalents of the Group denominated in Renminbi (“RMB”) amounted to HK\$3,230,237,000 (31 March 2018: HK\$5,431,388,000). 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.

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.

Certain of the Group’s bank deposits with a carrying amount of HK\$404,850,000 as at 30 September 2018 (31 March 2018: HK\$255,416,000), were pledged to secure general banking facilities granted to the Group (note 19).

**18. Trade and Other Payables**

**17. 現金及現金等價物及受限制現金(續)**

於報告期末，本集團以人民幣為單位的現金及現金等價物為3,230,237,000港元(2018年3月31日：5,431,388,000港元)。人民幣並不可自由兌換為其他貨幣，然而，根據中國大陸的外匯管制條例及結匯、付匯及售匯規定，本集團可透過獲准進行外匯業務的銀行將人民幣兌換為其他貨幣。

存於銀行之現金根據每日銀行存款利率之浮動利率賺取利息。短期定期存款的存款期各異，介乎一天至三個月不等，視乎本集團即時現金需求而定，而利息則按各個短期定期存款利率賺取。銀行結餘及受限制現金乃存放於信譽良好且近期並無欠款記錄的銀行。

於2018年9月30日，本集團賬面總值為404,850,000港元(2018年3月31日：255,416,000港元)的若干存款已抵押作為本集團獲授一般銀行融資的擔保(附註19)。

**18. 貿易及其他應付款項**

		30 September 2018 2018年 9月30日 Notes 附註	31 March 2018 2018年 3月31日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2018 2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Other payables and accruals	其他應付款項及應計項目		<b>3,766,091</b>	3,973,463
Notes payables	應付票據	(i)	<b>1,504,641</b>	607,291
Deposits and receipts in advance	按金及預收款項		<b>1,573,164</b>	13,102,175
Construction fee and retention payables	應付的建築費用及保留金	(ii)	<b>5,319,798</b>	5,124,825
Total	總計		<b>12,163,694</b>	22,807,754

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**18. Trade and Other Payables** (Continued)

- (i) An aged analysis of the Group's notes payables presented based on the invoice date at the end of the reporting period is as follows:

		<b>30 September 2018 於2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)</b>	31 March 2018 於2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Over 3 months	逾3個月	<b>1,504,641</b>	607,291
Total	總計	<b>1,504,641</b>	607,291

- (ii) An aged analysis of the construction fee and retention payables as at the end of the reporting period is as follows:

		<b>30 September 2018 於2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)</b>	31 March 2018 於2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Within 1 year	1年內	<b>4,126,928</b>	4,147,578
Over 1 year	逾1年	<b>1,192,870</b>	977,247
Total	總計	<b>5,319,798</b>	5,124,825

The construction fee and retention payables are non-interest-bearing and repayable within the normal operating cycle or on demand. The other payables are non-interest-bearing.

**18. 貿易及其他應付款項**(續)

- (i) 於報告期末本集團基於發票日之應付票據的賬齡分析如下：

		<b>30 September 2018 於2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)</b>	31 March 2018 於2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Over 3 months	逾3個月	<b>1,504,641</b>	607,291
Total	總計	<b>1,504,641</b>	607,291

- (ii) 於報告期末建築費用及保留金應付款項的賬齡分析如下：

		<b>30 September 2018 於2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)</b>	31 March 2018 於2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Within 1 year	1年內	<b>4,126,928</b>	4,147,578
Over 1 year	逾1年	<b>1,192,870</b>	977,247
Total	總計	<b>5,319,798</b>	5,124,825

應付建築費用及保留金為免息及須於一般業務週期或應要求償還。其他應付款項為免息。

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For the six months ended 30 September 2018 截至2018年9月30日止六個月

19. Interest-Bearing Bank and Other Borrowings

19. 計息銀行及其他借貸

		30 September 2018 (Unaudited) 2018年9月30日(未經審核)			31 March 2018 (Audited) 2018年3月31日(經審核)		
		Effective interest rate (%) 實際利率 (%)	Maturity 到期	HK\$'000 千港元	Effective interest rate (%) 實際利率 (%)	Maturity 到期	HK\$'000 千港元
<b>Current</b>	<b>即期</b>						
Bank and other borrowings – unsecured	銀行及其他貸款 – 無抵押	4.79%–7.20%	2018–2019	760,479	4.79%–6.50% HIBOR+ 2.5%	2018–2019	906,581
Bank and other borrowings – secured	銀行及其他貸款 – 有抵押	4.35%–6.53%	2018–2019	1,812,909	4.08%–7.00%	2018–2019	1,574,490
Current portion of long term bank and other borrowings:	長期銀行及其他借貸 的即期部分：						
Bank and other borrowings – unsecured	銀行及其他貸款 – 無抵押	5.15%–6.65%	2018–2019	153,594	5.15%–5.70%	2018–2019	325,052
Bank and other borrowings – secured	銀行及其他貸款 – 有抵押	4.75%–12.35%	2018–2019	3,098,090	4.75%–8.50%	2018–2019	4,292,381
				<b>5,825,072</b>			<b>7,098,504</b>
<b>Non-current</b>	<b>非即期</b>						
Bank and other borrowings – unsecured	銀行及其他貸款 – 無抵押	5.15%–6.65%	2020–2021	82,705	5.15%–5.70%	2020	81,264
Bank and other borrowings – secured	銀行及其他貸款 – 有抵押	4.75%–12.35%	2019–2033	9,496,387	4.75%–9.00%	2019–2027	8,918,437
				<b>9,579,092</b>			<b>8,999,701</b>
				<b>15,404,164</b>			<b>16,098,205</b>



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19. Interest-Bearing Bank and Other Borrowings (Continued) 19. 計息銀行及其他借貸(續)

		30 September 2018 2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2018 2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Analyzed into:	分析列為：		
Bank and other borrowings repayable:	須於以下期間償還的銀行及其他借貸：		
Within one year or on demand	一年內或應要求	5,825,072	7,098,504
In the second year	第二年	4,004,454	3,702,696
In the third to fifth years, inclusive	第三至第五年(包括首尾兩年在內)	4,768,136	4,505,663
Beyond five years	五年後	806,502	791,342
		<b>15,404,164</b>	16,098,205

The Group has entered into an asset-backed securities (“ABS”) arrangement with an independent third party by pledging of the future six years’ right of receiving management fees for certain properties under its management in a maximum of 6 years. On 15 September 2017, an aggregate amount of RMB390,000,000 are priority portion of the ABS which had been purchased by the third parties. The net proceeds from the ABS, after deducting the issuance costs, amounted to approximately RMB381,710,000 (equivalent to HK\$450,075,000), which are repayable from one year to six years. Interest is payable quarterly in arrears. On the twelfth interest payment date, the Group is eligible to redeem all the undue priority securities as of the interest payment date at one time. Holders of the priority portions of the ABS are entitled to receive interests which are varying interest rates ranging from 6.2% to 7.2% per annum based on the terms and dates of redemption. A portion of above ABS with principal amount of RMB120,000,000 matured and was settled on 15 September 2018. As at 30 September 2018, HK\$301,352,000 of the ABS are included in non-current portions of secured bank and other borrowings.

本集團與一獨立第三方訂立最長為期6年的資產支持證券(「資產支持證券」)安排，以未來6年若干物業收取管理費用權利作抵押。於2017年9月15日，第三方已購買總值為人民幣390,000,000元的優先級資產支持證券。扣除發行成本後，資產支持證券所得款項淨額約為人民幣381,710,000元(相當於約450,075,000港元)，於一至六年償還。利息於每季支付。於第十二個利息支付日，本集團有權於利息支付日行使一次性贖回所有未到期資產支持證券的權利。優先級資產支持證券持有人，根據不同期限及贖回日期，可享有介乎年利率6.2%至7.2%之利息。部份本金額為人民幣120,000,000元的資產支持證券已於2018年9月15日到期及償還。截至2018年9月30日，301,352,000港元的資產支持證券已包括於抵押銀行及其他借貸非即期部份。

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### 19. Interest-Bearing Bank and Other Borrowings (Continued)

Certain of the Group's bank and other borrowings are secured by the Group's buildings, investment properties, properties under development, properties held for finance lease and sale and bank deposits as stated in notes 11, 12, 13, 14 and 17.

As at 30 September 2018, all interest-bearing borrowings of the Group are denominated in RMB. As at 31 March 2018, except for the bank loans equivalent to HK\$400,000,000, which is denominated in Hong Kong dollars, all other interest-bearing borrowings of the Group are denominated in RMB.

### 20. Short-Term Notes

The Group issued the following short-term notes in the current and prior periods:

- (i) On 13 September 2016, China South International Industrial Materials City (Shenzhen) Company Ltd. ("China South International") completed the issuance of the first tranche of short-term notes of 2016 (the "2016 First Tranche STN") with a total principal amount of RMB1,200,000,000 (equivalent to HK\$1,395,187,000) in the national inter-bank market of the PRC. The 2016 First Tranche STN carried interest at the rate of 4.9% per annum, payable on 13 September in arrears, and matured on 13 September 2017. The amount was fully settled in September 2017.
- (ii) On 22 June 2017, China South International completed the issuance of the first tranche of short-term notes of 2017 (the "2017 First Tranche STN") with a total principal amount of RMB500,000,000 (equivalent to HK\$571,886,000) in the national inter-bank market of the PRC. The 2017 First Tranche STN carried interest at the rate of 6.5% per annum, payable on 23 March in arrears, and matured on 23 March 2018. The amount was fully settled in March 2018.
- (iii) On 30 August 2017, China South International completed the issuance of the second tranche of short-term notes of 2017 (the "2017 Second Tranche STN") with a total principal amount of RMB500,000,000 (equivalent to HK\$591,898,000) in the national inter-bank market of the PRC. The 2017 Second Tranche STN carried interest at the rate of 6.5% per annum, payable on 28 May in arrears, and matured on 28 May 2018. The amount was fully settled in May 2018.

### 19. 計息銀行及其他借貸(續)

如附註11、12、13、14及17所載，本集團若干銀行及其他借貸由本集團樓宇、投資物業、發展中物業、持作融資租賃及銷售物業及銀行存款作抵押。

於2018年9月30日，本集團所有借貸均以人民幣為單位。於2018年3月31日，除400,000,000港元銀行貸款以港元為單位外，本集團所有其他計息借貸均以人民幣為單位。

### 20. 短期融資券

本集團於本期間及以前期間發行以下短期融資券：

- (i) 華南國際工業原料城(深圳)有限公司(「華南國際」)於2016年9月13日完成在中國銀行間市場發行2016年第一期短期融資券，本金總額為人民幣1,200,000,000元(相等於1,395,187,000港元)。2016年第一期短期融資券年利率為4.9%，每年於9月13日後支付，並於2017年9月13日到期。其金額已於2017年9月全數支付。
- (ii) 華南國際於2017年6月22日完成在中國銀行間市場發行2017年第一期短期融資券，本金總額為人民幣500,000,000元(相等於571,886,000港元)。2017年第一期短期融資券年利率為6.5%，每年於3月23日後支付，並於2018年3月23日到期。其金額已於2018年3月全數支付。
- (iii) 華南國際於2017年8月30日完成在中國銀行間市場發行2017年第二期短期融資券，本金總額為人民幣500,000,000元(相等於591,898,000港元)。2017年第二期短期融資券年利率為6.5%，每年於5月28日後支付，並於2018年5月28日到期。其金額已於2018年5月全數支付。

## Notes to Interim Condensed Consolidated Financial Statements (Continued) 中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

### 21. Senior Notes

The Group issued the following senior notes in the current and prior periods:

On 29 January 2014, the Company issued senior notes with an aggregate principal amount of US\$400,000,000 (the “2014 Notes”). The 2014 Notes are listed on the Singapore Exchange Securities Trading Limited. The 2014 Notes carry interest at the rate of 8.25% per annum, payable semi-annually on 29 January and 29 July in arrears, and will mature on 29 January 2019, unless redeemed earlier. The offering price was at 98.999% of the principal amount of the 2014 Notes. The 2014 Notes had been redeemed in prior years.

On 13 September 2016 and 3 October 2016, the Company issued senior notes with aggregate principal amounts of US\$200,000,000 and US\$150,000,000, respectively, (collectively known as the “2016 Notes”). The 2016 Notes are listed on the Singapore Exchange Securities Trading Limited. The 2016 Notes carry interest at the rate of 6.75% per annum, payable semi-annually on 13 March and 13 September in arrears, and will mature on 13 September 2021, unless redeemed earlier. The offering prices were at 98.960% and 98.964% of the principal amounts of the 2016 Notes of US\$200,000,000 and US\$150,000,000, respectively.

On 9 March 2017, the Company issued senior notes with an aggregate principal amount of US\$300,000,000 (the “2017 March Notes”). The 2017 March Notes are listed on the Singapore Exchange Securities Trading Limited. The 2017 March Notes carry interest at the rate of 5.75% per annum, payable semi-annually on 9 March and 9 September in arrears, and will mature on 9 March 2020, unless redeemed earlier. The offering price was at 98.986% of the principal amount of the 2017 March Notes.

On 20 November 2017, the Company issued senior notes with the aggregate principal amount of US\$300,000,000 (the “2017 November Notes”). The 2017 November Notes are listed on the Singapore Exchange Securities Trading Limited. The 2017 November Notes carry interest at the rate of 7.25% per annum, payable semi-annually on 20 May and 20 November in arrears, and will mature on 20 November 2022, unless redeemed earlier. The offering price was at 97.96% of the principal amount of the 2017 November Notes.

### 21. 優先票據

本集團於本期間及以前期間發行以下優先票據：

於2014年1月29日，本公司發行本金總額400,000,000美元的優先票據（「2014年票據」）。2014年票據於新加坡證券交易所有限公司上市。2014年票據按年利率8.25%計息，每半年於1月29日及7月29日支付，並將於2019年1月29日到期（除非提早贖回）。發售價為2014年票據本金總額的98.999%。該等2014年票據已於以前年度贖回。

於2016年9月13日及2016年10月3日，本公司分別發行本金總額為200,000,000美元及150,000,000美元的優先票據（統稱為「2016年票據」）。2016年票據於新加坡證券交易所有限公司上市。2016年票據按年利率6.75%計息，每半年於3月13日及9月13日支付，並將於2021年9月13日到期（除非提早贖回）。2016年票據之200,000,000美元及150,000,000美元的發售價分別為本金總額的98.960%及98.964%。

於2017年3月9日，本公司發行本金總額300,000,000美元的優先票據（「2017年3月票據」）。2017年3月票據於新加坡證券交易所有限公司上市。2017年3月票據按年利率5.75%計息，每半年於3月9日及9月9日支付，並將於2020年3月9日到期（除非提早贖回）。發售價為2017年3月票據本金總額的98.986%。

於2017年11月20日，本公司發行本金總額300,000,000美元的優先票據（「2017年11月票據」）。2017年11月票據於新加坡證券交易所有限公司上市。2017年11月票據按年利率7.25%計息，每半年於5月20日及11月20日支付，並將於2022年11月20日到期（除非提早贖回）。發售價為2017年11月票據本金總額的97.96%。

## Notes to Interim Condensed Consolidated Financial Statements (Continued) 中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

### 21. Senior Notes (Continued)

On 25 January 2018, the Company issued senior notes with the aggregate principal amount of US\$250,000,000 (the "2018 January Notes"). The 2018 January Notes are listed on the Singapore Exchange Securities Trading Limited. The 2018 January Notes carry interest at the rate of 7.25% per annum, payable semi-annually on 25 January and 25 July in arrears, and will mature on 25 January 2021, unless redeemed earlier. The offering price was at 99.011% of the principal amount of the 2018 January Notes.

On 24 May 2018 and 4 June 2018, the Company issued senior notes with the aggregate principal amounts of US\$150,000,000 and US\$100,000,000, respectively, (collectively known as the "2018 May Notes"). The 2018 May Notes are listed on the Singapore Exchange Securities Trading Limited. The 2018 May Notes carry interest at the rate of 10.875% per annum, payable semi-annually on 24 February and 24 August in arrears, and will mature on 24 August 2020, unless redeemed earlier. The offering prices were at 99.654% and 99.649% of the principal amounts of the 2018 May Notes of US\$150,000,000 and US\$100,000,000, respectively.

On 26 September 2018, a subsidiary of the Company sold part of the 2018 January Notes repurchased from the open market with carrying amount of US\$6,802,000 (equivalent to HK\$53,052,000).

### 21. 優先票據(續)

於2018年1月25日，本公司發行本金總額250,000,000美元的優先票據(「2018年1月票據」)。2018年1月票據於新加坡證券交易所有限公司上市。2018年1月票據按年利率7.25%計息，每半年於1月25日及7月25日支付，並將於2021年1月25日到期(除非提早贖回)。發售價為2018年1月票據本金總額的99.011%。

於2018年5月24日及6月4日，本公司分別發行本金總額150,000,000美元及100,000,000美元的優先票據(統稱為「2018年5月票據」)。2018年5月票據於新加坡證券交易所有限公司上市。2018年5月票據按年利率10.875%計息，每半年於2月24日及8月24日支付，並將於2020年8月24日到期(除非提早贖回)。2018年5月票據之150,000,000美元及100,000,000美元發售價分別為本金總額的99.654%及99.649%。

於2018年9月26日，本公司的一家附屬公司以賬面值6,802,000美元(相等於53,052,000港元)出售於市場回購的2018年1月票據。

## Notes to Interim Condensed Consolidated Financial Statements (Continued) 中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

### 21. Senior Notes (Continued)

The senior notes recognized in the statement of financial position were calculated as follows:

### 21. 優先票據(續)

已於財務狀況表確認的優先票據計算如下：

		<b>30 September 2018 2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)</b>	31 March 2018 2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Carrying amount at the beginning of period/year	期/年初的賬面值	<b>9,230,272</b>	6,425,992
Additions	新增	<b>1,964,754</b>	4,149,512
Interest expenses	利息開支	<b>414,343</b>	452,711
Payment for interests	支付利息	<b>(312,575)</b>	(318,825)
Redemption of 2014 Notes	贖回2014年票據	-	(1,479,118)
Repurchase of 2016 Notes, 2017 March Notes, 2017 November Notes, 2018 January Notes and 2018 May Notes	回購2016年票據、 2017年3月票據、 2017年11月票據、 2018年1月票據及 2018年5月票據	<b>(389,130)</b>	-
		<b>10,907,664</b>	9,230,272

(i) During the period, the Company and a subsidiary of the Company repurchased of part of the 2016 Notes, 2017 March Notes, 2017 November Notes, 2018 January Notes and 2018 May Notes with an aggregated principal amount of US\$50,500,000 (equivalent to HK\$393,900,000) from the open market. The total consideration of the repurchase was US\$40,877,000 (equivalent to HK\$318,847,000). The carrying amount of the repurchase was US\$49,888,000 (equivalent to HK\$389,130,000), resulting in a gain on repurchase amounting to HK\$70,283,000 in the current period.

As at 30 September 2018, the fair value of the senior notes amounted to HK\$9,054,834,000 (31 March 2018: HK\$8,894,383,000). The fair value was calculated by using the quoted market price of the senior notes on 30 September 2018.

(i) 於本期間，本公司和本公司的一家附屬公司於公開市場回購部份2016年票據、2017年3月票據、2017年11月票據、2018年1月票據及2018年5月票據合共本金金額為50,500,000美元(相等於393,900,000港元)。回購總代價為40,877,000美元(相等於318,847,000港元)。所回購之票據的賬面值為49,888,000美元(相等於389,130,000港元)，導致於本期間錄得70,283,000港元之回購收益。

於2018年9月30日，優先票據的公平值為9,054,834,000港元(2018年3月31日：8,894,383,000港元)。公平值乃使用優先票據於2018年9月30日的市場價格計算。



## Notes to Interim Condensed Consolidated Financial Statements (Continued) 中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

### 22. Medium-Term Notes

The Group has the following medium-term notes remain in issue at the end of the reporting period:

- (i) On 9 May 2014, China South International completed the issuance of the first tranche of medium-term notes of 2014 (the “2014 First Tranche MTN”) with a total principal amount of RMB1,000,000,000 in the national inter-bank market of the PRC. The 2014 First Tranche MTN carry interest at the rate of 7.5% per annum, payable annually on 9 May in arrears, and will mature on 9 May 2019.
- (ii) On 12 September 2014, China South International completed the issuance of the second tranche of medium-term notes of 2014 (the “2014 Second Tranche MTN”) with a total principal amount of RMB1,000,000,000 in the national inter-bank market of the PRC. The 2014 Second Tranche MTN carry interest at the rate of 8.4% per annum, payable annually on 12 September in arrears, and will mature on 12 September 2019.
- (iii) On 13 July 2015, China South International completed the issuance of the first tranche of medium-term notes of 2015 (the “2015 First Tranche MTN”) with a total principal amount of RMB2,000,000,000 in the national inter-bank market of the PRC. The 2015 First Tranche MTN carry interest at the rate of 7.0% per annum, payable annually on 13 July in arrears, and matured on 13 July 2018. The amount was fully settled in July 2018.

### 22. 中期票據

本集團於報告期末尚有以下中期票據在發行：

- (i) 華南國際於2014年5月9日完成在中國銀行間市場發行2014年第一期中期票據，本金總額為人民幣1,000,000,000元。2014年第一期中期票據年利率為7.5%，每年於5月9日支付，並將於2019年5月9日到期。
- (ii) 華南國際於2014年9月12日完成在中國銀行間市場發行2014年第二期中期票據，本金總額為人民幣1,000,000,000元。2014年第二期中期票據年利率為8.4%，每年於9月12日支付，並將於2019年9月12日到期。
- (iii) 華南國際於2015年7月13日完成在中國銀行間市場發行2015年第一期中期票據，本金總額為人民幣2,000,000,000元。2015年第一期中期票據年利率為7.0%，每年於7月13日支付，並於2018年7月13日到期。其金額已於2018年7月全數支付。

Notes to Interim Condensed Consolidated Financial Statements (Continued)  
 中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

**22. Medium-Term Notes (Continued)**

The medium-term notes recognized in the statement of financial position were calculated as follows:

**22. 中期票據(續)**

已於財務狀況表確認的中期票據計算如下：

		<b>30 September 2018 2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)</b>	31 March 2018 2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Carrying amount at the beginning of period/year	期／年初的賬面值	<b>5,251,644</b>	4,723,000
Interest expenses	利息開支	<b>149,163</b>	367,288
Payment for interests	支付利息	<b>(353,059)</b>	(352,581)
Repayment of 2015 First Tranche MTN	償還2015年第一期中期票據	<b>(2,352,443)</b>	–
Exchange realignment	匯兌調整	<b>(390,724)</b>	513,937
Carrying amount at the end of period/year	期／年末的賬面值	<b>2,304,581</b>	5,251,644
Current portion	即期部份	<b>(2,304,581)</b>	(2,622,149)
Non-current portion	非即期部份	–	2,629,495

The fair value of the medium-term notes as at 30 September 2018 amounted to HK\$2,212,748,000 (31 March 2018: HK\$5,261,155,000). The fair value was calculated by using the quoted market price of the medium-term notes on 30 September 2018.

於2018年9月30日，中期票據的公平值為2,212,748,000港元(2018年3月31日：5,261,155,000港元)。公平值乃使用中期票據於2018年9月30日的市場價格計算。

Notes to Interim Condensed Consolidated Financial Statements (Continued)  
 中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

### 23. Corporate Bonds

The Group has the following corporate bonds remain in issue at the end of the reporting period:

On 13 April 2015, China South International completed the issuance of the corporate bonds with a total principal amount of RMB1,500,000,000 on the Shanghai Stock Exchange of the PRC. The corporate bonds carry interest at the rate of 7.0% per annum, payable annually on 13 April in arrears, and have a term of up to 6 years at maximum.

On 13 April 2018, China South International had redeemed a portion of above corporate bonds with principal amount of RMB1,499,518,000 (equivalent to HK\$1,866,186,000) from the open market, and the remaining portion carry interest at the rate of 8.05% per annum, payable annually on 13 April in arrears, and will mature on 13 April 2021.

The corporate bonds recognized in the statement of financial position were calculated as follows:

### 23. 企業債券

本集團於報告期末尚有以下企業債券在發行：

華南國際於2015年4月13日完成於中國上海證券交易所發行本金總額為人民幣1,500,000,000元的企業債券。企業債券年利率為7.0%，於每年4月13日支付，期限最長為6年。

於2018年4月13日，華南國際於市場贖回部分本金為人民幣1,499,518,000元（相等於1,866,186,000港元）的企業債券。剩餘部份的企業債券之年利率為8.05%，於每年4月13日支付並於2021年4月13日到期。

已於財務狀況表確認的企業債券計算如下：

		<b>30 September 2018 2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)</b>	31 March 2018 2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Carrying amount at the beginning of period/year	期／年初的賬面值	<b>1,978,294</b>	1,778,744
Redemption	贖回	<b>(1,866,186)</b>	-
Interest expenses	利息開支	<b>26,708</b>	129,785
Payment for interests	支付利息	<b>(123,984)</b>	(123,816)
Exchange realignment	匯兌調整	<b>(14,284)</b>	193,581
Carrying amount at the end of period/year	期／年末的賬面值	<b>548</b>	1,978,294

The fair value of the corporate bonds as at 30 September 2018 amounted to HK\$500,000 (31 March 2018: HK\$1,874,550,000). The fair value was calculated by using the quoted market price of the corporate bonds on 30 September 2018.

於2018年9月30日，企業債券的公平值為500,000港元(2018年3月31日：1,874,550,000港元)。公平值乃使用企業債券於2018年9月30日的市場價格計算。

Notes to Interim Condensed Consolidated Financial Statements (Continued)  
 中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

## 24. Domestic Company Bonds

The Group has the following domestic company bonds remain in issue at the end of the reporting period:

On 14 January 2016, China South International completed the issuance of the first tranche of domestic company bonds of 2016 (the “2016 First Tranche DCB”) with a total principal amount of RMB3,000,000,000 on the Shenzhen Stock Exchange of the PRC. The 2016 First Tranche DCB carry interest at the rate of 5.98% per annum, payable annually on 13 January in arrears, and will mature on 13 January 2019.

On 4 May 2016, China South International completed the issuance of the second tranche of domestic company bonds of 2016 (the “2016 Second Tranche DCB”) with a total principal amount of RMB1,400,000,000 on the Shenzhen Stock Exchange of the PRC. The 2016 Second Tranche DCB carry interest at the rate of 6.85% per annum, payable annually on 3 May in arrears, and will mature on 3 May 2019.

The domestic company bonds recognized in the statement of financial position were calculated as follows:

## 24. 境內公司債券

本集團於報告期末尚有以下境內公司債券在發行：

華南國際於2016年1月14日完成於深圳證券交易所發行本金總額為人民幣3,000,000,000元的2016年第一期境內公司債券。2016年第一期境內公司債券年利率為5.98%，每年於1月13日支付，並將於2019年1月13日到期。

華南國際於2016年5月4日完成於深圳證券交易所發行本金總額為人民幣1,400,000,000元的2016年第二期境內公司債券。2016年第二期境內公司債券年利率為6.85%，每年於5月3日支付，並將於2019年5月3日到期。

已於財務狀況表確認的境內公司債券計算如下：

		<b>30 September 2018 2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)</b>	31 March 2018 2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Carrying amount at the beginning of period/year	期／年初的賬面值	<b>5,644,169</b>	5,079,429
Interest expenses	利息開支	<b>168,531</b>	336,868
Payment for interests	支付利息	<b>(113,238)</b>	(324,633)
Exchange realignment	匯兌調整	<b>(515,841)</b>	552,505
Carrying amount at the end of period/year	期／年末的賬面值	<b>5,183,621</b>	5,644,169
Current portion	即期部份	<b>(5,183,621)</b>	(3,789,933)
Non-current portion	非即期部份	-	1,854,236

The fair value of the domestic company bonds as at 30 September 2018 amounted to HK\$4,848,860,000 (31 March 2018: HK\$5,169,152,000). The fair value was calculated by using the quoted market price of the domestic company bonds on 30 September 2018.

於2018年9月30日，境內公司債券的公平值達4,848,860,000港元(2018年3月31日：5,169,152,000港元)。公平值乃使用境內公司債券於2018年9月30日的市場價格計算。

Notes to Interim Condensed Consolidated Financial Statements (Continued)  
 中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

## 25. Share Capital

## 25. 股本

		<b>30 September 2018 2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)</b>	31 March 2018 2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Issued and fully paid	已發行及繳足：		
8,009,571,999 (31 March 2018: 8,009,571,999) ordinary shares	8,009,571,999股(2018年3月31日： 8,009,571,999股)普通股	<b>7,060,973</b>	7,060,973

## 26. Share Options

The Company has adopted a share option scheme on 4 September 2009 (the "Share Option Scheme") to provide incentives and reward to selected eligible persons which include directors, employees, officers, agents, consultants or representatives of the Group for their contribution or potential contribution to the Company or its subsidiaries. The Share Option Scheme became effective on 30 September 2009 and, unless otherwise canceled or amended, will remain in force for 10 years from that date.

The following share options were outstanding under the Share Option Scheme during the period:

## 26. 購股權

本公司已於2009年9月4日採納購股權計劃(「購股權計劃」)，向對本公司或其附屬公司作出貢獻或潛在貢獻的經甄選合資格人士(包括本集團董事、僱員、高級職員、代理、顧問或代表)提供獎勵及回報，購股權計劃自2009年9月30日起生效，並由當日起持續十年(除非取消或作出修訂)有效。

下列購股權於期內根據購股權計劃尚未行使：

		<b>30 September 2018 2018年9月30日</b>		31 March 2018 2018年3月31日	
		<b>Weighted average price per share 每股加權 平均行使價 HK\$ 港元</b>	<b>Number of options 購股權數目 '000 千份</b>	Weighted average price per share 每股加權 平均行使價 HK\$ 港元	Number of options 購股權數目 '000 千份
At beginning of period/year	於期/年初	<b>2.4815</b>	<b>408,790</b>	2.8165	310,540
Granted during the period/year	期/年內授出	<b>1.8100</b>	<b>25,500</b>	1.5200	120,000
Lapsed during the period/year	期/年內失效	<b>1.9073</b>	<b>(26,000)</b>	2.0000	(18,500)
Exercised during the period/year	期/年內行使	-	-	1.7223	(3,250)
At end of period/year	於期/年末	<b>2.4762</b>	<b>408,290</b>	2.4815	408,790



Notes to Interim Condensed Consolidated Financial Statements (Continued)  
 中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

**26. Share Options** (Continued)

The exercise prices and exercise periods of the share options outstanding as at the end of the reporting period are as follows:

**26. 購股權**(續)

於報告期末，未行使購股權的行使價及行使期如下：

Number of options 購股權數目 '000 千股	Exercise price 行使價 HK\$ per share 每股港元	Exercise period 行使期
22,000	4.14	17-02-2014 to 16-02-2019 2014年2月17日至2019年2月16日
23,000	4.14	17-02-2015 to 16-02-2019 2015年2月17日至2019年2月16日
1,000	4.14	17-02-2016 to 16-02-2019 2016年2月17日至2019年2月16日
49,650	4.07	30-06-2014 to 29-06-2019 2014年6月30日至2019年6月29日
49,650	4.07	30-06-2015 to 29-06-2019 2015年6月30日至2019年6月29日
39,995	1.528	13-01-2016 to 12-01-2021 2016年1月13日至2021年1月12日
39,995	1.528	13-01-2017 to 12-01-2022 2017年1月13日至2022年1月12日
14,250	1.75	22-08-2016 to 21-08-2021 2016年8月22日至2021年8月21日
18,750	1.75	22-08-2017 to 21-08-2022 2017年8月22日至2022年8月21日
4,500	1.75	22-08-2018 to 21-08-2023 2018年8月22日至2023年8月21日
40,000	1.52	03-07-2017 to 02-07-2022 2017年7月3日至2022年7月2日
60,000	1.52	03-07-2018 to 02-07-2023 2018年7月3日至2023年7月2日
10,000	1.52	03-07-2019 to 02-07-2024 2019年7月3日至2024年7月2日
10,000	1.52	03-07-2020 to 02-07-2025 2020年7月3日至2025年7月2日
5,250	1.81	13-04-2018 to 12-04-2023 2018年4月13日至2023年4月12日
12,750	1.81	13-04-2019 to 12-04-2024 2019年4月13日至2024年4月12日
7,500	1.81	13-04-2020 to 12-04-2025 2020年4月13日至2025年4月12日
408,290		

## Notes to Interim Condensed Consolidated Financial Statements (Continued) 中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

### 26. Share Options (Continued)

The Group recognized a share option expense of HK\$13,568,000 (six months ended 30 September 2017: HK\$27,886,000) during the six months ended 30 September 2018.

At the end of the reporting period, the Company had 408,290,000 share options outstanding under the Share Option Scheme, which represented approximately 5.10% of the Company's shares in issue as at that date. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 408,290,000 additional ordinary shares of the Company and additional share capital of HK\$1,010,996,000 (before issue expenses).

### 27. Acquisition of a Subsidiary

As at 31 March 2018, Harbin China South City Company Limited ("CSC Harbin"), a subsidiary of the Company, held a 25% equity interest in Harbin Huayilong Fur Market Co., Ltd. ("Huayilong"), which was accounted for as an investment in an associate.

On 12 April 2018, CSC Harbin entered into a share purchase agreement with the then existing shareholders of Huayilong to acquire additional 45.07% equity interests in Huayilong with no consideration. Upon completion of the share purchase, CSC Harbin held 70.07% of the equity interest in Huayilong. On 12 April 2018, the Group obtained control over Huayilong, which then became a subsidiary of the Company.

The Group has elected to measure the non-controlling interests in Huayilong at the non-controlling interest's proportionate share of Huayilong's identifiable net assets.

### 26. 購股權(續)

截至2018年9月30日止六個月，本集團確認購股權開支合共13,568,000港元(截至2017年9月30日止六個月：27,886,000港元)。

於報告期末，根據購股權計劃，本公司有408,290,000份未行使購股權，相當於本公司當日已發行股份約5.10%。根據本公司現時的資本結構而言，全數行使未行使購股權將會導致本公司發行408,290,000股額外普通股及額外股本1,010,996,000港元(扣除發行開支前)。

### 27. 收購一家附屬公司

於2018年3月31日，本公司附屬公司哈爾濱華南城有限公司(「哈爾濱華南城公司」)持有哈爾濱華億龍皮草城有限公司(「華億龍」)25%股權，列作於一家聯營公司的投資入賬。

於2018年4月12日，哈爾濱華南城公司與華億龍當時現任股東訂立股份購買協議，無需代價收購華億龍額外的45.07%股權。於股份購買完成後，哈爾濱華南城公司持有華億龍的70.07%股權。於2018年4月12日，本集團取得華億龍的控制權，其後，該公司成為本公司的附屬公司。

本集團已選擇以非控股權益應佔華億龍可識別資產淨值的比例，計算於華億龍的非控股權益。

Notes to Interim Condensed Consolidated Financial Statements (Continued)  
 中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

**27. Acquisition of a Subsidiary (Continued)**

The fair values of the identifiable assets and liabilities of Huayilong as at the date of acquisition were as follows:

**27. 收購一家附屬公司(續)**

華億龍於收購日期之可識別資產及負債公平值如下：

		Fair value recognized on acquisition 於收購時確認之 公平值 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	2,842
Trade receivables	應收貿易賬款	413
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	5,776
Cash and cash equivalents and restricted cash	現金及現金等價物及受限制現金	1,855
Trade and other payables	貿易及其他應付款項	(161,451)
<b>Total identifiable net liabilities at fair value</b>	<b>按公平值計量的可識別負債淨值總額</b>	<b>(150,565)</b>
Non-controlling interests	非控股權益	6,401
		(144,164)
Goodwill	商譽	144,164
		-
Satisfied by:	以下方式支付：	
Previously held equity interest remeasured at acquisition-date fair value	按收購日期公平值重新計量的 先前持有的股權	-
Total consideration	代價總額	-

Huayilong is mainly engaged in operation of fur market center and is regarded as one separate CGU ("Huayilong CGU"), therefore, the total carrying amount of the above goodwill is allocated to Huayilong CGU.

華億龍從事經營皮草交易中心及被視為一個獨立的現金產生單位(「華億龍現金產生單位」)，所以，該等商譽之賬面值已全數分配至華億龍現金產生單位。

Notes to Interim Condensed Consolidated Financial Statements (Continued)  
 中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

**27. Acquisition of a Subsidiary (Continued)**

The recoverable amount of Huayilong CGU has been determined based on a value in use calculation using cash flow projections based on financial budgets approved by senior management covering a five-year period. The key assumptions adopted on the growth rate and discount rate used in the value-in-use calculation are based on management's best estimates. The growth rate of 3% is determined by considering both internal and external factors and does not exceed the average long-term growth rate for the relevant industry. The discount rate applied to the cash flow projections is 15%, which is before tax and reflect specific risks relating to the relevant units.

During the period, an impairment loss of HK\$134,228,000 was recognized to write down the carrying amount of goodwill allocated to Huayilong CGU. The impairment loss is recognized in the "Other expenses" in the interim condensed consolidated statement of profit or loss (note 7).

An analysis of the cash flows in respect of the acquisition of a subsidiary is as follows:

**27. 收購一家附屬公司(續)**

華億龍現金產生單位的可收回金額使用價值計算法確定。該計算法使用以高級管理層批准為期五年的財務預算為基準的現金流量預測。價值計算法中的增長率及貼現率採用的主要假設是以管理層的最佳預測為基準。3%的增長率是考慮有關內部及外部因素而確定並不會超過與現金產生單位有關之行業之長期平均增長率。除稅前的現金流量預測的貼現率為15%，及反映現金產生單位特定風險。

分配至華億龍現金產生單位的商譽賬面值已於本期間確認134,228,000港元之減值虧損。減值虧損已於中期簡明綜合損益表「其他開支」項內確認(附註7)。

有關收購附屬公司的現金流量分析如下：

		HK\$'000 千港元
Cash consideration	現金代價	-
Cash and cash equivalents and restricted cash acquired	所獲現金及現金等價物及受限制資金	1,855
Net inflow of cash and cash equivalents and restricted cash included in cash flows from investing activities	計入投資活動現金流的現金及現金等價物及受限制資金淨流入	1,855

Since the acquisition, Huayilong contributed HK\$3,340,000 to the Group's turnover and net loss of HK\$4,582,000 for the period ended 30 September 2018.

Had the combination taken place at the beginning of the period, the revenue and the profit of the Group for the period would have been HK\$5,212,666,000 and HK\$848,709,000, respectively.

自是次收購後，截至2018年9月30日止期間，華億龍為本集團收入額貢獻3,340,000港元及帶來淨虧損4,582,000港元。

若該合併於本期間初發生，則本集團於本期間的收入及利潤分別為5,212,666,000港元及848,709,000港元。

## Notes to Interim Condensed Consolidated Financial Statements (Continued) 中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

### 28. Contingent Liabilities

At the end of each reporting period, contingent liabilities not provided for in the financial statements were as follows:

### 28. 或然負債

於報告期末，財務報表內未有撥備的或然負債如下：

	30 September 2018 2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2018 2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Guarantees given to banks in connection with facilities granted to third parties*	13,505,929	12,574,525

\* The Group has provided guarantees in respect of banking facilities granted by certain banks to the purchasers of the Group's properties held for sale and held for finance lease. Pursuant to the terms of the guarantees, if there is default of the loan payments by the purchasers and lessees, the Group is responsible to repay the outstanding loans together with accrued interest thereon and any penalty owed by the defaulted purchasers and lessees to banks. The Group is then entitled to take over the legal titles and usage rights of the related properties. For trade center units and residential properties sold, the guarantee period commences from the dates of grant of the relevant loans and ends when the purchasers obtain the building ownership certificates which will then be pledged with the banks. For residential and commercial properties under finance leases, the guarantees will be released along with the full repayment of loan principals by the lessees.

The Group did not incur any material losses during the period in respect of the guarantees provided for mortgage facilities granted to the purchasers and lessees of the Group's properties. The directors consider that in case of default on payments, the net realizable value of the related properties can cover the repayment of the outstanding mortgage loans together with any accrued interest and penalty, and therefore the fair value of the guarantees is not significant.

\* 本集團就若干銀行授予本集團持作銷售物業及融資租賃物業的買家的銀行信貸提供擔保。根據該等擔保條款，倘該等買家及承租人拖欠貸款還款，本集團負責償還未付貸款，連同應計利息，以及欠款買家及承租人結欠銀行的任何罰金。其後，本集團有權接管相關物業的法律業權及使用權。已售交易中心商舖及住宅物業方面，擔保期由相關貸款授出日期起至買家取得其後抵押予銀行的房地產權證日期止。就融資租賃下的住宅及商業物業而言，擔保將隨承租人償還貸款本金解除。

本集團於期內並無因向本集團物業的買家及承租人於獲授按揭融資所提供擔保而錄得任何重大虧損。董事認為，倘出現拖欠款項的情況，相關物業的可變現淨值足以支付未償還按揭貸款連同任何應計利息及罰款，是故擔保公平值並不重大。



Notes to Interim Condensed Consolidated Financial Statements (Continued)  
 中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

**29. Commitments**

The Group had the following commitments at the end of each reporting period:

**29. 承擔**

於報告期末，本集團有以下承擔：

		<b>30 September 2018 2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)</b>	31 March 2018 2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Contracted, but not provided for:	已訂約但未撥備：		
Properties under development	發展中物業	<b>11,561,716</b>	10,470,922
Prepaid land lease payments	預付土地出租金	-	254,416
<b>Total</b>	<b>總計</b>	<b>11,561,716</b>	10,725,338

**30. Related Party Transactions**

**(a) Outstanding balances with related parties:**

**30. 關連人士交易**

**(a) 與關連人士之間的未結付結餘：**

			<b>30 September 2018 2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)</b>	31 March 2018 2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Due from an associate	應收一家聯營公司款項	(i)	-	142,112

Note:

(i) As at 31 March 2018, the amount due from an associate was unsecured, interest-free and had no fixed terms of repayment.

附註：

(i) 於2018年3月31日，應收一家聯營公司款項為無抵押、免息及無固定還款期。

Notes to Interim Condensed Consolidated Financial Statements (Continued)  
 中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

**30. Related Party Transactions (Continued)**  
**(b) Compensation of key management personnel of the Group:**

**30. 關連人士交易(續)**  
**(b) 本集團主要管理人員薪酬：**

		For the six months ended 30 September 截至9月30日止六個月	
		2018 2018年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 2017年 HK\$'000 千港元 (Unaudited) (未經審核)
Short term employee benefits	短期僱員福利	13,515	13,909
Post-employment benefits	離職後福利	36	38
Share-based payments	以權益結算的購股權開支	10,256	21,322
Total compensation paid to key management personnel	支付予主要管理人員的薪酬總額	23,807	35,269

**31. 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:

**31. 金融工具之公平值及公平值層級**

本集團及本公司之金融工具之賬面值及公平值(賬面值與公平值極其相近者除外)如下：

		Carrying amounts 賬面值		Fair values 公平值	
		30 September 2018 2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2018 2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)	30 September 2018 2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2018 2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Short-term notes	短期融資券	–	625,100	–	647,446
Senior notes	優先票據	10,907,664	9,230,272	9,054,834	8,894,383
Medium-term notes	中期票據	2,304,581	5,251,644	2,212,748	5,261,155
Corporate bonds	企業債券	548	1,978,294	500	1,874,550
Domestic company bonds	境內公司債券	5,183,621	5,644,169	4,848,860	5,169,152
		18,396,414	22,729,479	16,116,942	21,846,686

For the six months ended 30 September 2018 截至2018年9月30日止六個月

### 31. Fair Value and Fair Value Hierarchy of Financial Instruments (Continued)

Management has assessed that the fair values of cash and cash equivalents, trade receivables, financial assets included in prepayments, deposits and other receivables, financial liabilities included in trade and other payables, current portion of interest-bearing bank and other borrowings and amount due from an associate, approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's management is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The management reports directly to the directors and the audit committee. At each reporting date, the management analyzes the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the directors. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

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 non-current portion of other long-term receivables and 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. The Group's own non-performance risk in interest-bearing bank and other borrowings as at 30 September 2018 was assessed to be insignificant. The fair values of the non-current portion of other long-term receivables and interest-bearing bank and other borrowings are not materially different from their carrying amounts.

The fair values of senior notes, medium-term notes, corporate bonds and domestic company bonds were calculated by using the quoted market prices on 30 September 2018.

### 31. 金融工具之公平值及公平值層級(續)

管理層已評估現金及現金等價物、應收賬款、金融資產包括預付款、訂金及其他應收款項、金融負債包括應付及其他應付款項、計息銀行及其他借貸的即期部分及應收一家聯營公司款項之公平值與其各自之賬面值相若，主要因為該等工具於短期內到期。

本集團管理層負責釐定金融工具公平值計量之政策及程序。管理層直接向董事及審核委員會報告。於各報告日期，管理層分析金融工具之價值變動並釐定估值中適用的主要元素。估值由董事審閱及批准。估值過程及結果由審核委員會每年討論兩次，即中期及年度財務申報時討論。

金融資產及負債的公平值按可在自願雙方(強迫或清盤銷售除外)在現有交易中進行交換的工具之金額入賬。估計公平值所用之方法及假設載述如下：

其他長期應收款項、計息銀行及其他借貸之非即期部分的公平值乃透過使用當前可供金融工具使用之現行利率按類似條款、信用風險及餘下到期日、折讓預期未來現金流量而計算。於2018年9月30日，本集團自身計息銀行及其他借貸之不履約風險被評定為並不重大。其他長期應收款項及計息銀行及其他借貸非即期部分的公平值與賬面值相差不大。

優先票據、中期票據、企業債券及境內公司債券之公平值乃使用2018年9月30日的市場價值計算。

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### 31. Fair Value and Fair Value Hierarchy of Financial Instruments (Continued)

As at 30 September 2018, the Group's financial instruments which comprised financial assets at FVPL were measured at fair value. The Group's financial assets at FVPL comprised listed and unlisted investments, structured bank deposits with floating interest rate and derivative financial instruments. The fair values of listed investments were based on quoted market prices. The fair value of the unlisted investment has been estimated using valuation methodology according to the price of recent investments. The fair values of structured bank deposits with floating interest rate were measured using valuation techniques including Hull-White model and net present value of the cash flows model. The models incorporate various market observable inputs including the interest rate yield curve and foreign exchange forward rate. The Group entered into derivative financial instruments with a financial institution with good credit rating. Derivative financial instruments, including forward currency contracts and foreign currency options, were measured using valuation techniques including the Black-Scholes option pricing model and net present value of the cash flows model. The models incorporate various market observable inputs including the credit quality of the financial institution, risk-free interest rate, foreign exchange forward rate and implied volatility of the exchange rate and spot prices.

### 31. 金融工具之公平值及公平值層級(續)

於2018年9月30日，本集團之金融工具包含透過損益以公平值列賬之金融資產以公平值計算。本集團之透過損益以公平值列賬之金融資產包含上市與非上市投資、浮動利率的結構性銀行存款及衍生金融工具。上市投資的公平值乃根據市場價格釐定。非上市投資的公平值乃根據最近投資的價格使用估值方法估算。浮動利率的結構性銀行存款的公平值乃根據包括赫爾懷特模型及現金流淨現值模型等估值方法計量。該等模型納入包括利率收益曲線及外匯遠期匯率等多項市場可觀察元素。本集團與一家擁有良好信貸評級的金融機構訂立衍生金融工具。衍生金融工具包括遠期貨幣合約和外幣期權，並按包括柏力克－舒爾斯期權定價模型及現金流淨現值模型等估值方法計量。該等模型納入包括該金融機構的信貸質量、無風險利率、外匯遠期匯率以及匯率及現貨價格的隱含波幅等多項市場可觀察元素。

Notes to Interim Condensed Consolidated Financial Statements (Continued)  
 中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

**31. Fair Value and Fair Value Hierarchy of Financial Instruments** (Continued)

**Fair value hierarchy**

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

**Assets measured at fair value:**

		Fair value measurement using 使用於公平值計量			
		Quoted prices in active markets 活躍市場之 報價 (Level 1) (第1級) HK\$'000 千港元 (Unaudited) (未經審核)	Significant observable inputs 重大可觀察 元素 (Level 2) (第2級) HK\$'000 千港元 (Unaudited) (未經審核)	Significant unobservable inputs 重大不可觀察 元素 (Level 3) (第3級) HK\$'000 千港元 (Unaudited) (未經審核)	Total 總額 HK\$'000 千港元 (Unaudited) (未經審核)
As at 30 September 2018	於2018年9月30日				
Listed investments	上市投資	100,630	–	–	100,630
Unlisted investment	非上市投資	–	–	12,627	12,627
Structured bank deposits with floating interest rate	浮動利率的結構性 銀行存款	–	114,327	–	114,327
Derivative financial instruments	衍生金融工具	–	22,866	–	22,866
		<b>100,630</b>	<b>137,193</b>	<b>12,627</b>	<b>250,450</b>
As at 31 March 2018	於2018年3月31日				
Listed investments	上市投資	205,966	–	–	205,966

**Liabilities measured at fair value:**

The Group did not have any financial liabilities measured at fair value as at 30 September 2018 and 31 March 2018.

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfer into or out of Level 3 (six months ended 30 September 2017: Nil).

**31. 金融工具之公平值及公平值層級(續)**

**公平值層級**

本集團運用下列層級，以取決及披露金融工具之公平值：

**按公平值計量之資產：**

**按公平值計量之負債：**

於2018年9月30日及2018年3月31日，本集團並無以公平值計量的金融負債。

期內，公平值計量於第1級與第2級之間並無轉換及無轉入或轉出至第3級(截至2017年9月30日六個月止：無)。



Notes to Interim Condensed Consolidated Financial Statements (Continued)  
 中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

**31. Fair Value and Fair Value Hierarchy of Financial Instruments** (Continued)

**Fair value hierarchy** (Continued)

Liabilities for which fair values are disclosed:

As at 30 September 2018

**31. 金融工具之公平值及公平值層級**(續)

**公平值層級**(續)

已披露公平值之金融負債：

於2018年9月30日

		Fair value measurement using quoted prices in active markets (Level 1) 使用於活躍市場 之報價的公平值計量 (第1級) HK\$'000 千港元 (Unaudited) (未經審核)
Senior notes	優先票據	9,054,834
Medium-term notes	中期票據	2,212,748
Corporate bonds	企業債券	500
Domestic company bonds	境內公司債券	4,848,860
		16,116,942

As at 31 March 2018

於2018年3月31日

		Fair value measurement using quoted prices in active markets (Level 1) 使用於活躍市場 之報價的公平值計量 (第1級) HK\$'000 千港元 (Audited) (經審核)
Short-term notes	短期融資券	647,446
Senior notes	優先票據	8,894,383
Medium-term notes	中期票據	5,261,155
Corporate bonds	企業債券	1,874,550
Domestic company bonds	境內公司債券	5,169,152
		21,846,686

Notes to Interim Condensed Consolidated Financial Statements (Continued)  
中期簡明綜合財務報表附註(續)

For the six months ended 30 September 2018 截至2018年9月30日止六個月

**32. Approval of Interim Condensed Consolidated Financial Statements**

These interim condensed consolidated financial statements were approved and authorized for issue by the board of directors of the Company on 28 November 2018.

**32. 批准中期簡明綜合財務報表**

本公司董事會已於2018年11月28日批准並授權刊發此等中期簡明綜合財務報表。





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